



BANK OF TANZANIA



ANNUAL REPORT 2023/24





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Bank of Tanzania Annual Report 2023/24

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Bank of Tanzania Annual Report 2023/24

December 2024

Hon. Dr. Mwigulu Lameck Nchemba (MP)
Minister of Finance
United Republic of Tanzania
Government City, Mtumba
Hazina Street
P.O. Box 2802
40468 Dodoma
Tanzania.

Honourable Minister,

LETTER OF TRANSMITTAL

In accordance with Section 21(1) of the Bank of Tanzania Act, 2006 Cap.197 as amended, I hereby submit:

- a) a report of the Bank's operations and principal functions in particular its monetary policy and other activities for 2023/24; and
- b) the Balance Sheet and the Profit and Loss Account and associated financial statements as well as detailed notes to the accounts for the year and the previous year's comparative data certified by the external auditor along with the external auditor's opinion.

Yours Sincerely,

Emmanuel M. Tutuba
Governor
Bank of Tanzania



Bank of Tanzania Annual Report 2023/24

Contents

LETTER OF TRANSMITTAL	i
List of Acronyms	iii
Governor's Foreword	v
Board of Directors	vii
Bank of Tanzania Mandate, Mission, Vision and Core Values	ix
Executive Summary	xiii
PART I: GLOBAL ECONOMY	1
PART II: CONDUCT OF MONETARY POLICY	5
PART III: DOMESTIC ECONOMIC PERFORMANCE	9
3.0 Economic Developments	10
4.0 Financial Sector Performance	26
5.0 Payment Systems	31
6.0 Zanzibar Economic Performance	34
PART IV: OTHER ACTIVITIES OF THE BANK OF TANZANIA	39
PART V: ANNUAL ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2023	43
PART VI: CALENDAR OF IMPORTANT MONETARY AND FINANCIAL EVENTS	199
PART VII: STATISTICAL TABLES	201



Bank of Tanzania Annual Report 2023/24

List of Acronyms

AML	Anti-Money Laundering
CBR	Central Bank Rate
CBPR+	Cross Border Payment and Reporting Plus
CPI	Consumer Price Index
CFT	Countering the Financing Terrorism
CGS	Credit Guarantee Schemes
CMGs	Community Microfinance Groups
COFI	Conference of Financial Institution
CSR	Corporate Social Responsibility
DSE	Dar es Salaam Stock Exchange
EAC	East African Community
EAPS	East African Payment System
ECGS	Export Credit Guarantee Scheme
EFT	Electronic Fund Transfer
FATF	Financial Action Task Force
FDI	Foreign Direct Investment
FSIs	Financial Soundness Indicators
FSP	Financial Service Providers
GDP	Gross Domestic Product
GNI	Gross National Income
IBCM	Inter Bank Cash Market
IFEM	Interbank Foreign Exchange Market
IFRSs	International Financial Reporting Standards
IMF	International Monetary Fund
KES	Kenyan shilling
MDAs	Government Ministries, Departments and Agencies
MP	Member of Parliament
MPC	Monetary Policy Committee
MSPs	Microfinance Service Providers
NFIFs	National Financial Inclusion Frameworks
NFRA	National Food Reserve Agency
NHIF	National Health Insurance Fund
NSSF	National Social Security Fund



Bank of Tanzania Annual Report 2023/24

OPEC	Organization of Petroleum-Exporting Countries
PBMS	Plan and Budget Management System
PSSSF	Public Service Social Security Fund
REPO	Repurchase Agreement
RGoZ	Revolutionary Government of Zanzibar
RTGS	Real-Time Gross Settlement System
SACCOS	Savings and Credit Cooperative Societies
SADC	Southern African Development Community
SIPS	Systemically Important Payment Systems
SMEs	Small and Medium Enterprises
SME-CGS	Small and Medium Enterprises Credit Guarantee Scheme
SSR	Self-Sufficiency Ratio
TACH	Tanzania Automated Clearing House System
TanFIX	Tanzania Financial Inclusion Index
TANQR	Tanzania Quick Response Code standard
TCDC	Tanzania Cooperative Development Commission
TIPS	Tanzania Instant Payment Systems
TISS	Tanzania Interbank Settlement Systems
TSI	Tanzania Share Index
URT	United Republic of Tanzania
WCF	Workers Compensation Fund
ZADEP	Zanzibar Development Plan



Bank of Tanzania Annual Report 2023/24

Governor's Foreword

The economy demonstrated remarkable resilience during 2023/24, maintaining a strong growth of 5.1 percent, despite challenges in the global environment. This performance was largely driven by agriculture, construction, and mining. The Bank played a pivotal role in supporting this growth through its effective monetary policy that ensured stable prices, a sound financial sector, and adequate liquidity for private-sector credit expansion. Inflation remained below the target of 5 percent, supported by prudent monetary and fiscal policies, complemented by an adequate food supply.

A landmark development during the year was the transition from a monetary targeting framework to an interest rate-based monetary policy framework in January 2024, aiming at enhancing the conduct and effectiveness of monetary policy. The shift was smooth, fostered stable liquidity in the financial system, and contributed to anchoring inflation expectations to the target.

During the year, global financial tightening posed challenges to foreign currency availability, resulting in depreciation pressure on the Shilling. Nonetheless, the Shilling demonstrated greater stability compared to the currencies of many regional peers. This resulted from decisive measures taken by the Bank to maintain orderly financial market operations, in close alignment with Government initiatives to improve foreign currency inflows. To further enhance economic resilience, the Bank started a gold purchase program under which it purchases gold from the domestic market to boost and diversify foreign reserves.

I am pleased to present this report, which provides an in-depth overview of the key economic developments, the Bank's operations in fulfilling its mandate, and the audited financial statements for the year ending 30th June 2024.

I would like to extend my deepest appreciation to the Board of Directors for their guidance and dedication, and to the Management and Staff of the Bank for their unwavering commitment to excellence. Their collective efforts have been instrumental in attaining the Bank's mandate and setting the stage for future progress.

Emmanuel M. Tutuba
Governor
Bank of Tanzania



Bank of Tanzania Annual Report 2023/24

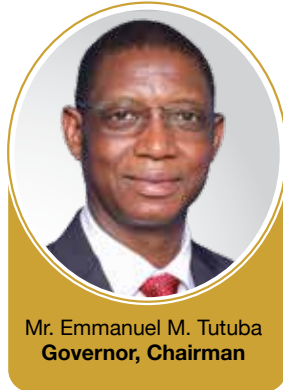
Leadership and Organizational Structure

As per section 9 of the Bank of Tanzania Act, 2006 Cap.197, as amended, the Governor of the Bank of Tanzania serves as the Chairman of the Board of Directors. The Board consists of the Deputy Governors of the Bank of Tanzania, the Permanent Secretary to the Treasury, the Principal Secretary to the Treasury of the Revolutionary Government of Zanzibar, and four non-executive Directors. The Permanent Secretary and Principal Secretary are Ex-Officio members. The composition of the Board during the 2023/24 financial year is outlined below.

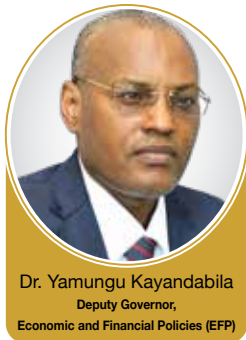


Bank of Tanzania Annual Report 2023/24

Board of Directors



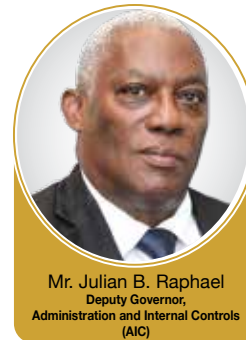
Mr. Emmanuel M. Tutuba
Governor, Chairman



Dr. Yamungu Kayandabila
Deputy Governor,
Economic and Financial Policies (EFP)



Ms. Sauda K. Msemu
Deputy Governor,
Financial Stability and
Financial Deepening (FSD)



Mr. Julian B. Raphael
Deputy Governor,
Administration and Internal Controls
(AIC)



Mr. Elijah G. Mwandumbya¹
Permanent Secretary to the
Treasury of the Government of the
United Republic of Tanzania (URT)



Dr. Juma Akil
Principal Secretary,
President's Office, Finance and
Planning (RGoZ)



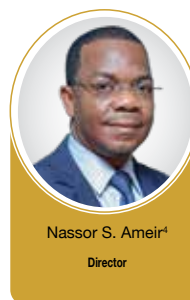
Ms. Esther L. Manyesha
Director



Mr. Ngosha S. Magonya²
Director



Prof. Esther K. Ishengoma³
Director



Nassor S. Ameir⁴
Director

Key:

¹ Appointed on 25th August 2023

² Appointed on 4th September 2023

³ Appointed on 4th September 2023

⁴ Appointed on 3rd November 2023

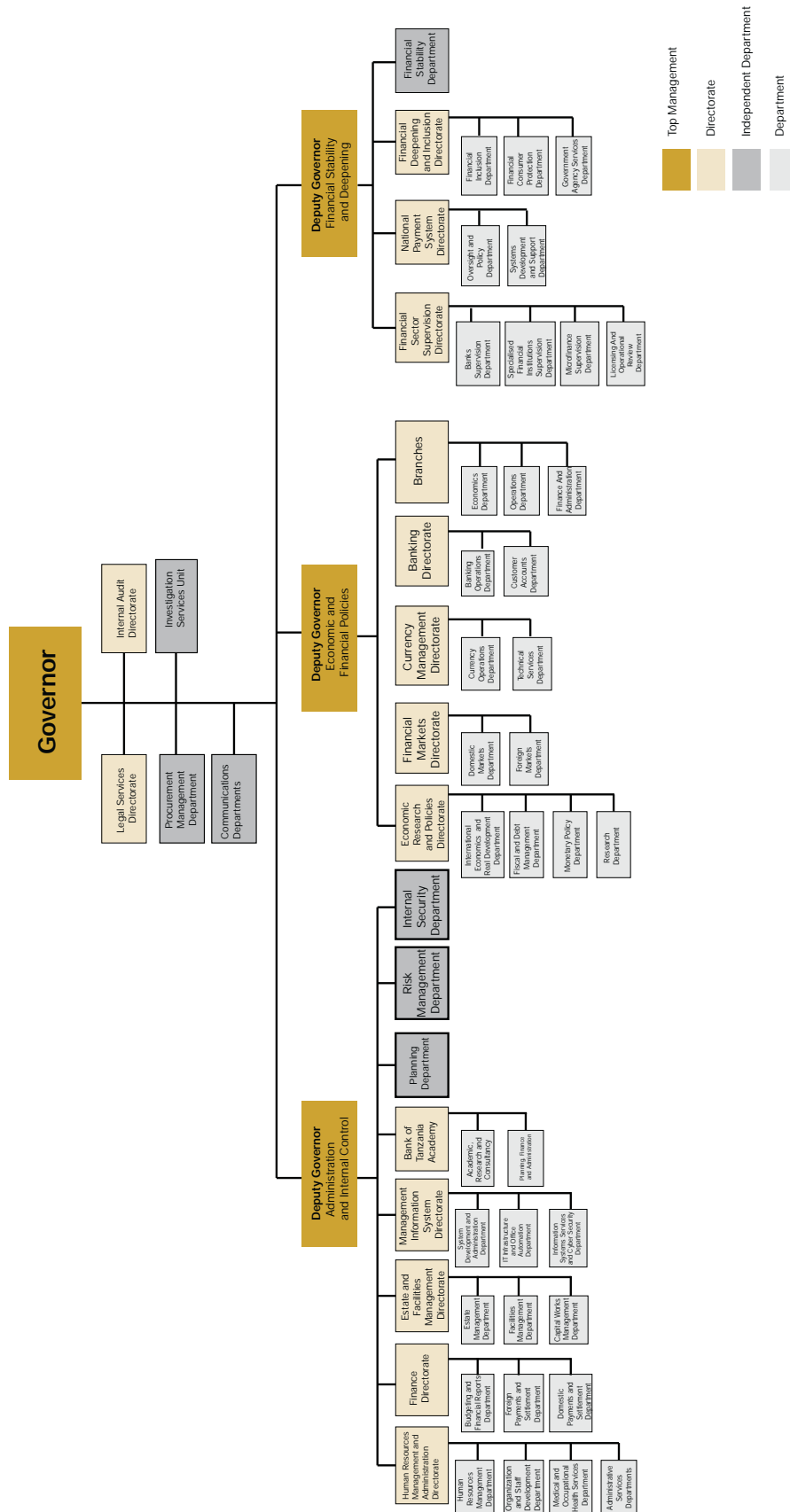


Paloty Luena
Secretary

Organization Structure



Bank of Tanzania Annual Report 2023/24





Bank of Tanzania Annual Report 2023/24

Bank of Tanzania Mandate, Mission, Vision and Core Values

Mandate

The primary objective of the Bank, as enshrined in the Bank of Tanzania Act 2006, Cap. 197 as amended, 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. Without prejudice to the aforementioned, the Bank also ensures the integrity of the financial system, supports the general economic policy of the Governments, and promotes sound monetary, credit and banking conditions conducive to the development of the economy.



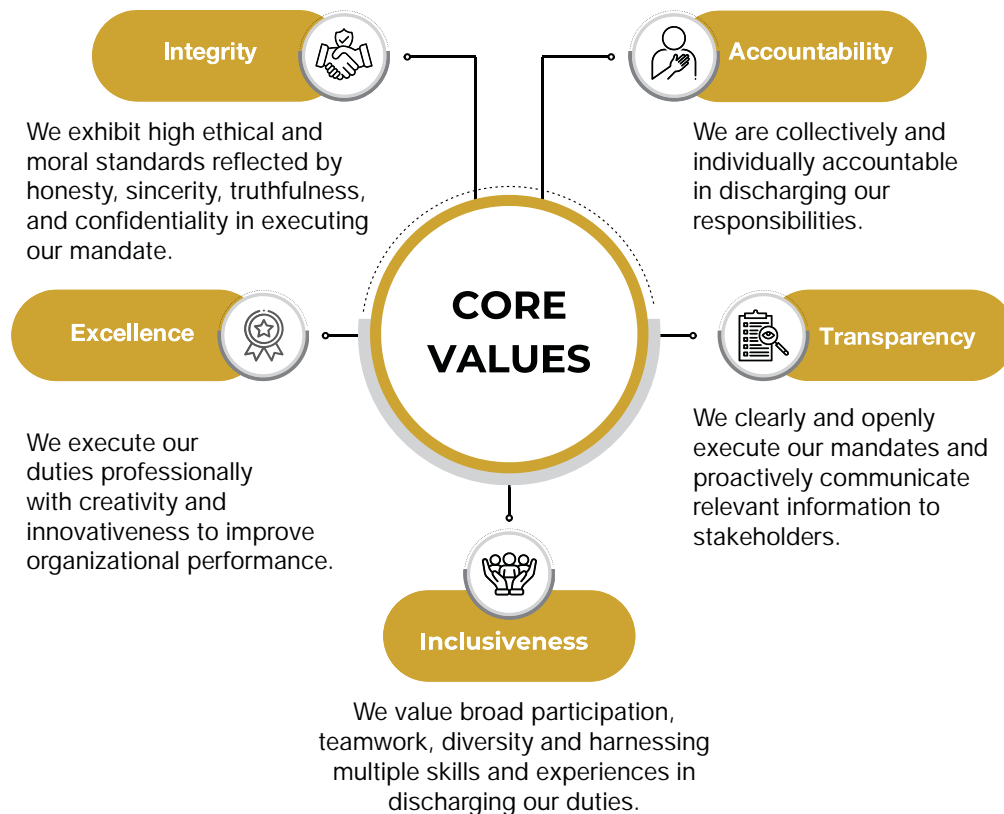
Vision

Maintain price stability and integrity of the financial system for inclusive economic growth.



Mission

To be a Central Bank that effectively fosters macro-economic stability and modernized financial system in sustenance of the country's middle income and beyond.





Monetary Policy Framework of the Bank of Tanzania

The monetary policy of the Bank of Tanzania (the Bank) focuses on maintaining price stability and supporting economic growth. Price stability is defined as a low and stable inflation rate over time. Inflation is measured as an annual change in the consumer price index, expressed in percentage. In the medium-term (up to 5 years), the inflation target is 5 percent. In January 2024, the Bank adopted an interest rate-based monetary policy framework to enhance the effectiveness of monetary policy. Under this forward-looking framework, the Bank uses interest rate, referred to as policy rate or central bank rate (CBR), to influence inflation and growth of the national economy. The CBR serves as an intermediate target and is set consistent with the inflation forecast. The Monetary Policy Committee (MPC) assesses economic conditions and determines the CBR that is consistent with inflation target and economic growth projection.

The Bank of Tanzania strives to steer the 7-day interbank interest rate (the operating target variable) along the policy rate. To achieve this, the Bank focuses on maintaining adequate liquidity in the economy and ensuring stability of interest and exchange rates.

The Bank uses a variety of monetary policy instruments to align the operating target along the policy rate. The main instruments are repurchase agreements (repo and reverse repo), 35-day and 91-day Treasury bills, statutory minimum reserve requirement ratio (SMR), and sale or purchase of foreign currency in the inter-bank foreign exchange market. There are also standing lending facilities—intraday and Lombard loan facilities granted to all banks on demand to ensure efficiency and facilitate smooth and efficient settlement of payments.

In implementing the Policy, the Bank exercises a high degree of transparency in its actions and decisions. The decisions of the MPC, which include setting policy rates, are communicated to banks through post-MPC meetings with Chief Executive Officers of banks and the public through the media. In addition, the Bank publishes MPC meeting statements, Monetary Policy Report, and other periodic reports containing outcomes of monetary policy implementation, monetary policy stance, decisions on policy rate, and the performance of the economy at large. The Monetary policy decision making process is outlined below.



Bank of Tanzania Annual Report 2023/24

Beginning of Fiscal Year	<ol style="list-style-type: none">1. At the beginning of every fiscal year, the Bank of Tanzania indicates the direction/stance of monetary policy in its Monetary Policy Statement consistent with the broader macroeconomic policy objectives of the Governments.2. The Monetary Policy Statement is approved by the Board of Directors of the Bank of Tanzania and submitted to the Parliament through the Minister responsible for finance.
February of the year	<ol style="list-style-type: none">3. The same procedure is followed during the mid-year review of the Monetary Policy Statement, which assesses progress in the implementation of the monetary policy, provides an outlook for the remaining period of the year, and outlines measures to be undertaken to achieve the policy objectives.
Quarterly	<ol style="list-style-type: none">4. The Monetary Policy Committee (MPC) of the Bank's Board of Directors that is, chaired by the Governor, is responsible for setting the Bank's policy rate on a quarterly basis, in line with the broader macroeconomic policy objectives of the Governments.
Daily	<ol style="list-style-type: none">5. The Surveillance Committee of the Bank's Management evaluates developments in the 7-day IBCM rate (operating target) on daily basis and decides on measures to be taken to keep the rate within the desired policy bands.



Bank of Tanzania Annual Report 2023/24

The Economy at Glance in 2022/23 and 2023/24

Select Economic Indicators	2022/23	2023/24
Output and Prices¹		
GDP at current market prices in (TZS trillion)	170.4	188.6
GDP per capita at current prices (TZS million)	2.9	3.1
Real GDP growth (%)	4.7	5.1
Inflation (12-month average, %)	4.6	3.1
Core inflation (12-month average, %)	2.6	3.1
Money and Credit		
Average reserve money (growth in %)	12.8	7.7
Credit to the private sector (growth in %)	22.2	18.1
Growth of extended broad money (M3)	13.7	13.9
Government Budgetary Operations		
Tax revenue to GDP (%)	11.9	12.5
Government expenditure to GDP (%)	19.1	18.4
Development expenditure to GDP (%)	7.8	7.4
Fiscal Deficit to GDP (%)	4.3	3.1
External Sector		
Current account balance to GDP (%)	-6.4	-3.1
Foreign reserves (USD million, June 30)	5,446.1	5,345.5
Reserve months of import cover	4.9	4.4
Average retail exchange rate	2,310.2	2,504.9
Tourist arrivals	1,638,846	1,994,242
Banking Sector		
Commercial Banks	34	34
Gross non-performing loans to gross loans (%)	5.3	4.1
Return on assets (%)	4.5	5.7
Return on equity (%)	21.5	27.3
Bureau de change	9	29
Social Indicators		
Population (million)	59.9	61.7
Population growth rate (%)	3.2	3.2
Zanzibar		
Zanzibar Real GDP growth (%)	6.8	7.4
Zanzibar headline inflation (%)	7.0	5.9
Population (million)	1.8	1.9
Population growth rate (%)	3.7	3.7
GDP per capita at current prices (TZS million)	2.9	3.1

¹ GDP and population figures are in calendar year (i.e. 2022 and 2023).



Bank of Tanzania Annual Report 2023/24

Executive Summary

The economy demonstrated satisfactory performance in 2023, despite the slowdown of the global economy. The economy grew at 5.1 percent, compared with 4.7 percent in 2022. The growth was largely explained by measures taken by the Government to address challenges emanating from global economic headwinds and strategic public investments. Sectors that largely contributed to this growth were agriculture, mining, and construction. The economy is projected to grow by 5.4 percent in 2024, supported by both public and private sector investments and an anticipated increase in exports.

Inflation remained low, stable, and within the country's target and regional benchmarks, averaging 3.1 percent in 2023/24, slowing down from 4.6 percent in the preceding year. The outturn was largely due to the moderation of food prices following good harvests in the 2022/23 crop season and prudent fiscal and monetary policy measures.

As for the implementation of the monetary policy, the Bank focused on shielding the economy from external and domestic shocks. The Bank operated under a monetary targeting framework in the first half of 2023/24. Subsequently, it shifted to an interest rate-based monetary policy framework to enhance the effectiveness of monetary policy in the changing economic and financial environment. Under the new framework, the Central Bank Rate (CBR) served as the primary indicator of the stance of monetary policy. In the first half of 2023/24, liquidity levels in the banking system were well-maintained, and interbank interest rates remained low and stable. In the second half, the Bank set the CBR at 5.5 percent in the first quarter of 2024 and 6 percent in the second quarter to reduce inflationary pressures arising from global

economic developments. As a result, the 7-day interbank cash market rate was contained within the desired band of +/- 200 basis points.

The shilling faced depreciation pressure, particularly in the second half of 2023/24, due to reduced foreign currency liquidity, exacerbated by central banks' decision globally to hike policy rates to contain inflationary pressures. The shilling depreciated by 8.5 percent, compared with 1 percent in 2022/23. In response, the Bank increased foreign exchange market interventions and engaged stakeholders to promote prudent foreign exchange management.

On the Government budgetary operations, expenditures were aligned with available resources. Revenue collection was 95.1 percent of budget estimates, equivalent to 15 percent of GDP. The Government deficit was 3.1 percent of GDP, an improvement from 4.3 percent in the preceding year.

The external sector improved as global shocks subsided. The current account deficit narrowed, supported by declining global commodity prices and rising exports. Foreign reserves stood at USD 5,345.5 million by June 2024, equivalent to 4.4 months of import cover, meeting the national benchmark.

The financial sector remained sound, stable, and resilient. The banking sector, which constitutes a significant portion of the financial sector was strong with improved asset quality, sufficient liquidity levels, profitable operations, and adequately capitalized. The sector's performance was bolstered by regulatory and supervisory measures, coupled with a favourable macroeconomic environment.



The Bank also made strides in consumer protection and financial inclusion initiatives by launching the third National Financial Inclusion Framework (2023–2028). The new framework aims to tackle persisting barriers to financial inclusion in access, usage, quality, and welfare. In implementing the Framework, the Tanzania Financial Inclusion Index was developed to measure the overall progress of financial inclusion to complement demand survey financial inclusion results. Concerning consumer protection, the Bank, among others, resolved 97 percent of customers' complaints received in 2023/24 and continued with efforts to enhance financial literacy to the public. Part of these efforts include developing policies, guidelines, and frameworks to inculcate financial literacy programs into the formal education system and certifying financial literacy educators for the off-school population. Efforts to further improve efficiency in complaints handling are ongoing, with the Bank set to launch the Financial Complaints Resolution System in early 2025. Using this system, complainants can submit their complaints accurately and timely, thus facilitating the Bank in resolving them within a specified timeframe of 45 days.

Payment systems remained stable and efficient during the review year, ensuring the smooth operation of monetary policy and market efficiency. In 2023/24, the Bank launched the Tanzania Instant Payment System, which is expected to significantly improve operational efficiency across the payment ecosystem and reduce customer transfer costs. As of June 2024, the system onboarded 45 financial service providers, of which 39 were banks.

Zanzibar's economy also showed strong growth, reaching 7.4 percent in 2023, up from 6.8 percent in 2022. This performance was driven by various sectors, including finance, insurance, accommodation, and trade, aided by

an improved business environment and reduced global economic disruptions. Growth in 2024 is anticipated to moderate to 7.2 percent as major construction projects conclude. Inflation slowed to an average of 5.9 percent from 7 percent in 2022/23, owing to a decrease in global commodity prices that eased non-food inflation.

Zanzibar's fiscal performance was satisfactory, with revenue collection surpassing estimates and expenditures aligned with the available resources. Tax revenue exceeded the target by 8.1 percent on account of improved tax administration and compliance.

Overall, the external sector in Zanzibar continued to improve relative to the preceding year, with the current account surplus widening, mainly stemming from higher service receipts—particularly, from tourism—and low import bills.

On other operations, the Bank smoothly implemented its strategic plan consistent with broad macroeconomic objectives, with emphasis on strengthening internal governance and improving operational effectiveness. A new Plan and Budget Management System was launched to streamline budgeting, planning, and performance evaluation, in a move to enhance efficiency.

The Bank's financial statements were prepared in accordance with international financial reporting standards and in compliance with the requirements of the Bank of Tanzania Act, 2006. During the year, the Bank received an unqualified audit opinion, confirming a true and fair view of its financial performance and position.



Bank of Tanzania Annual Report 2023/24

PART I

GLOBAL ECONOMY



Bank of Tanzania Annual Report 2023/24

1.1 Output

The global economy remained strong and resilient despite experiencing slower growth. Global growth slowed to 3.2 percent in 2023 from 3.5 percent in 2022, resulting from tightening financial conditions amidst high debt, geopolitical tensions, extreme weather conditions, and prolonged effects of the COVID-19 pandemic (Table 1.1). The slowdown in growth was driven by weakening economic activity in advanced economies, particularly in the Euro area and the United Kingdom. In the Euro area, growth was dampened by weak manufacturing output due to subdued demand, while in the United Kingdom, high inflation and rising borrowing costs adversely affected trade and investment. In 2024, global growth is projected to remain unchanged, with downside risks expected to emanate from climate shocks, escalating geopolitical conflicts, and rising oil prices.

Whereas growth in the SADC region slowed, the EAC moderately improved. The SADC region registered a growth of 3.9 percent, down from 5.0 percent in 2022, due to tight monetary and financial conditions, poor performance in mining and energy sectors, adverse weather conditions, and the depreciation of domestic currencies. Growth in the EAC was driven by favourable weather, increased investment in infrastructure, and the recovery of industries and services. Growth in the two regions is expected to remain positive in 2024 and 2025 (Table 1.2 and Table 1.3).

Table 1.1: Global Real GDP Growth

Country/Region	2019	2020	2021	2022	2023	Percent Projections	
						2024	2025
World	2.8	-2.7	6.5	3.5	3.2	3.2	3.3
Advanced economies	1.8	-3.9	5.7	2.6	1.6	1.7	1.8
United States	2.5	-2.2	5.8	1.9	2.5	2.7	1.9
Euro Area	1.6	-6.1	5.9	3.4	0.4	0.8	1.5
Japan	-0.4	-4.1	2.6	1.0	1.9	0.9	1.0
United Kingdom	1.6	-10.4	8.7	4.3	0.1	0.5	1.5
EMDE	3.6	-1.8	7.0	4.1	4.3	4.2	4.2
China	6.0	2.2	8.5	3.0	5.2	4.6	4.1
India	3.9	-5.8	9.7	7.0	7.8	6.8	6.5
Sub-Saharan Africa	3.2	-1.6	4.7	4.0	3.4	3.8	4.0

Source: IMF, World Economic Outlook Database, April 2024 and July 2024 Updates

Note: EMDE denotes Emerging Market and Developing Economies

Table 1.2: Real GDP Growth in SADC

Country	2019	2020	2021	2022	2023	Percent Projections	
						2024	2025
Angola	-0.7	-5.6	1.2	3.0	0.9	3.1	3.4
Botswana	3.0	-8.7	11.9	5.8	2.7	3.6	4.6
DRC	4.4	1.7	6.2	8.9	6.2	4.7	5.7
Eswatini	2.7	-1.6	10.7	0.5	5.1	3.7	3.3
Lesotho	-3.1	-5.3	1.7	1.6	1.9	2.4	2.5
Madagascar	4.4	-7.1	5.7	4.0	4.0	4.5	4.6
Malawi	5.4	0.9	4.6	0.8	1.5	3.3	3.8
Mauritius	2.9	-14.5	3.4	8.9	6.9	4.9	3.7
Mozambique	2.3	-1.2	2.4	4.4	5.0	5.0	5.0
Namibia	-0.8	-8.1	3.5	4.56	4.2	2.7	2.6
Seychelles	5.5	-11.7	0.6	15.0	3.7	3.2	3.8
South Africa	0.3	-6.0	4.7	1.9	0.6	0.9	1.2
Tanzania	7.0	4.8	4.9	4.7	5.1	5.4	5.8
Zambia	1.4	-2.8	6.2	5.3	5.8	4.7	4.8
Zimbabwe	-6.3	-7.8	8.4	6.5	5.3	3.2	3.2
SADC average	1.9	-4.9	5.1	5.0	3.9	3.7	3.9

Source: National Statistics Offices and IMF, World Economic Outlook Database, April 2024 and July 2024 Updates

Note: DRC denotes the Democratic Republic of the Congo

Table 1.3: Real GDP Growth in EAC

Country	2019	2020	2021	2022	2023	Percent Projections	
						2024	2025
Burundi	-0.7	0.3	3.1	1.8	2.7	4.3	5.4
DRC	4.5	1.7	6.0	8.8	6.1	4.7	5.7
Kenya	5.2	-0.3	7.6	4.9	5.6	5.0	5.3
Rwanda	9.4	-3.4	10.9	8.2	6.9	6.9	7.0
South Sudan	0.9	-6.5	5.3	-5.2	-0.1	5.6	6.8
Tanzania	6.9	4.5	4.8	4.7	5.1	5.4	5.8
Uganda	7.6	-1.1	5.5	6.3	6.0	5.6	6.5
EAC Average	4.8	-0.7	6.2	4.2	4.6	5.4	6.1

Source: National Statistics Offices and IMF, World Economic Outlook Database, April 2024 and July 2024 Updates

Note: DRC denotes the Democratic Republic of the Congo

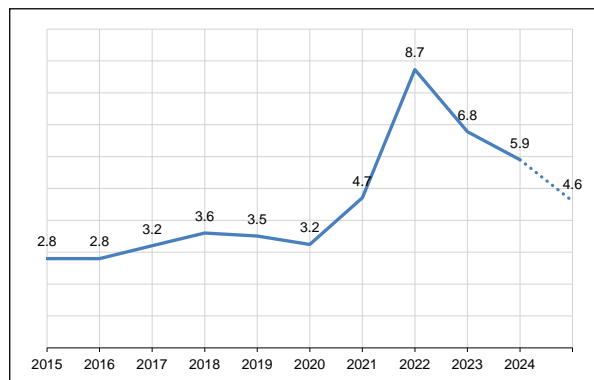


Bank of Tanzania Annual Report 2023/24

1.2 Inflation

Global inflation slowed down, averaging 6.8 percent in 2023, compared to 8.7 in 2022 (Chart 1.1 and Table 1.4)². The easing was largely due to sustained monetary policy tightening by most central banks, along with a moderation in energy and food prices. Energy prices decreased due to increased global energy supply and restrained demand resulting from tight monetary policies by most central banks. Moreover, good harvests in large food-producing countries, reduction of shipping costs, and more affordable energy and fertilizer prices largely explained the decrease in food prices³.

Chart 1.1: Global Inflation



Source: IMF, World Economic Outlook Database

Table 1.4: Inflation in Selected Regions and Countries

Country/Region	Percent						
	2019	2020	2021	2022	2023	2024	2025
World	3.5	3.2	4.7	8.7	6.8	5.9	4.6
Advanced economies	1.4	0.7	3.1	7.3	4.6	2.6	2.0
United States	1.8	1.2	4.7	8.0	4.1	2.9	2.0
Euro Area	1.2	0.3	2.6	8.4	5.4	2.4	2.1
Japan	0.5	0.0	-0.2	2.5	3.3	2.2	2.1
United Kingdom	1.8	0.9	2.6	9.1	7.3	2.5	2.0
EMDE	5.1	5.2	5.9	9.8	8.3	8.3	6.2
China	2.9	2.5	0.9	2.0	0.2	1.0	2.0
India	4.8	6.2	5.5	6.7	5.4	4.6	4.2
Sub-Saharan Africa	8.1	10.2	11.0	14.5	16.2	15.3	12.4

Source: IMF, World Economic Outlook Database, April 2024 and July 2024 Updates

Note: EMDE denotes Emerging Market and Developing Economies

Looking ahead, global inflation is anticipated to continue slowing down in 2024 and 2025, as central banks remain cautious about cutting interest rates due to concerns over interest rate differentials and currency depreciation relative to the US dollar. The upside risks to inflation include escalation of geopolitical conflicts that may impact transportation costs, adverse weather conditions, and rising prices of oil and fertilizers.

In the SADC region, inflation averaged 53.1 percent in 2023 from 22 percent in 2022, above the convergence criteria of 3 and 7 percent (Table 1.5). This high inflation was mainly attributed to rising energy prices, soaring food costs due to adverse weather conditions, and currency depreciation. In the EAC region, inflation increased slightly to an average of 11.6 percent from 10.4 percent in 2022, above the convergence benchmark of utmost 8 percent (Table 1.6). Inflation above the benchmarks in some EAC countries was driven by high food prices, increased importation costs, and currency depreciation.

Table 1.5: Inflation Rates in the SADC

Country	Percent						
	2019	2020	2021	2022	2023	2024	2025
Angola	17.1	22.3	25.8	21.4	13.6	22.0	12.8
Botswana	2.7	1.9	6.7	12.2	5.1	4.0	4.5
DRC	4.7	11.4	9.0	9.3	19.9	17.2	8.5
Eswatini	2.6	3.9	3.7	4.8	4.9	3.9	3.1
Lesotho	5.2	5.0	6.0	8.3	6.3	6.4	5.4
Madagascar	5.6	4.2	5.8	8.2	9.9	7.8	7.3
Malawi	9.4	8.6	9.3	20.8	30.3	27.9	14.7
Mauritius	0.5	2.5	4.0	10.8	7.0	4.9	3.6
Mozambique	2.8	3.1	5.7	9.8	6.1	4.4	5.5
Namibia	3.7	2.2	3.6	6.077	5.9	4.8	4.8
Seychelles	1.8	1.2	9.8	2.6	-1.0	-0.2	2.6
South Africa	4.1	3.3	4.6	6.9	5.9	4.9	4.5
Tanzania	3.4	3.3	3.7	4.4	4.0	4.0	4.0
Zambia	9.2	15.7	22.0	11.0	11.0	11.4	7.8
Zimbabwe	255.3	557.2	98.5	193.4	667.4	561.0	554.7
SADC Average	21.9	43.1	14.6	22.0	53.1	45.6	42.9
Average (exc. Zimbabwe)	5.2	6.3	8.6	9.7	9.2	8.8	6.4

Source: National Statistics Offices and IMF, World Economic Outlook Database, April 2024

Note: DRC denotes the Democratic Republic of the Congo

² IMF World Economic Outlook database of July 2024.

³ Large food producing countries include Brazil, United States of America, India, Russia, Japan and China.



Bank of Tanzania Annual Report 2023/24

Table 1.6: Inflation Rates in the EAC

Country	2019	2020	2021	2022	2023	Projections	
						2024	2025
Burundi	-0.7	7.3	8.3	18.9	27.0	22.0	20.0
DRC	4.7	11.4	9.0	9.3	19.9	17.2	8.5
Kenya	5.2	5.3	6.1	7.6	7.7	6.6	5.5
Rwanda	2.4	7.7	0.8	13.9	14.0	5.8	5.0
South Sudan	49.3	24.0	30.2	-3.2	40.2	54.8	21.7
Tanzania	3.4	3.3	3.7	4.4	4.0	4.0	4.0
Uganda	2.1	2.8	2.2	7.2	5.4	3.8	4.9
EAC Average	9.5	8.8	8.6	8.3	16.9	16.3	9.9

Source: National Statistics Offices

Note: DRC denotes the Democratic Republic of the Congo

1.3 Commodity Prices

Commodity prices in the world market generally decreased in 2023/24 relative to the preceding year (Table 1.7). This decline was primarily explained by abundant supply, slower economic growth in the Euro area, and a weaker-than-expected rebound in oil consumption in China. In addition, tight monetary policies implemented by most central banks also contributed to downward pressure on commodity prices.

Crude oil prices waned to an average of USD 84.70 per barrel in 2023/24 from USD 86.82 per barrel in 2022/23, mainly backed by increased supply from non-OPEC countries. The price of Robusta coffee increased due to a supply shortage caused by severe drought in Vietnam—the largest producer. The gold price rose to an average of USD 2,078.3 per troy ounce in 2023/24 from USD 1,830.4 in the preceding year, driven by an increase in demand amid concerns over interest rate cuts, which made gold a safe haven.

Table 1.7: World Commodity Prices

Commodity	Unit Measure	2021/22	2022/23	2023/24	Percentage Change
Crude oil*	USD per barrel	91.07	86.82	84.70	-2.44
Crude oil**	USD per barrel	88.66	85.07	84.27	-0.94
Robusta Coffee	USD per kg	2.31	2.36	3.31	40.25
Arabica Coffee	USD per kg	5.55	5.09	4.58	-10.02
Tea (Average price)	USD per kg	2.83	2.97	2.82	-5.05
Tea (Mombasa auction)	USD per kg	2.78	2.34	2.19	-6.41
Cotton "A Index"	USD per kg	2.85	2.30	2.05	-10.87
Wheat, SRW	USD per metric tonnes	346.68	284.65	239.83	-15.75
Wheat, HRW	USD per metric tonnes	399.62	388.99	292.77	-24.74
Palm Oil	USD per metric tonnes	1404.35	948.94	860.87	-9.28
Urea	USD per tonnes	714.85	471.69	350.72	-25.65
DAP	USD per tonnes	747.45	646.01	546.42	-15.42
White Product	USD per tonnes	873.12	895.94	826.51	-7.75
Gold	USD per oz	1833.28	1830.41	2078.27	13.54

Source: World Bank and Bloomberg

Note: *denotes U.K Brent; ** f.o.b Dubai; oz, troy ounce; SRW, Soft Red Winter; HRW, Hard Red Winter, and DAP, Di-ammonium Phosphate



Bank of Tanzania Annual Report 2023/24

PART II

MONETARY POLICY IMPLEMENTATION



Bank of Tanzania Annual Report 2023/24

2.0 Monetary Policy Implementation

2.1 Monetary Policy Targets and Performance

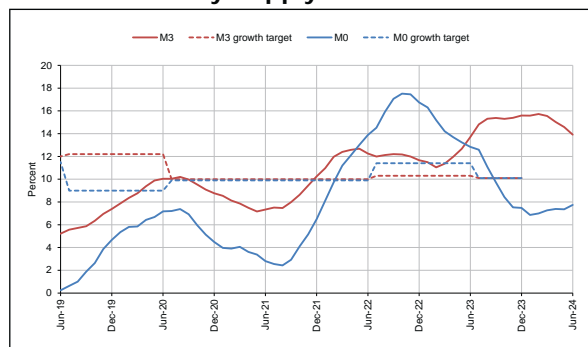
In 2023/24, monetary policy focused on insulating the economy from the adverse spillover effects of global and domestic shocks. In the first half of the year, the Bank implemented a less accommodative monetary policy stance under the monetary targeting framework before transitioning to an interest rate-based monetary policy framework in the second half. The monetary policy was set to align with the country's macroeconomic policy targets for 2023/24, including attaining headline inflation of 5 percent and maintaining foreign exchange reserves sufficient to cover at least four months of imports.

The set monetary policy targets for the first half of the year were:

- (i) growth of reserve money (M0) of 10.1 percent,
- (ii) growth of extended broad money (M3) of 10.1 percent, and
- (iii) private sector credit growth of 16.4 percent.

The implementation of monetary policy in the first half of 2023/24 yielded the desired level of liquidity in the banking system, with interbank interest rates remaining low and stable. Between July and December 2023, the broad money supply (M3) and the reserve money (M0) grew at average rates of 15.5 percent and 5.6 percent, respectively (Chart 2.1). The robust growth in M3 was largely backed by a notable increase in private sector credit, which grew at an average rate of 19.1 percent (Chart 2.2).

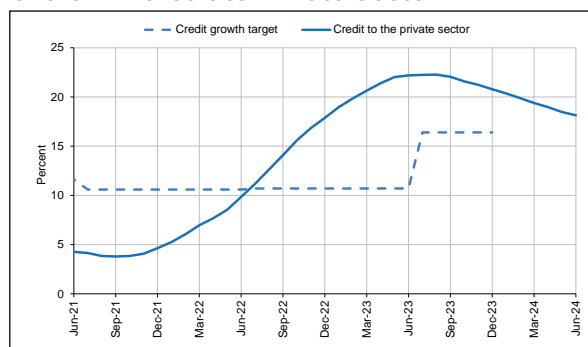
Chart 2.1: Money Supply



Source: Bank of Tanzania and banks

Note: The quantitative target of money supply ended in December 2023, as the Bank shifted to price based monetary policy framework in January 2024

Chart 2.2: Credit to Private Sector



Source: Bank of Tanzania and banks

Note: The quantitative target for credit to the private sector ended in December 2023, as the Bank shifted to price based monetary policy framework in January 2024

In response to the evolving economic and financial environment, the Bank shifted to an interest rate-based monetary policy framework in the second half of the year. Under this framework, the Bank began setting the CBR as the primary signal of the monetary policy stance. The Bank utilizes various monetary policy instruments to guide the 7-day Interbank Cash Market (IBCM) rate—its operational target—toward alignment with the CBR.

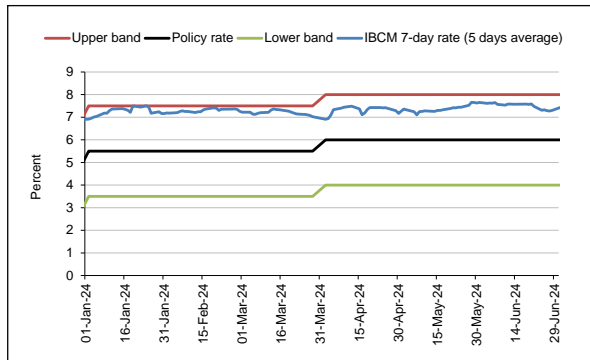
Accordingly, the CBR was set at 5.5 percent for the third quarter of 2023/24 and revised upward to 6 percent in the fourth quarter to mitigate the impact of exchange rate depreciation on the inflation outlook. In the two quarters, the Bank successfully contained the 7-day IBCM rate within



Bank of Tanzania Annual Report 2023/24

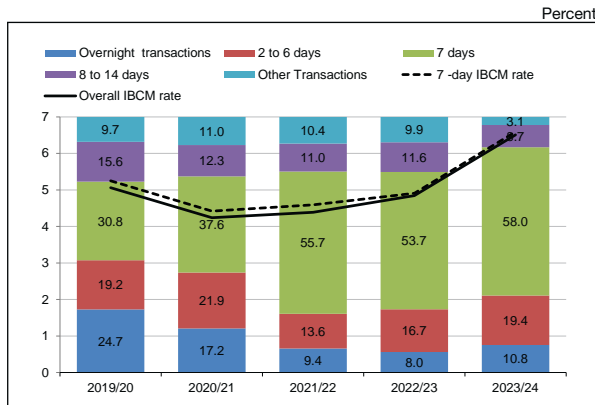
a band of +/- 200 basis points of the CBR (Chart 2.3). Notably, the 7-day tenure accounted for over half of the IBCM transactions (Chart 2.4).

Chart 2.3: Central Bank Rate and 7-Day IBCM Rate



Source: Banks and Bank of Tanzania

Chart 2.4: Inter-Bank Cash Market Transactions

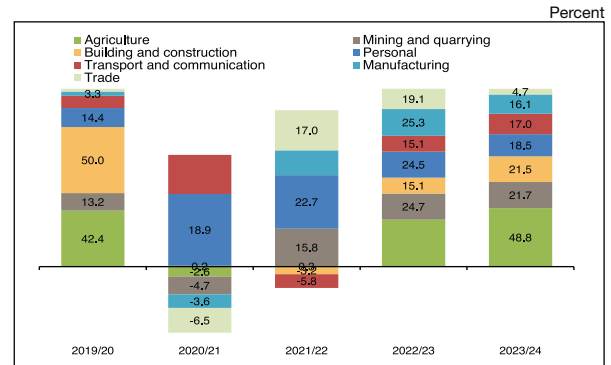


Source: Banks and Bank of Tanzania

Private sector credit remained strong, growing at 18.1 percent, above the target in 2023/24. The growth was mainly dominated by personal loans, agriculture, and manufacturing activities (Chart 2.5a). With notable growth in those activities, personal loans also constituted the largest share of outstanding credit to the private sector and were mostly extended to small and medium businesses (Chart 2.5b)⁴. This growth was mainly associated with improving the business environment and the TZS 1 trillion loan facility for on-lending to agricultural activities.

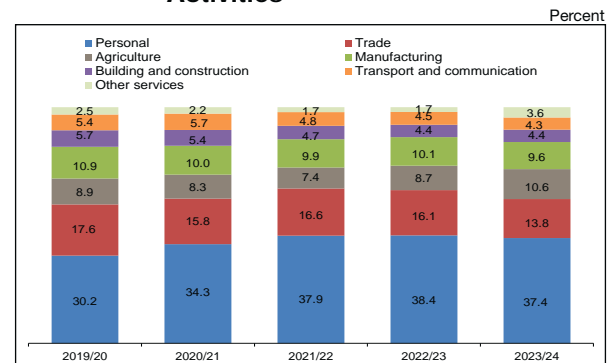
⁴ Personal loan is preferred largely because of easy accessibility and flexible collateral requirements.

Chart 2.5a: Annual Growth Rates of Banks' Credit to Selected Economic Activities



Source: Bank of Tanzania

Chart 2.5b: Share of Outstanding Credit by Banks to Major Economic Activities



Source: Banks and Bank of Tanzania

Overall, the interest rate spread narrowed as deposit rates increased and lending rates decreased, indicating improved efficiency in the banking sector's intermediation process and reduced credit risk. Specifically, the spread between one-year lending and deposit rates fell to 7.11 percentage points, down from 8.28 percentage points in 2023/24 (Table 2.1).

Going forward, lending rates are expected to continue moderating owing to ongoing measures taken to address the structural impediments in the market coupled with low and stable inflation. The measures include expanding coverage of national identification, implementing business formalization, developing secured transaction law, and enhancing usage of the credit reference system.



Bank of Tanzania Annual Report 2023/24

Table 2.1: Selected Bank's Interest Rates

Item	Percent				
	2019/20	2020/21	2021/22	2022/23	2023/24
Savings deposit rate	2.35	2.35	1.55	1.73	2.43
Overall time deposits rate	6.98	6.75	6.80	7.19	7.32
One- year deposit rate	8.65	8.43	8.03	8.62	8.93
Negotiated deposit rate	9.20	9.18	9.66	9.37	9.38
Overall lending rate	16.80	16.60	16.41	16.04	15.47
One- year lending rate	16.22	15.80	16.73	16.90	16.04
Negotiated lending rate	13.93	13.75	13.99	13.77	13.30
Margin between one year lending and deposit rates	7.57	7.37	8.70	8.28	7.11

Source: Banks and Bank of Tanzania

BOX 1: The Transition to an Interest Rate-based Monetary Policy Framework

In January 2024, the Bank of Tanzania shifted from monetary targeting to an interest rate-based framework for conducting monetary policy. The shift represents a critical evolution designed to enhance the responsiveness and effectiveness of monetary policy in managing inflation, promoting economic growth, and aligning with regional harmonization efforts within the East African Community.

The new framework uses the CBR to influence the short-term money market rates. By influencing these short-term rates, the Bank aims to indirectly shape long-term interest rates, thus impacting inflation expectations, aggregate demand, and overall economic dynamics. The Monetary Policy Committee (MPC) sets the CBR based on comprehensive assessments of macroeconomic indicators, such as inflation forecasts, exchange rate developments, and growth projections. The policy rate (CBR) is adjusted quarterly to reflect changing economic conditions and policy objectives.

To maintain short-term market rates close to the CBR, the framework employs a corridor system around the CBR, with the 7-day interbank cash market rate allowed to fluctuate within a band of +/- 200 basis points around the CBR, with the banks' liquidity levels remaining within the monetary policy thrust. This corridor system enhances monetary policy transmission, ensuring that liquidity conditions in the banking sector align with the Bank's policy stance. Open market operations, reserve requirements, and other liquidity management tools are used in a coordinated manner to guide the interbank rate within this band, promoting an environment where lending and deposit rates across the financial system respond effectively to policy adjustments.

Adopting the interest rate-based framework enables a more forward-looking, data-driven approach to monetary policy, enhancing transparency and predictability for market participants. It strengthens the Bank's ability to communicate its monetary stance, as movements in the CBR offer clear signals to financial institutions and businesses about the expected direction of policy and economic conditions.



Bank of Tanzania Annual Report 2023/24

PART III

DOMESTIC ECONOMIC PERFORMANCE

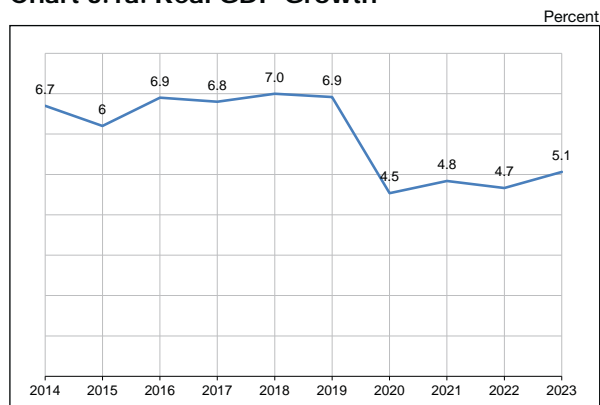


3.0 Economic Developments

3.1 Output and Prices

The Tanzania economy gained momentum in 2023, growing by 5.1 percent, relatively higher than 4.7 percent in 2022 (Chart 3.1a). The growth was largely explained by measures taken by the Government to address challenges emanating from global economic headwinds, strategic public investments in energy, social services and transportation infrastructures; a good harvest in the 2022/23 crop season; increased mineral production—particularly in gold and coal—alongside a rise in private sector credit; all these were supported by prudent fiscal and monetary policy measures.

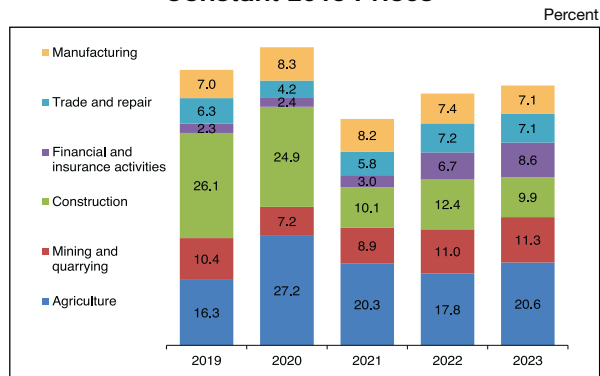
Chart 3.1a: Real GDP Growth



Source: National Bureau of Statistics

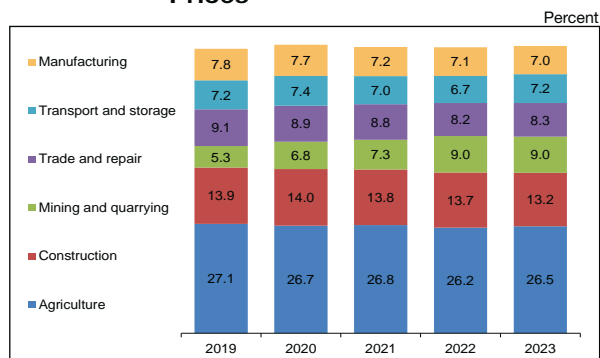
Agriculture, industry, and construction activities remained the main growth contributors (Chart 3.1b). In terms of shares, the economy's structure remained broadly unchanged, with agriculture being dominant, followed by construction, mining and quarrying, as well as trade (Chart 3.1c).

Chart 3.1b: Contribution to GDP Growth by Selected Economic Activities at Constant 2015 Prices



Source: National Bureau of Statistics

Chart 3.1c: Shares of GDP by Selected Economic Activities at Current Prices



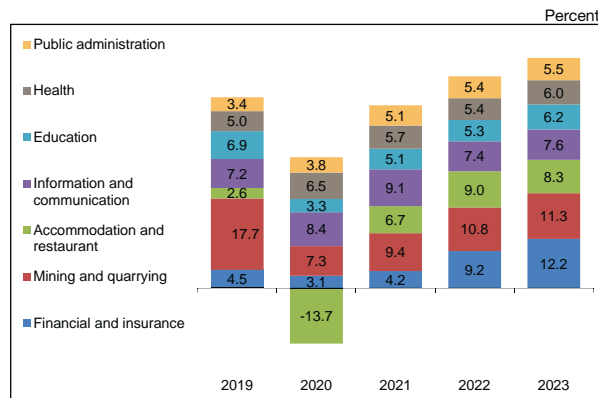
Source: National Bureau of Statistics

The fastest-growing activities were financial and insurance, mining and quarrying, and accommodation and restaurants (Chart 3.1d). Growth in the financial sector was attributable to increased public confidence in the banking sector and deposit mobilization strategies instituted by banks and financial institutions. Regulatory measures to boost private sector credit growth and financial inclusion also contributed to the growth of the financial sector. In mining and quarrying activity, improved growth was associated with increased gold and coal production following a rise in global demand, while the growth of accommodation and restaurants resulted from an increased number of tourist arrivals following ongoing government and private initiatives to promote tourism.



Bank of Tanzania Annual Report 2023/24

Chart 3.1d: Growth by Selected Economic Activities at Constant 2015 Prices



Source: National Bureau of Statistics

In nominal terms, GDP was TZS 188.6 trillion, higher than TZS 170.8 trillion in 2022, while in real terms, GDP increased to TZS 148.4 trillion in 2023 from TZS 141.2 trillion in 2022. GDP per capita increased to TZS 3,055,606 from TZS 2,854,072 in 2022. The economy is projected to grow by 5.4 percent in 2024 against the backdrop of increased public and private sector investment, reforms to improve business conditions, favourable weather and continued improvement in tourism activities. Moreover, global growth is also expected to strengthen, stemming from the subsiding adverse effects of weather shocks and improvement in the supply chain.

Agriculture

Agriculture, which comprises crops, livestock, forestry and fishing, grew by 4.2 percent, higher than 3.3 percent in 2022. Improved performance of this activity primarily originated from growth in crop sub-activity following favourable weather and government efforts to enhance the supply of agricultural inputs, including quality seeds and subsidized fertilizers, rehabilitation and construction of new irrigation schemes, improvement of markets for agricultural products, and improved research and extension services.

The growth of agricultural activity is expected to increase in 2024, driven by continued government

efforts to improve productivity through the availability of agricultural inputs (fertilizers, quality seeds and pesticides), rehabilitation of existing irrigation schemes and creation of new ones, and establishment of block farming.

Industry and Construction

Industry and construction activity, which comprise mining and quarrying, manufacturing, construction, electricity and gas supply, water supply, and sewage sub-activities, grew by 5.1 percent in 2023, slightly lower than 5.3 percent in 2022. Despite the slowdown in growth, the pace remained strong largely contributed by mining and quarrying, construction and manufacturing sub-activities.

The augmented growth in mining and quarrying sub-activity was mainly due to enhanced mineral recovery, particularly coal and gold, associated with increased global demand. Further, the ongoing strategic government projects, including standard railway gauge, roads and bridges, largely explained the contribution of construction sub-activity to growth. Manufacturing sub-activity improved on account of increased demand for locally manufactured goods. Going forward, manufacturing activities are expected to strengthen further, bolstered by a more reliable power supply at the back of the commencement of power generation at Julius Nyerere and Rusumo Hydro Power Plants, with the potential capacity to generate nearly 2,195 megawatts.

Services

The services activity, including wholesale and retail, trade and repair, transport and storage, accommodation and food services, information and communication, financial and insurance, grew by 5.8 percent in 2023, up from 5.3 percent in 2022. This growth was attributable to a rebound in economic activities and government efforts to improve the business environment. Sub-activities



Bank of Tanzania Annual Report 2023/24

that mostly contributed to growth in services were trade, transport, and financial and insurance services.

Gross National Income

Gross National Income (GNI) increased consecutively over the past seven years and grew by 10.5 percent in 2023. In nominal terms, GNI was TZS 185,192.9 billion compared with TZS 167,611.3 billion in 2022 (Table 3.1). On a net basis, national disposable income increased by 10.2 percent from the preceding year to TZS 158,896.9 billion in 2023. The increase in GNI indicates economic expansion driven by investments, while growth in net disposable income suggests that the population's overall economic well-being and financial resources have improved.

Table 3.1: Gross National Income at Current Market Prices

	2019	2020	2021	2022	2023 ^p
Gross national income	132,220.6	142,483.2	153,429.3	167,611.3	185,192.9
GDP (at 2015 constant prices)	124,786.2	135,258.7	144,790.6	158,082.4	175,983.0
Net primary income from ROW	-2,319.6	-2,901.2	-2,737.9	-3,208.8	-3,595.1
Primary income receivable	486.1	254.9	235.6	423.6	452.8
Less primary income payable	2,805.8	3,156.0	2,973.5	3,632.3	4,048.0
Gross national disposable income	123,424.3	133,278.0	143,325.1	156,254.0	173,927.1
Final consumption	92,440.0	100,179.7	107,062.9	115,880.9	124,053.5
Government	10,864.7	11,263.6	11,862.4	12,456.0	13,031.7
Households	81,252.0	88,581.9	94,824.4	103,000.7	110,544.8
Non-profit institutions serving household	323.3	334.2	376.0	424.2	477.1
Savings	21,085.9	19,857.5	22,342.5	28,356.1	34,843.4
Gross capital formation (Investment)	46,103.6	55,949.3	63,708.2	67,065.8	71,248.4
Fixed capital formation	50,010.8	60,119.0	67,221.8	68,247.5	74,222.1
Changes in inventories	-1,273.3	-1,838.3	-1,954.2	-1,916.9	-1,981.1
Changes in inventories	-5,180.5	-6,008.0	-5,467.8	-3,098.5	-4,954.8
Saving - Investment gap	-25,017.7	-36,091.8	-41,365.7	-38,709.7	-36,405.0
GDP (at current market price)	134,540.2	145,384.4	156,167.1	170,820.0	188,588.1

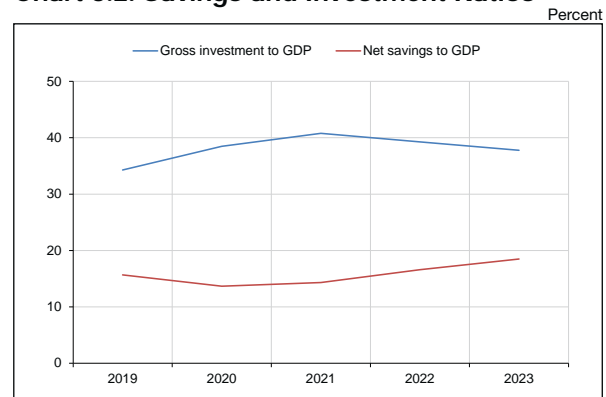
Source: National Bureau of Statistics

Note: p denotes provisional data; GDP, gross domestic product; and ROW, the rest of the world

Savings

The savings-to-GDP ratio increased to 18.5 percent in 2023 from 16.6 percent in 2022. Meanwhile, the investment-to-GDP ratio slightly decreased to 37.8 percent from 39.3 percent in 2022 (Chart 3.2).

Chart 3.2: Savings and Investment Ratios



Source: National Bureau of Statistics

Aggregate Demand

Aggregate demand grew by 10.5 percent following improved investment and net exports. Gross capital formation grew by 6.2 percent, driven by new public and private investments in the country. Domestic final consumption rose by 7.1 percent in 2023, with the outturn continuing to be backed by household spending (Table 3.2).

Table 3.2: Consumption, Investment and Savings at Current Market Prices

	2019	2020	2021	2022	2023 ^p
Final consumption	92,440.0	100,179.7	107,062.9	115,880.9	124,053.5
Government	10,864.7	11,263.6	11,862.4	12,456.0	13,031.7
Households	81,252.0	88,581.9	94,824.4	103,000.7	110,544.8
Non-profit institutions serving household	323.3	334.2	376.0	424.2	477.1
Gross capital formation (Investment)	46,103.6	55,949.3	63,708.2	67,065.8	71,248.4
Fixed capital formation	50,010.8	60,119.0	67,221.8	68,247.5	74,222.1
Changes in inventories	-1,273.3	-1,838.3	-1,954.2	-1,916.9	-1,981.1
Changes in inventories	-5,180.5	-6,008.0	-5,467.8	-3,098.5	-4,954.8
Net external demand/exports	-1,704.9	-1,363.7	-3,988.9	-10,800.3	-5,947.9
Exports of goods and services	22,101.3	19,629.1	22,686.8	27,609.3	32,403.0
Imports of goods and services	23,806.2	20,992.7	26,675.7	38,409.6	38,350.9
Savings	21,085.9	19,857.5	22,342.5	28,356.1	34,843.4
Saving - Investment gap	-25,017.7	-36,091.8	-41,365.7	-38,709.7	-36,405.0
GDP (at current market price)	134,540.2	145,384.4	156,167.1	170,820.0	188,588.1
Memorandum:					
Gross capital formation to GDP	34.3	38.5	40.8	39.3	37.8
Savings to GDP	15.7	13.7	14.3	16.6	18.5
Consumption to GDP	68.7	68.9	68.6	67.8	65.8
Saving-Investment gap to GDP	-18.6	-24.8	-26.5	-22.7	-19.3

Source: National Bureau of Statistics

Note: p denotes provisional data

Inflation

Inflation remained low and stable, consistent with the country's target of 5 percent and within the EAC and SADC benchmarks⁵. In 2023/24, inflation averaged 3.1 percent, down from 4.6 percent in the preceding year, ascribed to prudent monetary and

⁵ EAC and SADC convergence criteria are at the utmost 8 percent and range between 3 and 7 percent, respectively.



Bank of Tanzania Annual Report 2023/24

fiscal policies, adequate food supply, and reduced food demand from neighbouring countries (Table 3.3).

Food inflation, which constitutes 28.2 percent of the consumer price index, averaged 3 percent in 2023/24, down from 8.8 percent in the preceding year, mainly due to good harvest following favourable weather. Similarly, energy and fuel inflation decreased to an average of 5.3 percent from 5.9 percent in the preceding year, reflecting a slowdown in fuel prices in the global market as the supply from non-OPEC countries increased. Despite the decrease in energy and fuel inflation, average domestic pump prices slightly rose during the year, save for kerosene, mainly attributable to exchange rate depreciation and price lag effects. Core inflation rose to an average of 3.1 percent from 2.6 percent in the preceding year, also attributable to exchange rate depreciation and the second-round effects of a rise in oil prices on the cost of production⁶.

Table 3.3: Average Headline Inflation and its components

Inflation components	Percent				
	2019/20	2020/21	2021/22	2022/23	2023/24
Headline	3.5	3.3	4.0	4.6	3.1
Core	2.4	3.1	3.8	2.6	3.1
Food	4.8	3.8	5.2	8.8	2.9
Non-food	2.8	3.1	3.5	2.9	3.2
Energy and fuel	4.3	3.8	6.8	5.9	5.3

Source: National Bureau of Statistics

Inflation is projected to remain within the target of 5 percent in 2024/25, at the backdrop of prudent monetary and fiscal policies, adequate food supply, stable power supply, and expected moderation in global commodity prices.

Food Supply

Food supply in 2023/24 was generally satisfactory owing to good harvests during the 2022/23 crop season on the backdrop of favourable weather and increased use of the Government's subsidized fertilizers. Food production in 2022/23 amounted

to 20.4 million tonnes against the requirement of 16.4 million tonnes. On the outlook, food availability in 2024/25 is expected to be adequate based on good harvests in the 2023/24 crop season and anticipated low demand from neighbouring countries. Food production in 2023/24 was 22.8 million tonnes against requirements of 17.8 million tonnes, representing a food self-sufficiency ratio of 128 percent (Table 3.4). Of the total production, cereals accounted for almost two-thirds of the food produced (Table 3.5).

Table 3.4: Food Production and Requirements

		Tonnes				
		2019/20	2020/21	2021/22	2022/23	2023/24
Cereals	Production	10,869.6	10,640.0	9,493.4	11,448.8	14,587.2
	Requirement	8,754.1	9,417.9	9,537.8	10,427.3	11,701.8
	Gap/Surplus	2,115.5	1,222.1	-44.3	1,021.4	2,885.4
Non-cereals	Production	7,327.1	7,785.3	7,910.5	8,953.3	8,216.1
	Requirement	5,088.4	5,378.9	5,536.1	5,963.1	6,052.2
	Gap/Surplus	2,238.7	2,406.4	2,374.4	2,990.2	2,163.9
Total food	Production	18,196.7	18,425.3	17,403.9	20,402.0	22,803.3
	Requirement	13,842.5	14,796.8	15,073.9	16,390.4	17,754.0
	Gap/Surplus	4,354.2	3,628.5	2,330.0	4,011.6	5,049.3
SSR		118.0	126	115	124	128

Source: Ministry of Agriculture

Note: SSR denotes Self-Sufficiency Ratio; p, provisional data; and production data are for 2022/23, and food requirement data are for 2023/24

Table 3.5: Food Production in 2022/23 and Requirements for 2023/24

		Tonnes				
Cereals		Maize	Sorghum/ Millet	Rice	Wheat	Total
		Production	Requirement	Gap/Surplus	SSR	
Non-cereals	Pulses	1,301,563	1,152,413	2,316,743	2,251,687	8,216,139
	Banana	497,220	1,117,947	2,791,214	1,191,015	6,052,212
Non-cereals	Cassava	804,343	34,466	-474,470	1,060,672	2,163,926
	Potatoes	262	103	83	189	136

Source: Ministry of Agriculture

Note: SSR denotes Self-Sufficiency Ratio; and p, provisional data.

Following increased food production during the period, the food stock held by the National Food Reserve Agency (NFRA) also increased⁷. During the year, NFRA purchased 297,421 tonnes of cereals and released 3,603 tonnes of maize to traders, and households in districts facing food shortages. As a result, food stock held by the Agency was 340,479 tonnes as at the end of June 2024 compared with 46,665 tonnes held in the same period in 2023 (Table 3.6).

⁶ Core inflation accounts for 73.9 percent of the consumer price index and excludes unprocessed food, maize flour, energy and fuel.

⁷ NFRA's food stock consists of cereals—maize grain, paddy, and sorghum.



Bank of Tanzania Annual Report 2023/24

Table 3.6: Food Stocks Held by NFRA

Period	Tonnes				
	2020	2021	2022	2023	2024
Jan	43,597	110,398	207,899	124,736	270,984
Feb	41,231	110,389	203,297	106,881	326,172
Mar	39,597	109,231	200,626	80,123	336,099
Apr	38,053	109,231	190,366	63,808	340,102
May	38,291	108,284	149,402	51,367	340,002
Jun	52,725	107,384	141,576	46,665	340,479
Jul	90,255	107,384	140,695	94,088	
Aug	92,991	123,635	144,410	210,020	
Sep	109,733	150,057	149,044	244,169	
Oct	110,895	192,408	151,794	244,289	
Nov	110,289	209,057	147,401	244,223	
Dec	110,398	214,968	137,655	248,282	

Source: National Food Reserve Agency

Prices of Food and Cash Crops

Average wholesale prices of selected food crops were lower in 2023/24 than in 2022/23 (Table 3.7). This was due to improved food supply from good harvests during the 2022/23 crop season. Low demand from neighbouring countries also contributed to lower prices than in the preceding year.

Table 3.7: Average Wholesale Food Crop Prices

Item	TZS per 100Kg				
	2019/20	2020/21	2021/22	2022/23	2023/24
Maize	72,212.4	52,427.0	57,264.3	104,978.4	81,754.6
Rice	175,175.6	141,316.4	169,257.4	266,435.8	249,135.0
Beans	190,591.4	192,207.9	179,894.5	265,395.3	263,125.8
Sorghum	104,442.6	92,482.7	108,534.2	136,323.9	132,220.3
Round potatoes	74,083.2	72,585.9	71,544.9	93,956.4	89,533.0
Finger millets	29,901.2	137,718.4	162,609.2	170,785.9	158,947.1

Source: Ministry of Industry and Trade

Average producer prices of most traditional cash crops increased in 2022/23, reflecting development in the global market (Table 3.8). The increase was partly influenced by adverse weather in some major producing countries and government initiatives to improve marketing systems, including using Tanzania Mercantile Exchange platforms in cash crops auctions, which has increased transaction efficiency in crops such as coffee and sesame.

Table 3.8: Producer Prices of Cash Crops

Period	Coffee		Seed cotton	Green tea leaf	Raw cashew nuts	Tobacco VFC	Sisal ^a Burley	Sisal ^a UG
	Arabica	Robusta						
2018/19	2,210.0	2,210.0	1,200.0	312.0	3,300.0	3,496.0	1,710.0	
2019/20	4,643.5	3,180.0	1,200.0	312.0	3,300.0	3,230.9	1,700.0	
2020/21	5,207.0	3,065.0	900.0	312.0	2,707.0	3,543.7	1,675.0	
2021/22 ^r	5,217.2	3,703.0	1,560.0	320.0	2,115.9	3,563.4	1,660.0	
2022/23 ^r	5,978.0	2,965.0	1,150.0	314.0	1,720.0	5,825.0	3,600.0	
2023/24 ^p	6,000.0	3,500.0	1,200.0	314.0	1,874.0	6,112.0	3,750.0	

Source: Ministry of Agriculture and Crop Boards

Note: VFC denotes Virginia flue-cured; UG, under grade; r, revised data; p, provisional data; and ^asisal prices are in USD per tonne

3.2 Financial Markets

A successful implementation of monetary policy hinges on a well-functioning financial market. Recognizing this, the Bank, in collaboration with other stakeholders, took several steps to further develop the market. These included developing a framework for issuing, regulating, and supervising green bonds and reforms in the foreign exchange market.

In 2023/24, the Bank issued a Code of Conduct for the retail foreign exchange market. The Bank also reviewed the Code of Conduct for the Interbank Foreign Exchange Market (IFEM) by aligning it with the FX Global Code to promote a robust, fair, liquid, open, and transparent market. The Bank also issued a Foreign Exchange Intervention Policy to guide its IFEM activities and enhance market integrity and transparency.

Additionally, Capital Markets and Securities (Corporate and Sub-national Sukuk Bonds) Guidelines, 2023, were issued to manage market risks and build the confidence of market players to contribute to sustainable project financing. In addition, the Bank launched the Domestic Gold Purchase Program with a target of purchasing 6 tons of monetary gold during the year. The program aims to increase foreign exchange by reserves portfolio through gold purchases in Tanzanian shilling. More details on the program are provided in Box 2.



Bank of Tanzania Annual Report 2023/24

Box 2: Domestic Gold Purchase Program

The Bank endeavours to bolster foreign reserves by acquiring monetary gold in line with the monetary policy stance. The gold will be purchased from domestic miners and traders in Tanzanian Shillings. This program allows gold traders to sell their gold directly to the Bank of Tanzania. Worth noting from the program is that:

- (i) Prices are the World Market Price (TZS/g) published daily by the Mining Commission.
- (ii) The Bank of Tanzania covers all refining costs.
- (iii) The 20 percent allocation of gold exports for purchase by the Bank of Tanzania applies to all mineral rights holders and licensed dealers consistent with the gold purchase commitment outlined in Section 59 of the Mining Act (Cap 123).

As of June 2024, the Bank had purchased 0.4 tons worth USD 26.07 million against the target of 6 tons. The underperformance resulted from several challenges, including the existence of prefinancing agreements and the absence of accredited domestic refineries. The Bank, in collaboration with the Ministry of Minerals, the Ministry of Finance, the Office of Treasury Registrar, and the State Mining Corporation, are working closely to address these challenges. Some of the measures implemented, as stipulated in the Finance Act, 2024 include:

- (i) Reduction of royalty rate from 6 percent to 4 percent on gold to be sold to the Bank.
- (ii) Removing inspection fee on gold to be sold to the Bank; and
- (iii) Zero-rating value-added tax on gold to be sold to the Bank, allowing sellers to claim input tax.

Under this arrangement, any mineral rights holder, a licensed dealer, or a refinery with an Agreement with the Bank of Tanzania can sell any amount required by the Bank in a specified period.

Primary Government Securities Market

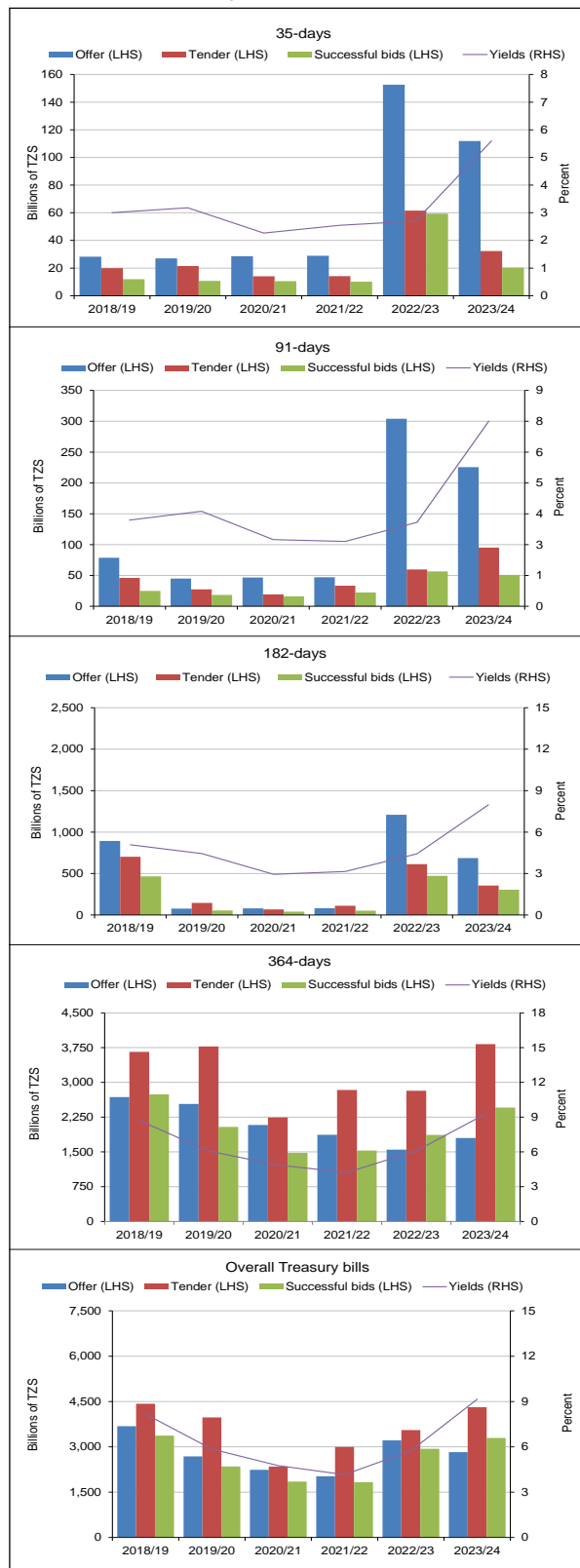
During the year, the Government securities market exhibited strong demand both in Treasury bills and Treasury bonds as portrayed by bid-cover ratios of 1.5 and 1.6, respectively⁸. Investors' preference remains biased towards longer maturities. The Bank offered Treasury bills worth TZS 2,825.8 billion mainly for government budget financing and to facilitate price discovery in the financial markets. This compares with TZS 3,214.7 billion that were offered in 2022/23. Bids amounting to TZS 4,309.7 billion were received, of which TZS 3,294.0 billion were successful. Treasury bills worth TZS 2,815.2 billion matured, compared with TZS 2,066.5 billion in the preceding year. The overall Treasury bills yield rose to an average of 9.14 percent, relative to 5.73 percent in 2022/23, suggesting higher investors' return and increased competitiveness in the financial market (Chart 3.3).

⁸ Bid-cover ratio is the total bids received versus the amount offered with a ratio exceeding a unit implying a strong demand



Bank of Tanzania Annual Report 2023/24

Chart 3.3: Treasury Bills Market Performance

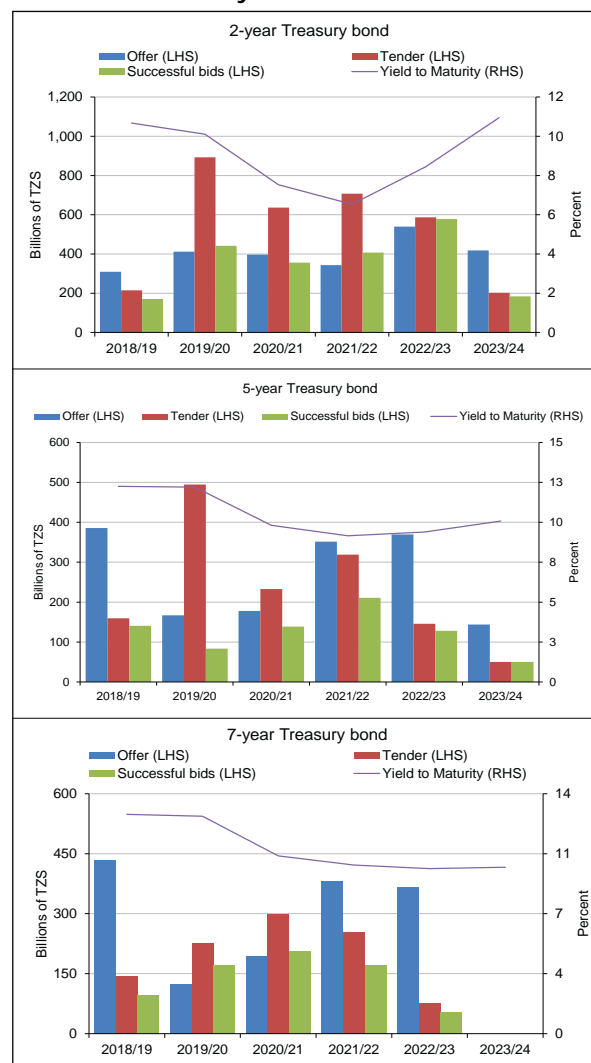


Source: Bank of Tanzania

Note: LHS denotes left hand scale; RHS, right hand scale; and WAY, weighted average yield

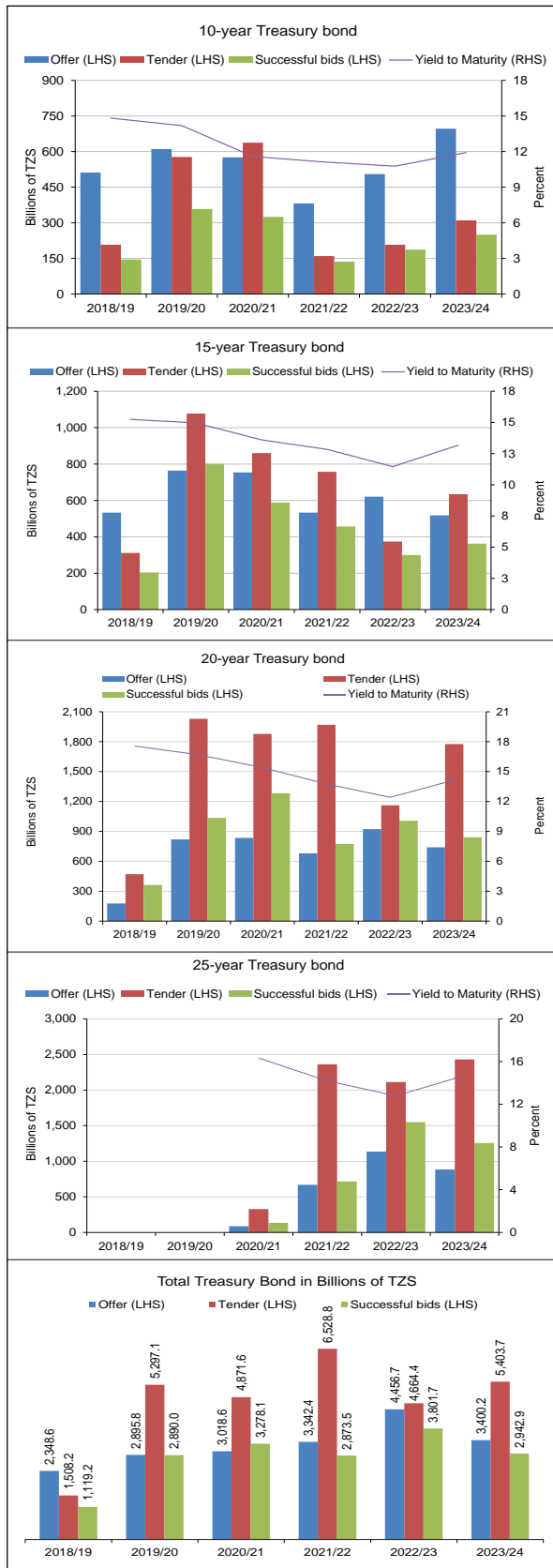
The Bank offered Treasury bonds with a face value of TZS 3,400.2 billion for government budgetary financing. The market response was robust, with total bids amounting to TZS 5,403.7 billion, of which bids worth TZS 2,942.9 billion were successful. The demand varied across bond maturities. The overall bond market performance was characterized by a high appetite for bonds with longer maturities, which necessitated the re-opening of the 20- and 25-year bonds, which were highly oversubscribed. Treasury bonds valued at TZS 1,130.7 billion matured in 2023/24 compared to TZS 1,359 billion in the preceding year. The yields to maturity increased across bonds, as for Treasury bills (Chart 3.4).

Chart 3.4: Treasury Bonds Performance





Bank of Tanzania Annual Report 2023/24



Source: Bank of Tanzania

Note: LHS denotes left-hand scale; RHS, right-hand scale; and WAY, weighted average yield

Corporate Bond and Equity Markets

The corporate bond market trading activities were robust, supported by macroeconomic stability and companies' metrics. Three corporate bonds were issued and listed during the year; two were from commercial banks, and one was from a sub-national water authority—the first sub-national green bond. In aggregate, the bonds raised a total of TZS 627 billion. The issuance of these bonds contributed to the diversification of the financial market instruments and provided investors with a broader range of investment options. Furthermore, the issuance also leveraged resource mobilization for strategic ventures related to climate change and social development. The value of corporate bonds traded during the year reached TZS 3,982.8 million, an increase of 305.6 percent from the preceding year.

The equity market performance was also robust, driven by an improving global and domestic economic environment. Trading activities in the equity market more than doubled to TZS 272.7 billion from TZS 107.6 billion in June 2023. Shares from the financial sector drove the performance.

The Dar es Salaam stock market capitalization continued to strengthen as reflected in market capitalization that increased to TZS16,834.3 billion from TZS 15,010.4 billion in 2022/23, and the Tanzania Share Index (TSI)⁹. The index increased to 4,475.2 points from 4,091.8 points in 2022/23, with domestic market capitalization rising by 9.5 percent to TZS 11,853.9 billion, reflecting the improved performance of domestic listed companies. To further strengthen the domestic financial market, the Bank is pursuing several initiatives to enhance market integrity and efficiency and improve price discovery. Some initiatives include introducing benchmark bonds and shifting to a market-based coupon rates setting system.

⁹ TSI tracks the performance of domestic listed companies with higher index reflecting good performance



Bank of Tanzania Annual Report 2023/24

Secondary Bond Market

The secondary market was characterised by increased activity, driven mainly by the resumption of the benchmark bond program¹⁰. The Treasury Bond issuances in the second half of the fiscal year were exclusively re-opened bonds to further the benchmark bond program and a functional yield curve. Treasury bonds worth TZS 3,549.5 billion were traded at the Dar es Salaam Stock Exchange (DSE), an increase of 10.1 percent compared with TZS 3,223.3 billion traded in 2022/23. This development was attributed to the increased investors' appetite toward risk-free investments in government securities, increased awareness of individual investors and the attractive yields for the re-opened 20-year and 25-year bonds.

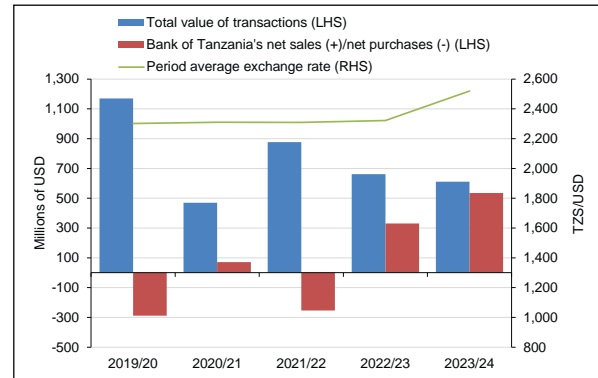
Corporate bonds worth TZS 3,982.8 million were traded in the market during 2023/24, a more than three-fold increase from the value traded in the preceding year. The observed performance was due to investors' confidence towards fixed-income instruments, coupled with the presence of new instruments issued during the year.

Foreign Exchange Market

The foreign exchange market was characterized by shilling depreciation and decreased trading activity. In 2023/24, the interbank foreign exchange market experienced demand pressure, attributed to the impact of monetary policy tightening in advanced economies. In response, the Bank took several measures, including monetary policy tightening, engaging key stakeholders on prudent utilization of foreign exchange in challenging times, and enforcing public adherence to the foreign exchange law, regulations and directives. In addition, the Bank increased its participation in the IFEM by selling USD 535 million in the market to support import demand and for liquidity management (Chart 3.5).

¹⁰ A benchmark bond is a bond that provides a standard measure of a bond's risk or return against which the performance of other bonds can be measured.

Chart 3.5: Inter-Bank Foreign Exchange Market Transactions

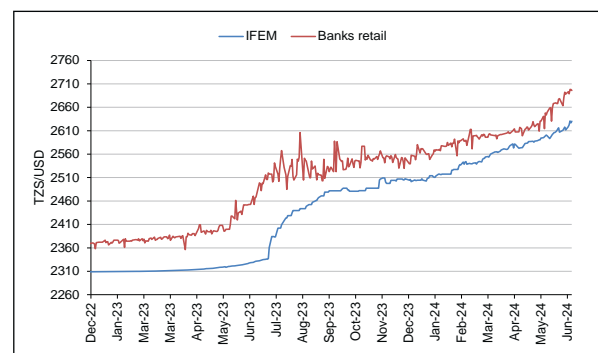


Source: Bank of Tanzania

Note: LHS denotes left-hand scale; and RHS, right-hand scale

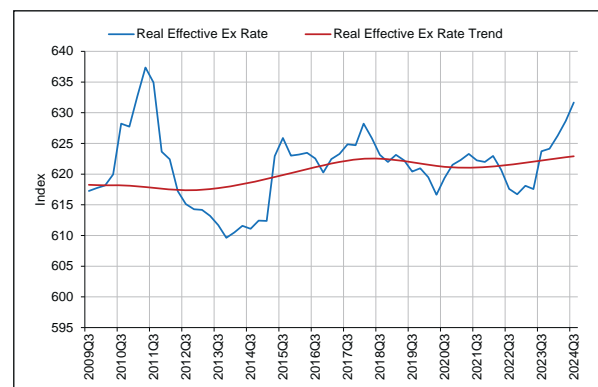
Consistently, the nominal exchange rate depreciated by an average of 8.5 percent during 2023/24, from the rate registered in 2022/23 (Chart 3.6a). The real effective exchange rate was slightly above its long-run trend, indicating a minor misalignment (Chart 3.6b).

Chart 3.6a: Nominal Exchange Rates



Source: Bank of Tanzania

Chart 3.6b: Real Effective Exchange Rate



Source: Bank of Tanzania



Bank of Tanzania Annual Report 2023/24

3.3 Government Budgetary Performance

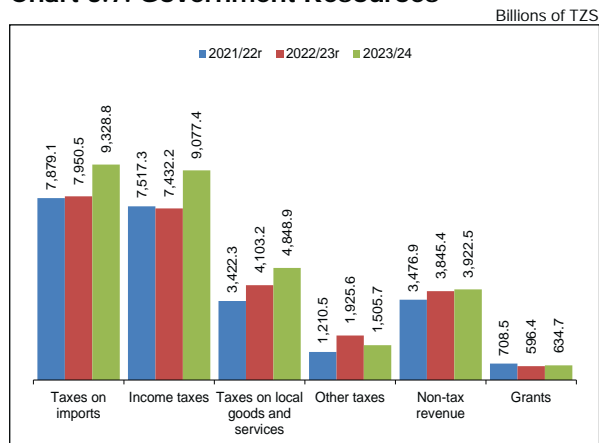
The Government's budgetary operations were in line with the 2023/24 budget, which continued to focus on priority areas of the Third Five-Year Development Plan (2020/21-2025/26), which are geared to improving citizens' lives and well-being, including poverty reduction and employment generation.

Revenue and Grants

Government revenue amounted to TZS 29,829.9 billion during 2023/24, equivalent to 95.1 percent of the budget estimates. Central government revenue was TZS 28,683.3 billion, and the remaining balance was collected by local government authorities from their own sources.

Of the central government collections, TZS 24,760.8 billion was tax revenue, equivalent to 98.3 percent of the year's estimates and 12.5 percent of GDP, higher than 11.6 percent in 2022/23, suggesting improved tax effort. The increase in tax effort was associated with enhanced tax administration and compliance and an improved business environment. Non-tax revenue amounted to TZS 3,922.5 billion, 77.8 percent of the estimates. Grants amounted to TZS 634.7 billion, while external loans were TZS 6,805.3 billion (Chart 3.7).

Chart 3.7: Government Resources



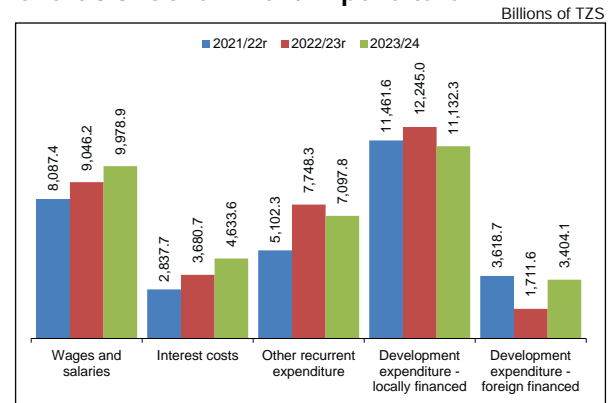
Source: Ministry of Finance

Note: 2023/24 data are provisional; and r, denotes revised data

Expenditure

The expenditure was aligned with available resources, prioritizing essential spending. Government expenditure during 2023/24 amounted to TZS 36,567.6 billion, equivalent to 18.4 percent of GDP. Of the total expenditure, TZS 21,931.2 billion was recurrent, while 14,636.4 billion was spent on development projects, of which 76.4 percent was sourced domestically (Chart 3.8).

Chart 3.8: Government Expenditure



Source: Ministry of Finance

Note: 2023/24 data are provisional; and r, denotes revised data

Financing of Budget Deficit

Government fiscal operations resulted in a deficit of TZS 6,211.7 billion, 3.1 percent of GDP, lower than the deficit of 4.3 percent of GDP in 2022/23. This deficit was financed through foreign and domestic borrowing of TZS 4,036.3 billion and TZS 2,175.3 billion, respectively.

National Debt

Tanzania's public debt remained sustainable in the medium to long term, as all liquidity and solvency debt burden indicators were within the thresholds (Table 3.9 and Chart 3.9).



Bank of Tanzania Annual Report 2023/24

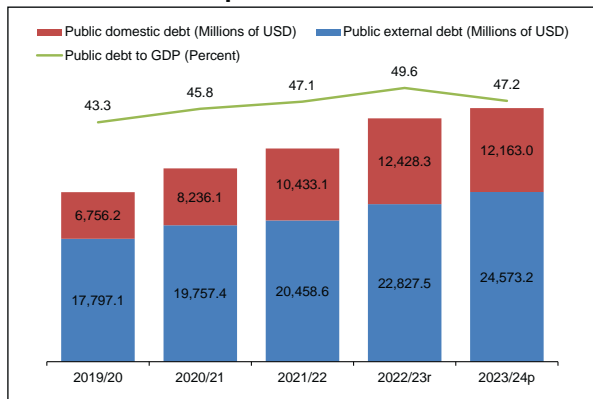
Table 3.9: Public Debt Sustainability Indicators

		Percent				
Total Public Debt DSA	Threshold	2022/23	2023/24	2024/25	2025/26	2026/27
PV of debt-to-GDP ratio	55.0	35.6	36.4	36.7	35.7	34.9
PV of debt-to-revenue and grants ratio	N/A	232.9	209.2	207.3	204.2	200.7
Debt service-to-revenue and grants ratio	N/A	34.2	44.3	33.6	31.1	31.3
External Public Debt DSA:						
PV of debt-to-GDP ratio	40.0	19.0	20.1	20.4	19.8	18.6
PV of debt-to-exports ratio	180.0	113.2	114.2	114.9	111.1	104.3
Debt service-to-exports ratio	15.0	12.7	11.1	11.5	11.2	12.2
Debt service-to-revenue ratio	18.0	14.3	11.6	11.9	11.7	12.9

Source: Ministry of Finance, Tanzania National Debt Sustainability Analysis, December 2023

Note: DSA denotes debt sustainability analysis; and PV, present value

Chart 3.9: Developments in Public Debt



Source: Ministry of Finance

Note: r denotes revised data; and p, provisional data

The stock of national debt—including domestic and external public debt and private sector external debt was USD 44,113.8 million at the end of June 2024, a 3.4 percent increase from the stock reported in a similar period in 2023. Of the total debt stock, 72.4 percent was external debt, and the remaining was domestic debt.

External Debt

The external debt stock was USD 31,950.9 million at the end of June 2024, an increase of 5.6 percent from the stock at the end of June 2023 (Table 3.10). Central government debt continued to dominate, accounting for 76.9 percent of the external debt stock. Multilateral institutions continue to dominate the external debt portfolio, followed by commercial creditors (Table 3.11).

Table 3.10: External Debt Stock by Borrower Category

Borrower	Millions of USD					
	Jun-22		Jun-23 ^r		Jun-24 ^p	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Central government	20,428.9	73.4	22,794.3	75.3	24,569.4	76.9
DOD	19,330.0	69.5	21,676.0	71.6	24,317.5	76.1
Interest arrears	1,098.9	3.9	1,118.3	3.7	251.9	0.8
Private sector	7,374.0	26.5	7,425.2	24.5	7,377.7	23.1
DOD	6,039.2	21.7	6,189.6	20.5	6,094.8	19.1
Interest arrears	1,334.8	4.8	1,235.6	4.1	1,282.9	4.0
Public corporations	29.7	0.1	33.2	0.1	3.8	0.0
DOD	23.7	0.1	23.7	0.1	3.8	0.0
Interest arrears	6.0	0.0	9.5	0.0	0.0	0.0
External debt stock	27,832.5	100.0	30,252.7	100.0	31,950.9	100.0

Source: Ministry of Finance and Bank of Tanzania

Note: DOD denotes disbursed outstanding debt; r, revised data; and p, provisional data

Table 3.11: External Debt by Creditor Category

Creditor category	Millions of USD					
	Jun-22		Jun-23 ^r		Jun-24 ^p	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Multilateral	12,770.7	45.9	14,724.0	48.7	17,148.6	53.7
DOD	12,707.0	45.7	14,663.3	48.5	17,052.9	53.4
Interest arrears	63.7	0.2	60.7	0.2	95.6	0.3
Bilateral	2,264.7	8.1	2,232.8	7.4	1,360.2	4.3
DOD	1,165.8	4.2	1,114.5	3.7	1,108.4	3.5
Interest arrears	1,098.9	3.9	1,118.3	3.7	251.9	0.8
Commercial	8,130.4	29.2	8,817.3	29.1	11,742.1	36.8
DOD	7,406.0	26.6	8,053.4	26.6	10,944.2	34.3
Interest arrears	724.4	2.6	763.9	2.5	797.9	2.5
Export credit	4,666.7	16.8	4,478.6	14.8	1,700.0	5.3
DOD	4,114.0	14.8	4,058.1	13.4	1,310.5	4.1
Interest arrears	552.7	2.0	420.5	1.4	389.5	1.2
External debt stock	27,832.5	100.0	30,252.7	100.0	31,950.9	100.0

Source: Ministry of Finance and Bank of Tanzania

Note: DOD denotes disbursed outstanding debt; r, revised data; and p, provisional data

Transportation and telecommunications economic activities continue to hold the largest portion of the disbursed outstanding external debt at 21.3 percent, followed by social welfare and education (Table 3.12).

Table 3.12: Disbursed Outstanding Debt by Use of Funds

DOD by Use of Funds	Millions of USD					
	Jun-22		Jun-23 ^r		Jun-24 ^p	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
BoP & budget support	3,002.2	12.9	2,954.0	11.8	5,358.1	17.6
Transport and telecommunication	5,594.7	27.4	5,604.2	22.0	6,470.5	21.3
Agriculture	1,312.0	6.2	1,482.0	5.2	1,561.1	5.1
Energy & mining	4,160.0	14.7	4,225.6	16.4	4,625.1	15.2
Industries	1,309.0	3.6	1,443.2	5.2	1,224.0	4.0
Social welfare & education	4,155.0	17.7	4,534.1	16.4	6,181.3	20.3
Finance and insurance	916.0	5.1	978.0	3.6	1,197.2	3.9
Real estate and construction	229.0	0.9	409.3	0.9	508.4	1.7
	1,801.2	4.8	2,218.3	7.1	1,521.5	5.0
Other	2,913.8	6.8	4,040.6	11.5	1,768.8	5.8
Total	25,392.9	100.0	27,889.3	100.0	30,416.1	100.0

Source: Ministry of Finance and Bank of Tanzania

Note: p denotes provisional data; and BoP, balance of payments



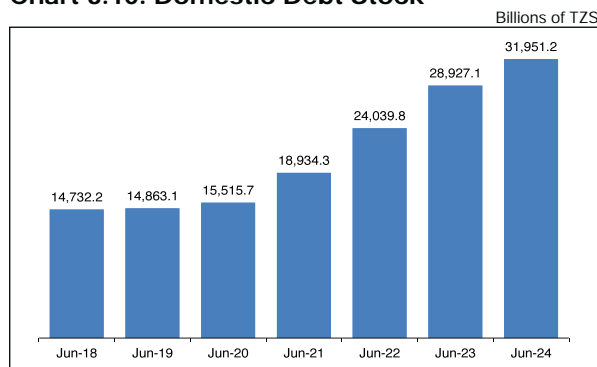
Bank of Tanzania Annual Report 2023/24

External loans amounting to USD 4,898 million were disbursed in 2023/24, 79.8 percent of which was received by the Central Government. External debt service amounted to USD 2,161.1 million, of which 69.9 percent was principal repayments, and the balance was interest payments.

Domestic Debt

The domestic debt stock was TZS 31,951.2 billion at the end of June 2024, an increase of TZS 3,024.1 billion from the debt stock at the end of June 2023 to meet the needs of Government investment spending (Chart 3.10). Most of the debt stock was in Treasury bonds, accounting for 77.5 percent (Table 3.13).

Chart 3.10: Domestic Debt Stock



Source: Ministry of Finance and Bank of Tanzania

Table 3.13: Domestic Debt by Instruments

Instrument	Jun-22		Jun-23		Jun-24	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Government securities	21,894.4	91.1	24,682.3	85.3	27,266.8	85.3
Treasury bills	1,757.8	7.3	2,129.2	7.4	2,328.7	7.3
Government stocks	252.7	1.1	252.7	0.9	187.1	0.6
Government bonds	19,883.9	82.7	22,300.2	77.1	24,751.0	77.5
Tax certificates	0.1	0.0	0.1	0.0	0.1	0.0
Non-securitized debt	2,145.4	8.9	4,244.8	14.7	4,684.5	14.7
Other liabilities*	18.4	0.1	18.4	0.1	18.4	0.1
Overdraft	2,127.0	8.8	4,226.4	14.6	4,666.07	14.6
Domestic debt stock (excluding liquidity papers)	24,039.8	100.0	28,927.1	100.0	31,951.2	100.0

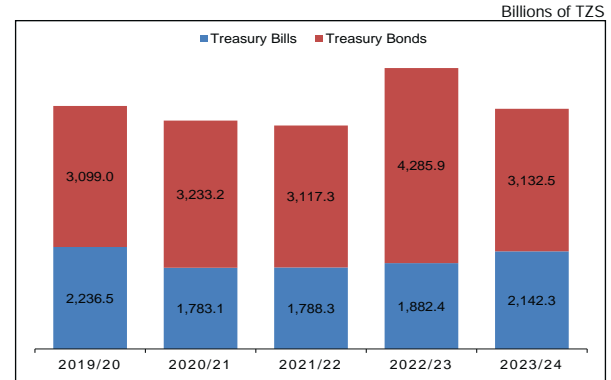
Source: Ministry of Finance and Bank of Tanzania

Note: * includes NMB bank Plc standard loan and duty drawback

During 2023/24, the Government borrowed TZS 5,274.8 billion from the domestic market, of which TZS 3,132.5 billion was Treasury bonds and TZS 2,142.3 billion was Treasury bills (Chart 3.11). Debt service payments amounted to TZS 6,742.4 billion, consisting of principal repayment

of TZS 4,149.5 billion and interest payment of TZS 2,592.9 billion.

Chart 3.11: Domestic Debt Issued



Source: Ministry of Finance and Bank of Tanzania

The domestic debt structure by holders remained almost unchanged from the preceding year. Commercial banks and pension funds dominated, accounting for 31.3 percent and 27.4 percent of the debt stock, respectively (Table 3.14).

Table 3.14: Domestic Debt by Holders

Holder	Jun-22		Jun-23		Jun-24	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Commercial banks	6,715.2	27.9	8,280.4	28.6	9,996.1	31.3
Pension funds	7,513.5	31.3	8,313.9	28.7	8,744.9	27.4
Bank of Tanzania	4,722.2	19.6	6,352.1	22.0	6,626.2	20.7
Insurance companies	1,458.0	6.1	1,554.5	5.4	1,815.7	5.7
BOT's special funds	405.2	1.7	456.8	1.6	321.2	1.0
Others	3,225.7	13.4	3,969.3	13.7	4,447.2	13.9
Domestic debt stock (excluding liquidity papers)	24,039.8	100.0	28,927.1	100.0	31,951.2	100.0

Source: Ministry of Finance and Bank of Tanzania

Note: BOT denotes Bank of Tanzania; and 'others' include public institutions, private companies, individuals and non-residents

3.4 External Sector Performance

The external sector improved as the effects of the global shocks continued to subside. The overall balance of payments registered a surplus of USD 204.2 million compared to a deficit of USD 273.5 million in 2022/23. The current account deficit as a percent of GDP narrowed to 3.1 percent from 6.4 percent in the preceding year, driven by a low import bills and increased exports—particularly tourism and some traditional and non-traditional goods (Table 3.15)¹¹.

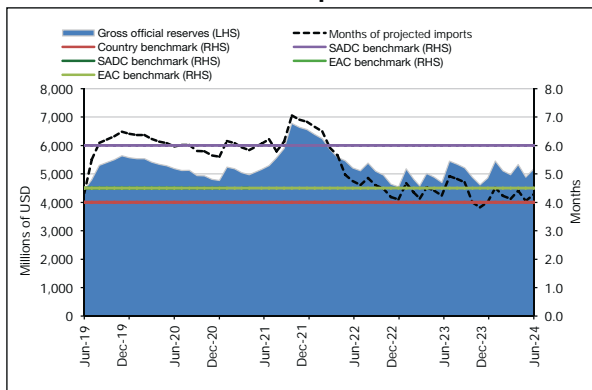
¹¹ Traditional exports include tobacco, coffee, cashew nuts, cotton, tea, sisal and cloves.



Bank of Tanzania Annual Report 2023/24

Foreign exchange reserves amounted to USD 5,345.5 million at the end of June 2024, sufficient to cover 4.4 months of projected imports of goods and services, and consistent with the country's benchmark of at least 4 months (Chart 3.12).

Chart 3.12: Foreign Exchange Reserves and Months of Import Cover



Source: Bank of Tanzania

Table 3.15: Current Account

	2019/20	2020/21	2021/22	2022/23 ^p	2023/24 ^p
Balance on goods account	-2,466.0	-2,099.8	-4,616.0	-7,094.2	-5,915.9
Exports	5,868.7	6,446.8	7,097.4	7,351.8	7,869.5
Traditional	995.9	578.4	737.8	752.2	1,066.3
Non-traditional	4,574.9	5,557.4	5,959.1	6,195.7	6,371.6
o/w Gold	2,591.3	3,025.0	2,692.0	2,909.2	3,121.8
Unrecorded trade	297.9	311.1	400.5	403.9	431.6
Imports f.o.b.	-8,334.7	-8,546.6	-11,713.4	-14,445.9	-13,785.4
Balance on services account	1,797.6	1,069.7	1,904.4	2,894.2	4,552.8
Receipts	3,478.7	2,364.5	3,906.7	5,428.7	6,794.4
Payments	-1,681.1	-1,294.9	-2,002.4	-2,534.5	-2,241.6
Balance on goods and services	-668.4	-1,030.1	-2,711.6	-4,200.0	-1,363.1
Exports of goods and services	9,347.4	8,811.4	11,004.1	12,780.4	14,663.9
Imports of goods and services	-10,015.8	-9,841.4	-13,715.7	-16,980.4	-16,027.0
Balance on primary income account	-1,113.0	-1,231.1	-1,313.0	-1,403.0	-1,665.2
Receipts	194.4	67.4	153.6	187.5	196.9
Payments	-1,307.4	-1,298.5	-1,466.6	-1,590.5	-1,862.1
o/w Interest payment	-367.1	-296.7	-380.7	-463.7	-772.4
Balance on secondary income account	464.4	452.1	574.2	647.4	558.8
Receipts	518.0	513.5	684.8	761.1	748.1
o/w Official inflows	203.0	76.7	92.4	96.1	72.2
Payments	-53.6	-61.4	-110.5	-113.7	-189.3
Current account balance	-1,317.1	-1,809.1	-3,450.4	-4,955.6	-2,469.5
CAB/GDP	-2.2	-2.8	-4.8	-6.4	-3.1

Source: Tanzania Revenue Authority, Bank of Tanzania and banks

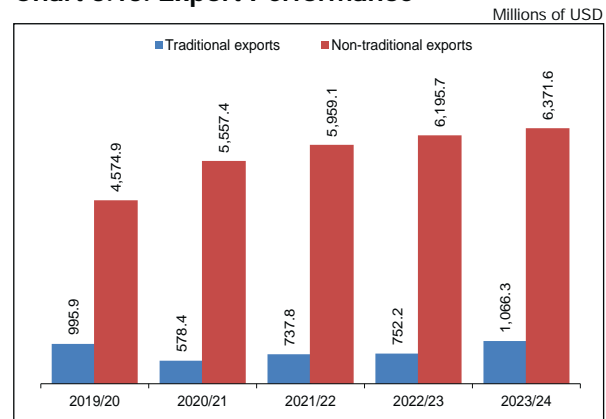
Note: ^p denotes provisional data; f.o.b., free on board; and o/w, of which

International Trade

Exports of goods increased to USD 7,869.5 million in 2023/24 from USD 7,351.8 million in the preceding year (Chart 3.13 and Chart 3.14). Traditional exports amounted to USD 1,066.3 million, higher than the prior year by 41.8 percent, driven by tobacco and cashew nuts (Chart 3.15). Improved tobacco exports were attributed to both volume and price effects, while cashew nuts were boosted by volume effect. Similarly, non-

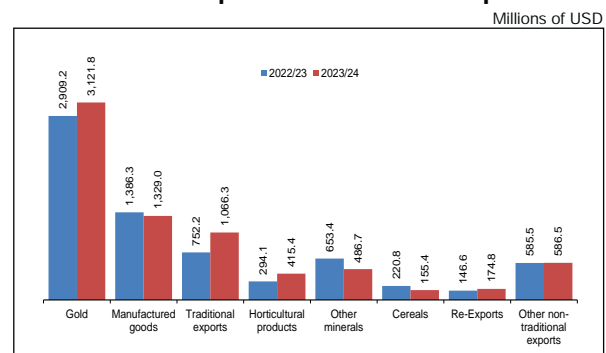
traditional exports increased by 2.8 percent to USD 6,371.6 million on account of higher exports of gold and horticultural products. Exports of gold amounted to USD 3,121.8 million, higher than USD 2,909.2 million in the preceding year, mainly due to the price effect, and accounted for 39.7 percent of total goods exports.

Chart 3.13: Export Performance



Source: Tanzania Revenue Authority

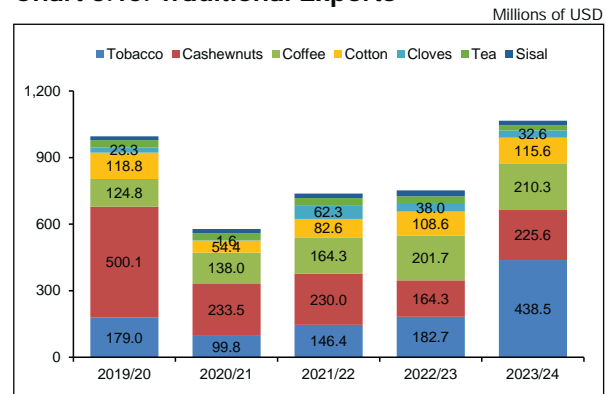
Chart 1.14: Composition of Goods Exports



Source: Tanzania Revenue Authority

Note: 'Other minerals' comprise Tanzanite, concentrates and other minerals

Chart 3.15: Traditional Exports



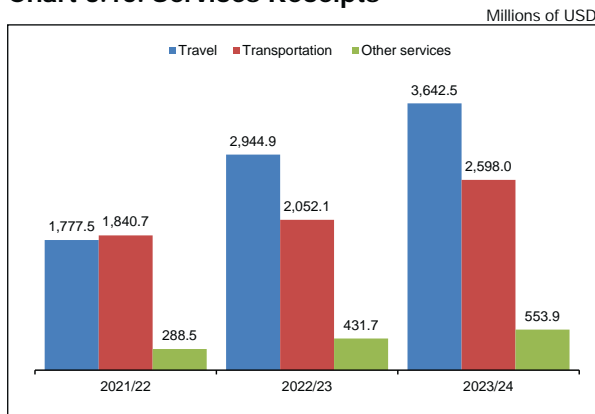
Source: Banks and Bank of Tanzania



Bank of Tanzania Annual Report 2023/24

Service receipts increased by 25.2 percent to USD 6,794.4 million in 2023/24, contributed by earnings from tourism (travel) and transport services (Chart 3.16). Tourism receipts increased to USD 3,642.5 million from USD 2,944.9 million in the preceding year, consistent with the increase in tourist arrivals to 1,994,242 from 1,638,846. Waning of travel restrictions from the COVID-19 pandemic coupled with Government and private sector promotional efforts contributed to the observed performance. In addition, earnings from transport services amounted to USD 2,598 million, 26.6 percent higher than the receipts in 2022/23, supported by increased transit goods to and from neighbouring countries.

Chart 3.16: Services Receipts

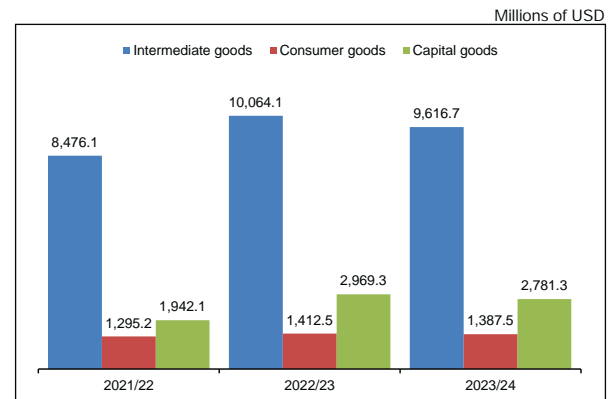


Source: Banks and Bank of Tanzania

The import bill for 2023/24 was lower than the preceding year, influenced by the decline of commodity prices in the global market, particularly petroleum products and fertilizers. Import of goods was USD 13,785.4 million during 2023/24, lower than USD 14,445.9 million a year earlier (Chart 3.17).

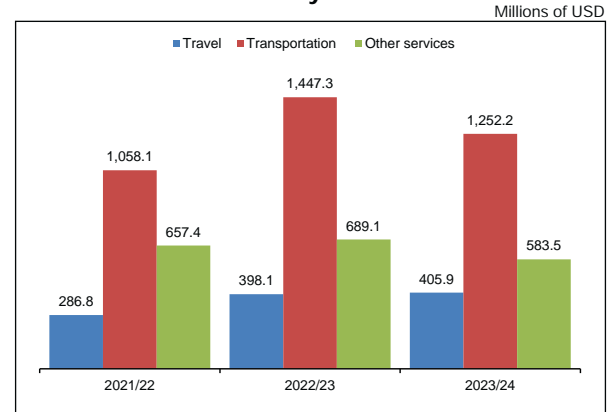
Notably, imports of white petroleum products fell by 10.2 percent to USD 2,802.2 million, largely due to the price effect. Services payments decreased by 11.6 percent to USD 2,241.6 million, largely due to a decline in freight payments, as reflected by a decrease in import bills (Chart 3.18).

Chart 3.17: Composition of Goods Imports



Source: Tanzania Revenue Authority and Bank of Tanzania computations

Chart 3.18: Services Payments



Source: Banks, and Bank of Tanzania computations

Income and Capital Transfers

The primary income account had a deficit of USD 1,665.2 million from USD 1,403 million in 2022/23, associated with tight global conditions that resulted in higher interest payments on loans¹². A surplus in secondary income account narrowed to USD 558.8 million from USD 647.4 million due to a slowdown in private transfers¹³. The capital account recorded a surplus of USD 223.9 million, lower than USD 284.5 million, owing to a decline in official project grants.

¹² Primary income account comprises income from the compensation of employees, interest income, dividends and retained earnings from capital investments, rental income from the use of natural resources and other types of primary income including those that relate to insurance policy holders and pension funds.

¹³ Secondary income account refers to transfers between residents and non-residents for the provision of a good, service, financial asset, or other non-produced asset with no corresponding return of an item of economic value.



Bank of Tanzania Annual Report 2023/24

Financial Account

The financial account, which constitutes foreign direct investment, portfolio investment, financial derivatives and employees stock options, and other investments, registered a surplus of USD 3,634.4 million compared with USD 4,079.1 million in 2022/23¹⁴. The decrease stemmed from the accumulation of banks' assets.

Inflows of Foreign Direct Investment (FDI) increased by 20.8 percent to USD 1,437.6 million in 2022 from the level recorded in 2021¹⁵. The inflows were mainly driven by mining and quarrying, finance and insurance and manufacturing activities. FDI inflows are projected to increase in line with continued government initiatives to improve the country's investment climate as the global economy stabilizes.

Direction of Trade

The direction of trade remained unchanged, with South Africa, India, United Arab Emirates being the main export market, accounting for 51.6 percent of exports (Table 3.16a). The major export commodities to these markets were gold, edible vegetables, oil seeds, tobacco, cashew nuts and rice. In terms of major import sources, China, United Arab Emirates, and India accounted for 53.8 percent of imports (Table 3.16b). Main imports from these countries comprise white petroleum products, iron and steel, machinery (mechanical and electrical), industrial transport equipment, plastic items, and passenger motor cars.

Table 3.16a: Shares in Exports Destinations

Country	Percent				
	2019/20	2020/21	2021/22	2022/23	2023/24 ^P
India	13.1	9.8	16.3	18.0	22.2
South Africa	19.5	17.4	12.3	14.8	21.5
United Arab Emirates	10.9	15.3	14.1	10.8	7.9
China	4.6	4.1	4.3	4.8	6.1
Democratic Republic of Congo	2.5	2.6	3.7	4.4	4.2
Uganda	2.2	4.6	4.2	4.1	3.9
Switzerland	9.6	13.3	6.9	6.5	3.5
Belgium	3.1	1.4	1.8	2.2	3.3
Kenya	3.8	4.7	6.7	4.2	2.4
Rwanda	3.3	4.7	3.7	3.0	2.3
Netherlands	1.2	1.2	1.8	1.2	1.7
Vietnam	6.0	3.3	2.1	1.9	1.6
Burundi	2.0	3.0	3.1	3.0	1.1
Malawi	1.0	0.8	1.0	0.9	1.0
Japan	0.9	1.1	1.3	1.0	1.0

Source: Tanzania Revenue Authority

Note: The list comprises only top 15 export destinations, and p denotes provisional data

Table 3.16b: Shares in Source of Imports

Country	Percent				
	2019/20	2020/21	2021/22	2022/23	2023/24 ^P
China	22.1	25.4	25.7	25.6	28.7
India	14.6	11.9	12.7	11.1	14.6
United Arab Emirates	10.0	11.5	14.6	12.5	10.5
Japan	4.4	4.0	4.0	3.8	3.9
South Africa	4.7	4.0	3.7	3.6	3.7
Saudi Arabia	3.0	5.1	5.4	5.1	3.7
Kenya	2.7	3.8	3.2	2.6	2.6
United States	3.0	2.5	2.4	2.2	2.5
Turkey	2.5	2.4	1.8	1.7	1.9
Germany	2.7	2.6	1.8	1.6	1.5
Switzerland	1.1	0.9	0.5	1.2	1.2
United Kingdom	1.4	1.3	1.0	1.0	1.1
Oman	1.7	1.9	1.3	1.3	0.8
Australia	0.7	0.9	0.8	0.5	0.5
Indonesia	1.6	2.1	1.0	0.5	0.4

Source: Tanzania Revenue Authority

Note: The list comprises only top 15 sources of imports, and p denotes provisional data

During the year, Tanzania exported goods worth USD 2,205.6 million to SADC member countries, compared with USD 1,610.6 million in 2022/23. The top destinations were South Africa and the Democratic Republic of Congo, accounting for 86.6 percent of overall exports. Exports to South Africa were dominated by gold and accounted for 70.2 percent of total exports to the SADC region. Other exports to SADC included glassware, beverages and manufactured tobacco products. The share of imports from SADC remained low, accounting for 5.2 percent of the total imports, with South Africa being the major source. The imported goods are mostly iron and steel, industrial transport equipment, and food and beverages.

¹⁴ Financial account records transactions involving financial assets and liabilities between residents and non-residents.

¹⁵ The most current Private capital flows survey report covers 2022.



Bank of Tanzania Annual Report 2023/24

Tanzania's trade surplus with the EAC narrowed to USD 543.1 million from USD 773.2 million in 2022/23, as the decrease in exports more than offset the reduction in imports (Table 3.17). Whereas exports fell by 20.8 percent to USD 1,043.9 million, imports decreased by 8.1 percent to USD 500.9 million. Goods exported to the EAC mainly include rice, maize, glassware, fertilizers, and cement. The major imports included soap and detergents, pharmaceutical products, and food and beverages.

Table 3.17: Tanzania Intra-EAC Trade

	Millions of USD				
	2019/20	2020/21	2021/22	2022/23	2023/24 ^p
Burundi					
Exports	113.3	186.7	204.5	206.2	83.4
Imports	0.2	0.6	0.9	3.5	1.9
Balance	113.1	186.1	203.6	202.6	81.5
Kenya					
Exports	212.8	288.0	449.2	288.6	176.0
Imports	241.9	352.3	407.0	423.2	389.8
Balance	-29.1	-64.3	42.2	-134.6	-213.8
Uganda					
Exports	119.8	282.0	283.9	286.6	292.0
Imports	82.2	81.0	141.8	113.9	101.1
Balance	37.6	201.0	142.0	172.7	190.8
DRC					
Exports	137.3	158.6	250.5	306.8	308.9
Imports	1.6	2.4	3.0	2.7	5.5
Balance	135.7	156.2	247.5	304.1	303.3
Rwanda					
Exports	183.5	286.0	247.5	211.9	169.8
Imports	2.1	2.1	3.3	1.7	2.5
Balance	181.5	283.8	244.2	210.2	167.3
South Sudan					
Exports	3.5	5.6	9.7	18.3	13.9
Imports	0.0	0.0	0.1	0.0	0.0
Balance	3.5	5.5	9.6	18.2	13.9
Total exports	770.2	1,206.9	1,445.3	1,318.3	1,043.9
Total imports	327.9	438.5	556.1	545.1	500.9
Trade balance	442.3	768.4	889.2	773.2	543.1

Source: Tanzania Revenue Authority
Note: DRC, denotes Democratic Republic of Congo, and p denotes provisional data

Table 3.18: Tanzania Shares of Trade with EAC Partner States

	Percent				
	2019/20	2020/21	2021/22	2022/23	2023/24 ^p
Exports shares:					
Kenya	27.6	23.9	31.1	21.9	16.9
Uganda	15.6	23.4	19.6	21.7	28.0
Rwanda	23.8	23.7	17.1	16.1	16.3
DRC	17.8	13.1	17.3	23.3	29.6
Burundi	14.7	15.5	14.2	15.6	8.0
South Sudan	0.5	0.5	0.7	1.4	1.3
Imports shares:					
Kenya	73.8	80.4	73.2	77.6	77.8
Uganda	25.1	18.5	25.5	20.9	20.2
Rwanda	0.6	0.5	0.6	0.3	0.5
DRC	0.5	0.5	0.5	0.5	1.1
Burundi	0.1	0.1	0.2	0.7	0.4
South Sudan	0.0	0.0	0.0	0.0	0.0

Source: Tanzania Revenue Authority

Note: DRC, denotes Democratic Republic of Congo, and p denotes provisional data

The Democratic Republic of Congo and Uganda were Tanzania's main trading partners, accounting for 29.6 percent and 28 percent of the intra-EAC exports in 2023/24, respectively. On the part of imports, Kenya remained the major source, accounting for 77.8 percent (Table 3.18).



Bank of Tanzania Annual Report 2023/24

4.0 Financial Sector Performance

The financial sector remained stable, sound and resilient to adverse effects of domestic and external shocks¹⁶. In 2023/24, all indicators hovered within the desirable thresholds. The Bank continued with its licensing, regulatory and supervisory mandates of the financial institutions that fall under its purview¹⁷.

Banking Sector Performance

The banking sector, which constitutes 72 percent of the financial sector's total assets, improved, with all financial sector soundness indicators falling within the thresholds. This outturn results from favourable economic conditions, fiscal and monetary policy interventions, and regulatory and supervisory measures.

In ensuring banking efficiency, stability, and broader financial outreach, the regulatory framework has been significantly strengthened through key reforms such as the Foreign Exchange (Bureau de Change) Regulations, 2023, and the Cloud Computing Guidelines for Financial Services Providers, 2023. The introduction of the Code of Conduct for the Retail Foreign Exchange Market (FX Code), alongside the commencement of parallel run of Basel II and III standards and the associated regulatory framework, led to revision and gazetting of the Banking and Financial Institutions Regulations, Guidelines, and Guidance Notes in 2023 focusing on capital adequacy, liquidity, and prompt corrective action. These measures collectively aim to improve the business environment, enhance supervisory oversight, and ensure compliance with international standards and best practices.

Furthermore, the Bank revised its supervisory and regulatory approach to Anti-Money Laundering (AML) and Countering the Financing of Terrorism (CFT) by establishing a separate and independent onsite examination cycle for AML issues to banks and financial institutions. Further, the Bank conducts Money Laundering and Terrorist Financing Risk Assessment of Legal Persons (LP) and Legal Arrangements (LA), aligning with the Financial Action Task Force (FATF) requirements. This proactive step prioritizes monitoring AML/CFT matters, essential for strengthening the financial system's integrity.

During 2023/24, the Bank licensed 18 bureaux de change, which increased the number of licensed institutions in the banking sector to 81, comprising 44 banks and 37 non-bank financial institutions (Table 4.1 and Table 4.2). In the same period, one leasing company surrendered its license and exited the market. In terms of outreach, the number of bank branches increased to 1,026 at the end of June 2024 from 1,003 branches in the corresponding period in 2023.

Table 4.1: Licensed Banks

Type of bank	Ownership structure			Stock exchange Listing	
	Number	Domestic	Foreign	Listed	Not Listed
Commercial banks	34	12	22	6	28
Microfinance banks	3	0	3	0	3
Community banks	5	5	0	0	5
Development finance banks	2	2	0	0	2
Total	44	19	25	6	38

Source: Bank of Tanzania

Table 4.2: Licensed Non-Bank Financial Institutions

Type of non-bank	Ownership structure			Stock exchange listing	
	Number	Domestic	Foreign	Listed	Not Listed
Financial leasing	4	3	2	0	4
Mortgage financing	2	2	0	0	2
Credit reference bureau	2	0	2	0	2
Bureau de change	27	8	1	0	9
Representative offices	2	0	2	0	2
Total	37	13	7	0	19

Source: Bank of Tanzania

¹⁶ Tanzania's financial sector is composed of banking institutions, social security schemes, insurance, capital markets, and microfinance sub-sectors.

¹⁷ Financial Institution in this case comprise banking and non-banking financial institutions.



Bank of Tanzania Annual Report 2023/24

Overall, the banking sub-sector was healthy, as reflected by the Financial Soundness Indicators (FSIs), encompassing capital adequacy, asset quality, earnings, liquidity and sensitivity to market risk. Banks' assets grew by 17 percent to TZS 59,045.1 billion, driven by an increase in deposits—which grew by 13.8 percent, largely due to mobilization efforts by banks through agent banking and digital platforms—and a decrease in Non-Performing Loans (NPLs), indicating prudent lending practices. The ratio of NPL to gross loans was 4.1 percent at the end of June 2024, within the tolerable level of 5 percent and 5.3 percent in the corresponding period in 2023. The sector was liquid, profitable, and adequately capitalized, suggesting resilience against potential losses (Table 4.3).

Table 4.3: Selected Financial Soundness Indicators

Ratios	Percent				
	As at end of June				
	2020	2021	2022	2023	2024 ^P
Core capital/TRWA+OBSE	17.0	17.2	19.1	18.3	18.6
Total capital/TRWA+OBSE	18.0	17.9	20.2	19.0	19.3
Liquid assets to demand liabilities	33.4	33.2	28.1	25.1	26.8
Gross NPLs to gross loans	10.8	9.3	7.8	5.3	4.1
NPLs net of provisions to total capital	42.8	35.0	28.3	22.7	17.4
Return on assets	2.2	2.4	4.1	4.5	5.7
Return on equity	9.8	10.4	18.5	21.5	27.3
Net open positions to total capital	7.3	6.5	4.9	3.4	4.4

Source: Bank of Tanzania

Note: TRWA+OBSE denotes total risk-weighted assets and off-balance sheet exposures, and p denotes provisional data

To safeguard the banking industry against internal and external shocks and ensure sustainability, the Bank is set to continue improving the regulatory and governance of the banking subsector to support the growth of the economy.

Credit Reference Operations

Statistics from the two credit reference bureaus (Creditinfo Tanzania Limited and Dun & Bradstreet Credit Bureau Tanzania Limited) indicate improvement, evidenced by increased credit inquiries and credit reports sold. The performance was largely associated with increased awareness of financial institutions and demand for loans

by the private sector. During the year, inquiries increased to 1,324,278 from 1,231,605 registered in 2022/23. Relatedly, the number of non-regulated institutions that shared credit information with the bureaus increased to 181 from 166 in the same period. The increased usage of credit information not only enhances credit underwriting processes but also reduces default rate, subsequently reducing the level of NPLs.

Foreign Exchange Retail Market Performance

Retail foreign exchange services provided by commercial banks and bureaux de change were relatively lower than the preceding year, largely due to the lower availability of foreign exchange in the market, which led to the emergence of parallel market dealings. To improve operations in the market, the Bank introduced the Foreign Exchange (Bureau de Change) Regulation of 2023 to define, among others, new capital thresholds for establishing a Bureau de Change business and a range of dealers in foreign currency business. In the new Regulations, hotels can deal with spot foreign exchange transactions strictly for their customers. As of the end of June 2024, 34 commercial banks with 904 branches and 28 bureaux de change with 107 branches were dealing with buying and selling foreign currencies to the public.

In 2023/24, foreign currency purchases in the retail market amounted to USD 6,169.9 million, compared with USD 7,632.4 million in the preceding year, while foreign currency sales amounted to USD 5,384.4 million, compared with USD 7,606 million.

Agent Banking Operations

Agent banking operations continued to improve financial inclusion through expanding access and usage of banking services and deposit mobilization; as portrayed in the increased number of agents, volume, and value of transactions (Table



Bank of Tanzania Annual Report 2023/24

4.4). The number of banks engaged in the agent banking business remained at 31 at the end of June 2024. Notwithstanding, the number of bank agents increased to 125,673 from 88,218 in June 2023, resulting from previous measures by the Bank on changing agent banking eligibility criteria and increased public awareness of agent banking services.

Table 4.4: Agent Banking Transactions

Nature of transactions	Units	2021/22	2022/23	2023/24
Cash deposit	Volume	67,510,618	83,932,088	88,101,963
	Value in million of TZS	46,161,772	68,370,527	94,883,955
Cash withdraws	Volume	40,086,794	48,005,021	55,226,521
	Value in million of TZS	14,221,938	21,052,601	28,103,676
Number of agents		59,291	88,218	125,673

Source: Bank of Tanzania

Social Security Schemes

The Social Security Act (CAP. 135) mandates the Bank to regulate and supervise financial matters of social security schemes¹⁸. The assessment of the schemes in 2023/24 depicted improved investment assets and members' contributions. This was evidenced by a 10.3 percent growth of investment assets to TZS 18,196.5 billion and a 20.3 percent increase in members' contribution to TZS 4,718.5 billion from the amounts recorded in 2022/23. Investment income also increased by 3.3 percent to TZS 1,204.1 billion.

Non-deposit Taking Microfinance Service Providers

In collaboration with delegated Authorities, the Bank discharges its licensing, regulatory and supervisory roles for Microfinance Service Providers (MSPs) in line with the Microfinance Act, 2018¹⁹. The Bank licensed 644 Tier 2 MSPs in 2023/24, increasing the number to 1,951. Tier 3 MSPs (Savings and Credit Cooperative Societies

(SACCOS)), licensed by the Tanzania Cooperative Development Commission (TCDC), increased by 136 to 937.

Meanwhile, the number of Tier 4 MSPs (community microfinance groups) registered by LGAs increased by 11,191 to 53,448. The increase signals enhanced access to financial services for low-income individuals traditionally not served by conventional financial institutions.

To improve the operations of MSPs, the Bank, in collaboration with the delegated Authorities, continues to raise awareness to MSPs on the requirements of the Microfinance Act, 2018 and its regulations.

Financial Stability

Financial stability is key in enhancing economic growth, as most transactions in the real economy are performed through the financial system. Its assessment onboards all economic players, including the banking sector, insurance, pension funds, and other financial intermediaries. During the year, Tanzania's financial system remained stable and resilient to short-term shocks and vulnerabilities as measured by Tanzania's financial system stability index, which stood at 0.2 in June 2024 compared with 0.0 in the previous year²⁰. This improvement was on account of the banking subsector's performance, macroeconomic factors' stability, and growth in credit to the private sector. Improved credit to the private sector was partly associated with an improved business environment, prudent monetary policy, and budgetary and regulatory measures. These factors led to growth of economic activities, which in turn improved the creditworthiness of individuals and businesses.

¹⁸ By June 2024, the mandatory social security schemes were Public Service Social Security Fund (PSSSF), National Social Security Fund (NSSF), National Health Insurance Fund (NHIF) and Workers Compensation Fund (WCF). In addition, there were 25 supplementary schemes serving public and private sectors.

¹⁹ Delegated authorities are the Local Government Authorities (LGAs), and Tanzania Cooperative Development Commission (TCDC).

²⁰ The Index signals the level of stability of the financial system, with the desired thresholds evolving between 1 and -1. The index uses financial market data and banking sector prudential indicators measuring capital, asset quality, earnings, and liquidity. The indicators are transformed into a composite index using a standardized common scale, assuming the data are normally distributed.



Bank of Tanzania Annual Report 2023/24

Non-financial corporate sector improved amidst the exposure to tight global financial conditions, exchange rate fluctuations and climate change risks. The sectors' retained earnings increased relative to the preceding years, backed by improvements in business environment, public and private investment and growth in aggregate demand. This demand is aligned with the subdued risks from the real estate sector which is indicated by increased construction activities and occupancy rate for both residential and commercial properties.

The financial sector is expected to remain resilient, bolstered by adequate capital, liquidity, and subdued credit risk, supported by an anticipated increase in the disbursement of new loans to the private sector. In addition, credit risk is projected to decrease due to an enhanced debt servicing capacity, as evidenced by a gradual reduction in NPLs. However, the sector remains vulnerable to uncertainties from tightening global financial conditions, exchange rate pressures, and climate-related risks.

Financial Inclusion

Financial inclusion remains one of Tanzania's strategic initiatives aimed at driving economic growth and reducing poverty. Initiatives towards promoting financial inclusion are guided by the National Financial Inclusion Frameworks (NFIFs) implemented through collaboration between public and private stakeholders²¹. The first two Frameworks' broad achievements include the development of policies, legal and regulatory frameworks on the formalization of microfinance operations, systems interoperability, Know Your Customer (KYC) enhancement, increased business formalization and enhanced consumer protection. The third NFIF (2023-2028), launched

in August 2023, aims to tackle persisting financial inclusion challenges, mainly on access, usage, quality, and welfare. In implementing the Framework, the Tanzania Financial Inclusion Index (TanFiX) was developed to measure the overall progress of financial inclusion to complement demand survey financial inclusion (See Box 3 for additional details).

Other developments in this area during the year include the enactment of the Zanzibar Microfinance Service Act 2023 and the issuance of Fintech Regulatory Sandbox Regulations 2024 to provide supportive live testing of financial solutions for emerging technologies and innovations in a controlled environment.

Box 3: Tanzania Financial Inclusion Index

The Tanzania Financial Inclusion Index (TanFiX) measures the overall direction of Financial Inclusion. The index is developed using supply-side data on access, usage, quality, and welfare from financial sector players. The index ranges from 0 to 1 with 0 indicating total financial exclusion and 1 total financial inclusion.

As of the end of December 2023, the index showed an improvement, rising to 0.72 from 0.68 in December 2022. The improvement was largely observed in the access sub-index influenced by the rise in the number of mobile money and banking agents, microfinance service access points, especially community microfinance groups, and point-of-sale locations.

Financial Consumer Protection

Financial consumer protection remains one of the Bank's focus areas, aimed at ensuring that financial services consumers are equipped with fundamental rights, promoting market discipline,

²¹ First National Financial Inclusion Framework (2014-2017), Second National Financial Inclusion Framework (2018-2022), and Third National Financial Inclusion Framework (2023-2028)



Bank of Tanzania Annual Report 2023/24

and stimulating healthy competition among financial service providers. To address these issues, the focus was on three key pillars namely: market conduct, financial literacy, and complaints handling and redress.

Regarding market conduct, the Bank conducted market risk assessments to uncover areas for intervention. In this regard, the Bank developed a market conduct supervision framework to provide guidance for monitoring the relationship between financial service providers and consumers; and developed fees and charges guidelines with a view to dealing with fees and charges challenges in the financial sector.

To enhance financial literacy to the public, policies, guidelines, and frameworks were developed to inculcate financial literacy programs into the formal education system. The initiatives involved engagement with key stakeholders responsible for formal education in the country. As of June 2024, primary and secondary schools commenced teaching financial literacy. In addition, three universities had incorporated financial literacy in their curricula. With respect to outreach of the off-schooling population, a certified financial educators' program was launched and implemented through designated academic institutions. By the end of June 2024, 86 financial educators were certified under the program.

Lastly, in handling consumer complaints, the Bank received 1,103 complaints, of which 97 percent were resolved. To further improve the handling of complaints, the Bank has developed the Financial Complaints Resolution System, which is set to go live in early 2025. The System will not only help complainants submit complaints to the Bank timely and accurately but also facilitate the Bank to resolve good number of complaints within the set timeframe of 45 days.



Bank of Tanzania Annual Report 2023/24

5.0 Payment Systems

Payment systems in Tanzania are essential pillars for implementing the country's monetary policy, ensuring financial stability, boosting economic efficiency, and promoting financial inclusion and trade. To advance the existing achievements in payment systems, the Bank pushed further with the digitization of businesses, systems development and upgrades, licensing of service providers, and enhancement of payment systems oversight.

Payment Systems Development

In 2023/24, the Bank prioritized promoting a cash-lite economy in the country, through the digitization of domestic and cross-border payments. Efforts were directed towards attaining efficient processing of financial transactions through designated Systemically Important Payment Systems (SIPS), including the Tanzania Interbank System (TISS), Tanzania Clearing House (TACH), and Tanzania Instant Payment System (TIPS) to support financial transactions 24/7 a week. In addition, the Bank introduced SWIFT migration to ISO20022 and completed the Cross-border payments and reporting plus (CBPR+) migration to enable processing of cross-border payments²².

At the retail level, the Bank continued with efforts to attain interoperability of retail payment systems. To foster the adoption of digital merchant payments, the Bank launched the TIPS in March 2024. The system is expected to significantly improve operational efficiency across the payment ecosystem and reduce transfer costs to customers. As of June 2024, the system onboarded 45 financial service providers, of which 39 were banks. Box 4 provides more details on the System.

Box 4: Tanzania Instant Payment System

TIPS is the national payment system that onboarded different Financial Service Providers (FSPs), including banks and electronic money issuers. It offers real-time interoperable transfers for several use cases, including Person to Person (P2P), Person to Business (P2B) and Person to Merchants (P2M) transfers through standardized QR code, and Business to Business (B2B). A room for more features and use cases is also provided in the System to allow for, among others, cross-border payments, bulk transfers and card payments. Volumes and values of transactions passing through the system have been rising, with the monthly transfers standing at 45 million transactions valued at TZS 2,837 billion in the year ending June 2024.

Further, the Tanzania Quick Response Code (TANQR) was adopted by payment system providers to standardize payments across networks and financial service providers. The number of merchants accepting digital payments reached 657,346, an increase of 66.9 percent from those recorded in 2022/23. The Bank continued to promote the innovations and introduction of digital financial products that serve the public's needs, such as digital credit, savings, insurance, and cross-border payments.

Performance of Payment Systems

At the end of 2023/24, the number of licensed payment system providers increased by 30 percent to 92, composed of 44 banks and 48 non-banks. The number of electronic money issuers remained unchanged at six while 15 Fintech were licensed.

²² ISO20022 refers to an open global standard for electronic data interchange between financial institutions.



Bank of Tanzania Annual Report 2023/24

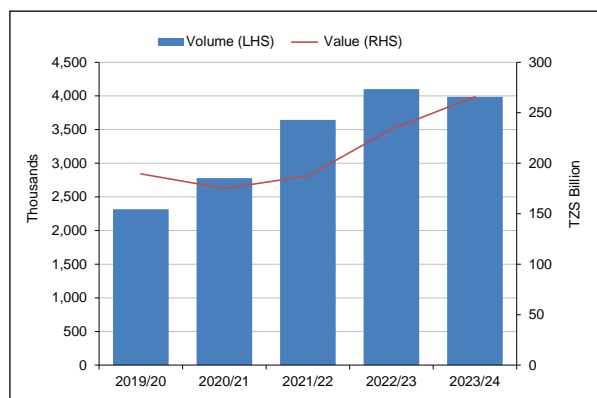
Large Payments

TISS efficiently processed all high-value and time-sensitive payments denominated in Tanzanian Shillings and US Dollars, such as tax collection, interbank trades and payments to mega-projects. TISS participants included 42 banks, four East African central banks, and five non-bank institutions, which consisted of government entities and switch operators like UMOJA SWITCH, MasterCard Worldwide, and VISA International.

In 2023/24, the system recorded an uptime of 99 percent, and the volume of transactions denominated in TZS slowed by 2.8 percent to 3,987,740 from 4,101,509 in 2022/23. Despite the decrease in volume, the corresponding values increased by 13.7 percent, reaching TZS 265,819 billion from TZS 233,754 billion in 2022/23 (Chart 5.1a).

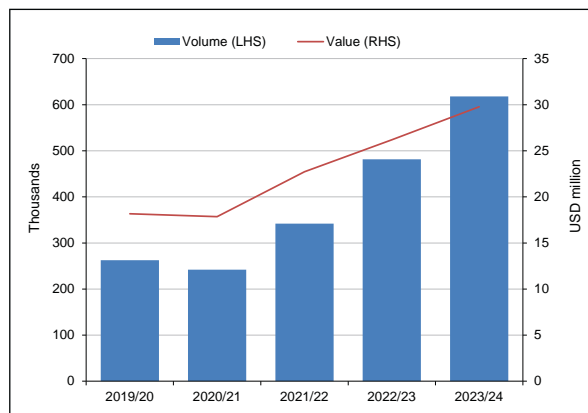
As for USD transactions, the volume rose by 28.3 percent to 617,876 transactions, while the value increased by 13.7 percent to USD 29.8 billion (Chart 5.1b). This growth was attributed to increased external payments for contractors involved in mega projects, higher foreign obligations for imports, and inflows to both public and private sectors.

Chart 5.1a: TISS TZS Transactions



Source: Bank of Tanzania
Note: LHS denotes left hand scale; and RHS, right hand scale

Chart 5.1b: TISS USD Transactions



Source: Bank of Tanzania
Note: LHS denotes left hand scale; and RHS, right hand scale

Low Value Payments

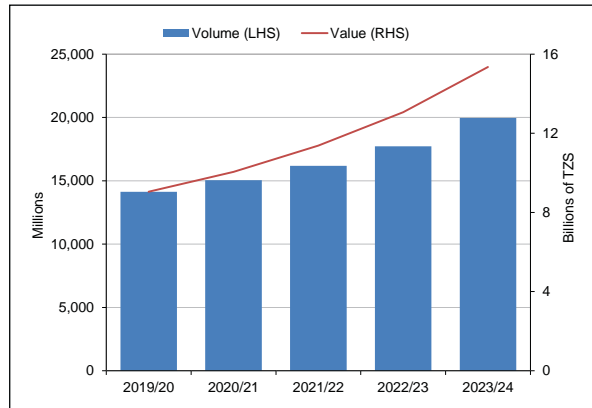
The TACH system designated for handling low-value transactions in TZS and US dollars had 42 participants as of the end of June 2024, the same as reported in 2022/23. The volume of EFT transactions through the system rose by 12.7 percent to 20 million, while the value increased by 17.5 percent to TZS 15,351 billion (Chart 5.2). The increase in EFT transactions was largely explained by the reduced charges and fees on EFT and the increased awareness of the product to the public.

The volume and value of cheques denominated in TZS decreased by 9.8 percent and 4.9 percent to 461,875 and TZS 1,852 billion, respectively, from the levels recorded in the preceding year. The decrease is largely explained by the consistent adoption of digital payments. Likewise, the volume and value of USD-denominated cheques decreased by 28.1 percent to 73,552 and 25.3 percent to USD 167 million from the amounts registered in 2022/23. The use of cheques for processing low-value transactions decreased due to the growing popularity of alternative digital payment systems, such as mobile payments, which are more convenient and efficient.



Bank of Tanzania Annual Report 2023/24

Chart 5.2: EFT transactions



Source: Bank of Tanzania

Note: LHS denotes left-hand scale; and RHS, right-hand scale

Regional Cross-Border Payment Systems

The East African Payment System (EAPS), which facilitates interbank cross-border settlements using the local currencies of member countries, operated smoothly in 2023/24.

The settlement within the system continued to be denominated in TZS and KES, reflecting the significant trade volume between Tanzania and Kenya. The increase in transactions is explained by efforts to strengthen bilateral ties by reducing trade barriers in the EAC region (Table 5.1).

Table 5.1: EAC Cross-Border Transactions

		TZS	KES	UGX	RWF
2019/20	Volume	2,949.0	2,819.0	408.0	0.0
	Value	168,373.6	4,781.6	12,901.1	0.0
2020/21	Volume	4,455.0	4,525.0	510.0	
	Value	105,299.6	6,986.6	19,981.6	0.0
2021/22	Volume	16,355.0	5,346.0	556.0	0.0
	Value	168,855.8	3,723.4	49,573.2	0.0
2022/23	Volume	7,894.0	8,327.0	1,006.0	0.0
	Value	276,560.2	2,817.9	84,869.9	0.0
2023/24	Volume	6,136.0	5,175.0	663.0	7.4
	Value	574,564.5	37,543.4	44,981.7	92.4

Source: Bank of Tanzania

Note: Values are in TZS Millions, the value and volume of trade using Burundi Francs, South Sudanese Pound and Congolese Franc were zero. KES denotes Kenyan Shilling; UGX, Ugandan Shilling; and RWF, Rwandan Franc.

The Southern African Development Community Real Time Gross Settlement System (SADC-RTGS), which facilitates cross-border payments within SADC member countries, continued operating smoothly.

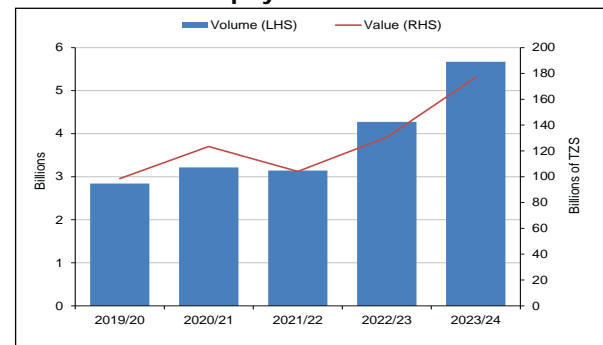
In 2023/24, the system processed 538,110 transactions worth ZAR 2,430 billion, an annual increase of 18.1 percent in transaction volume and 24 percent in value²³. Six Tanzanian banks participated in the system, collectively processing 3,824 transactions valued at ZAR 6,133 million, marking a 13.5 percent increase in volume and a more than six-fold increase in value. This reflects improvement in SADC intra-regional trade.

Mobile Payments

The Bank continued to implement measures to support the uptake of mobile money considering their vital role in fostering digital payments and a cash-lite agenda. The key measures include improved systems interoperability and a tiered Know Your Customer (KYC) for mobile money accounts—and other initiatives including government efforts to expand the network to the rural areas.

In 2023/24, active mobile money subscriptions increased by 32.6 percent, reaching 54.6 million compared with 41.2 million active subscribers reported in 2022/23. The performance was driven by merchant payments enabled by Mobile LIPA Namba²⁴, digital credit, saving, insurance, and community mobilization. The volume and value of mobile payments increased by 32.7 percent and 35.7 percent to 5.7 billion and TZS 177,108 billion, respectively (Chart 5.3).

Chart 5.3 Mobile payments



Source: Bank of Tanzania

Note: LHS denotes left-hand scale; and RHS, right-hand scale

²³ SADC-RTGS settles obligations and settlements on a pre-funded basis using the South African rand (ZAR).

²⁴ This is a unique number given to business that accepts digital payment.



Bank of Tanzania Annual Report 2023/24

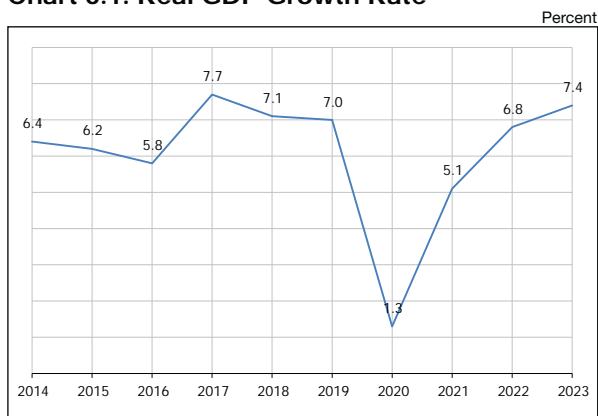
6.0 Zanzibar Economic Performance

6.1 Output and Prices

Output

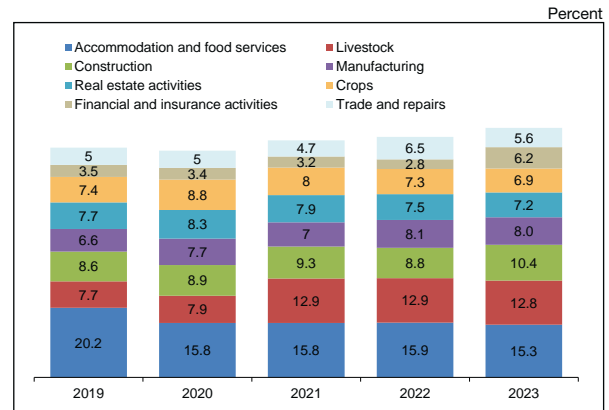
Zanzibar's economy guided by the Zanzibar Development Plan (ZADEP-2021/2026) and the Zanzibar Development Vision 2050, grew by 7.4 percent in 2023, higher than 6.8 percent in 2022, rebounding to pre-pandemic levels (Chart 6.1). The waning effects of the global economic shocks, particularly COVID-19, and the improving business environment largely explain the observed performance. Key drivers of the growth were financial and insurance services, accommodation, trade, manufacturing, construction, and agriculture, particularly fishing (Chart 6.2a). Notably, financial and insurance activities, accommodation, and food services, trade and repair, manufacturing, construction, transport, and storage were among the sectors with the highest growth rates (Chart 6.2b). In 2024, the economy is projected to grow by 7.2 percent, driven mainly by tourism, construction, and manufacturing activities.

Chart 6.1: Real GDP Growth Rate



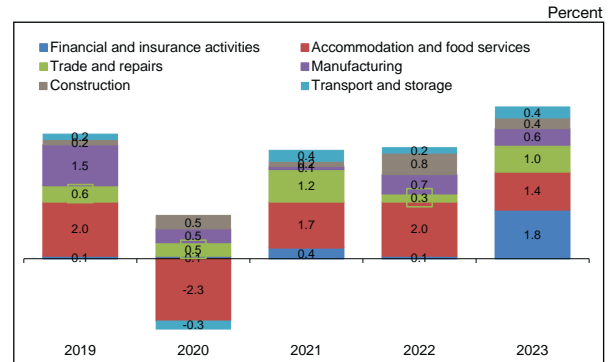
Source: Office of the Chief Government Statistician

Chart 6.2a: Contribution to Real GDP Growth by Selected Economic Activities



Source: Office of the Chief Government Statistician

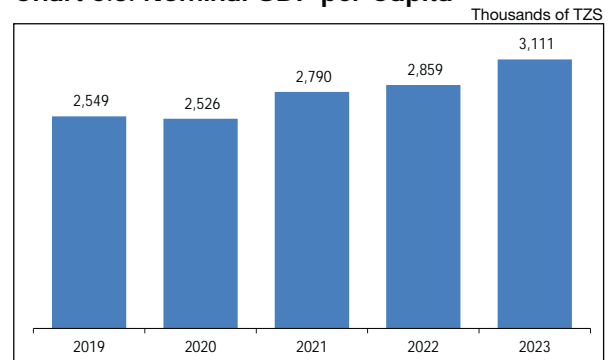
Chart 6.2b: Real GDP Growth by Selected Economic Activities



Source: Office of the Chief Government Statistician

GDP at current prices increased to TZS 6,041.3 billion from TZS 5,400.3 billion in 2022. Correspondingly, per capita GDP increased to TZS 3.1 million from TZS 2.9 million in 2022 (Chart 6.3).

Chart 6.3: Nominal GDP per Capita



Source: Office of the Chief Government Statistician



Bank of Tanzania Annual Report 2023/24

Performance of Economic Activities

Services

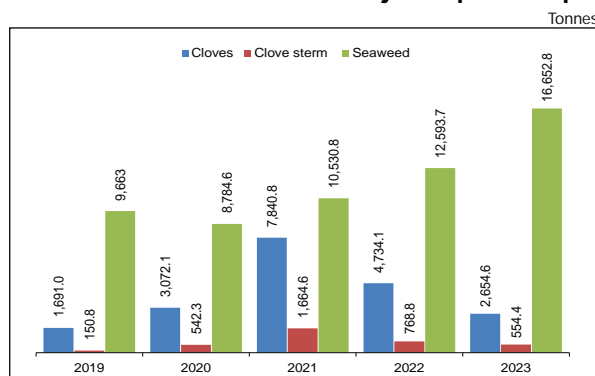
Services remained a key economic activity in Zanzibar, contributing to about 70 percent of GDP growth. In 2023, services grew by 9.9 percent, up from 7.7 percent in 2022, largely associated with improving the business environment and the rebound in tourism to the pre-pandemic levels.

The services sub-activities that contributed the most include financial and insurance services, accommodation, and trade. Financial and insurance services grew by 54.6 percent in 2023 compared with 3.7 percent in 2022, contributed by prudent monetary policy and strengthened legal and regulatory financial frameworks. Likewise, trade grew by 12.6 percent in 2023 from 4.2 percent in 2022, reflecting government efforts to improve business and investment environment.

Agriculture, Forestry and Fishing

This activity grew slower in 2023, at 2.3 percent, compared with 4 percent in 2022. This outturn was mainly due to a slowdown in the growth of livestock and crop sub-activities. Specifically, cloves procurement declined to 2,654.6 tonnes from 4,734.1 tonnes in 2022, attributed to its cyclical nature. Meanwhile, the seaweed procurement increased to 16,652.8 tonnes from 12,593.7 tonnes due to favourable climatic conditions (Chart 6.4).

Chart 6.4: Procurement of Major Export Crops



Source: Office of the Chief Government Statistician

Industry

Growth in industry activity slowed to 6.6 percent in 2023 from 9.3 percent in 2022, largely driven by construction and manufacturing sub-activities. Completion of major infrastructure projects, including education and health facilities as well as roads, explains the slow-down in the construction. As for manufacturing sub-activity, the slowdown was attributable to a decrease in production due to the closure of some industries.

4.2 Inflation

Zanzibar headline inflation eased to an average of 5.9 percent in 2023/24 from 7 percent in the preceding year, driven by a decline in non-food inflation. Non-food inflation eased to 2.8 percent from 4.8 percent in 2022/23 owing to a decrease in global commodity prices, particularly oil. Conversely, food inflation was 10.2 percent compared with 10 percent recorded in the preceding year, mainly associated with the increase in the prices of imported rice and sugar (Chart 6.2).

Table 6.2: Inflation Developments

Inflation components	Percent				
	2019/20	2020/21	2021/22	2022/23	2023/24
Headline	3.8	1.5	3.1	7.0	5.9
Food	5.3	2.2	1.7	10.0	10.2
Non-food	2.6	1.0	4.0	4.8	2.8

Source: Office of the Chief Government Statistician

4.3 Public Finance

Government Budgetary Operations

Zanzibar's fiscal performance was satisfactory. Revenue collection exceeded estimates, and expenditures continued to be aligned with available resources.

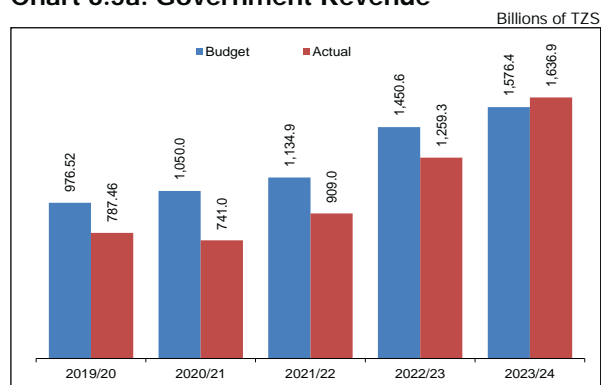
In 2023/2024, the government resource envelope—revenue and grants—was TZS 1,636.9 billion, above the annual estimates by 3.8 percent (Chart 6.5a). Domestic revenue was TZS 1,504.6 billion of the total resources, and grants were TZS 132.3 billion. Tax revenue was TZS 1,316.3 billion



Bank of Tanzania Annual Report 2023/24

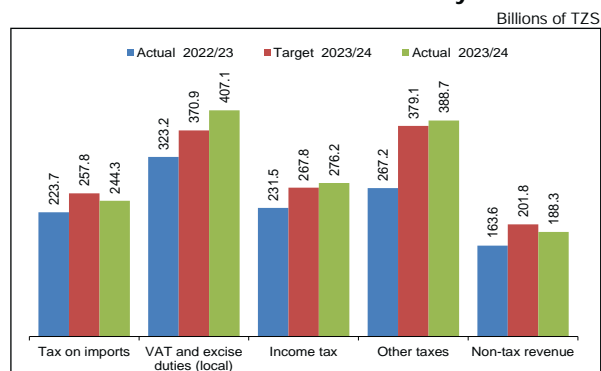
above the target by 8.1 percent and accounted for 87.5 percent of the total revenue. This performance was on account of improved tax administration and compliance. All the tax categories performed above the target, except tax on imports (Chart 6.5b). Non-tax revenue was TZS 188.3 billion, equivalent to 93.3 percent of the target.

Chart 6.5a: Government Revenue



Source: President's Office, Finance and Planning, Zanzibar

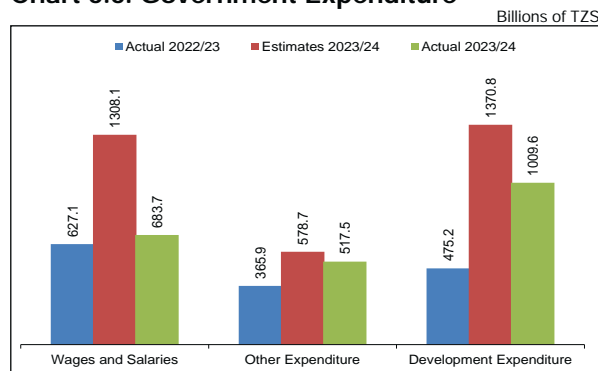
Chart 6.5b: Government Revenue by Source



Source: President's Office, Finance and Planning, Zanzibar

The government's total expenditure in 2023/24 amounted to TZS 2,210.8 billion, of which recurrent expenditure was TZS 1,201.2 billion and development expenditure was TZS 1,009.6 billion, out of which 72 percent was financed domestically (Chart 6.6).

Chart 6.6: Government Expenditure

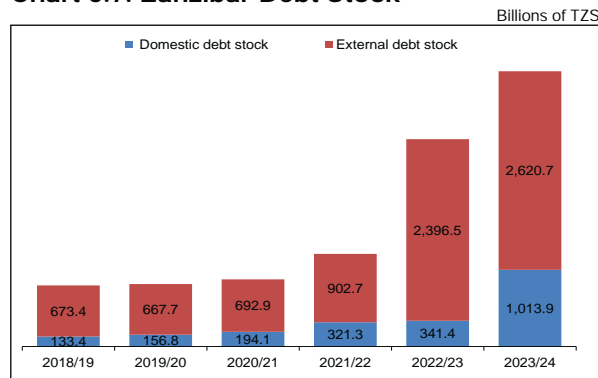


Source: President's Office, Finance and Planning, Zanzibar

Debt Developments

Zanzibar's debt stock stood at TZS 3,634.6 billion, up from TZS 2,737.9 billion at the end of 2022/23. External debt was TZS 2,620.7 billion, and domestic debt was TZS 1,013.9 billion (Chart 6.7).

Chart 6.7: Zanzibar Debt Stock



Source: President's Office, Finance and Planning, Zanzibar

External debt stock increased by 9.4 percent to TZS 2,620.7 billion from the stock at the end of June 2023, partly attributable to exchange rate depreciation. The guarantee of the outstanding debt by the Government of the United Republic of Tanzania remained unchanged in 2023/24 at 99.4 percent.

Domestic debt stood at TZS 1,013.9 billion compared with TZS 341.4 billion at the end of June 2023 (Table 6.3). Commercial banks and Government securities dominated the debt portfolio, accounting for 53.6 percent and 40.8 percent of the outstanding debt, respectively.



Bank of Tanzania Annual Report 2023/24

Table 6.3: Domestic Debt by Borrowing Instrument/Creditors

	Millions of TZS				
	2019/20	2020/21	2021/22	2022/23	2023/24
Zanzibar Social Security Fund	47,362.7	54,576.5	41,822.9	34,925.7	29,915.5
People's Bank of Zanzibar	1,290.6	0.0	0.0	27,000.0	27,000.0
Government securities	108,148.3	139,522.4	279,522.4	279,522.4	413,892.6
Zanzibar Port Company	0.0	0.0	0.0	0.0	0.0
Others	0.0	0.0	0.0	0.0	543,054.2
Total	156,801.6	194,098.9	321,345.3	341,448.1	1,013,862.3

Source: President's Office, Finance and Planning, Zanzibar

Note: Others include NMB, CRDB, NBC

4.4 External Sector Performance

The current account balance improved to a surplus of USD 428.5 million in 2023/24 from USD 411.5 million in 2022/23, mainly stemming from higher service receipts and low import bills (Table 6.4). The increase in service receipts was attributed to the resurgence of tourism-related activities, while the reduction of import bills ensued from the decline of global commodities, particularly petroleum products.

Table 6.4: Current Account

	Millions of USD				
Item	2019/20	2020/21	2021/22	2022/23	2023/24 ^p
Goods Account	-194.9	-256.0	-299.6	-434.8	-431.6
Exports	29.8	25.3	88.5	65.2	64.6
Imports (fob)	224.6	281.4	388.1	500.0	496.2
Services Account	432.3	389.4	590.1	835.7	844.8
Receipts	563.7	473.3	664.9	932.3	942.0
Payments	131.4	83.9	74.8	96.7	97.2
Goods and Services	237.4	133.4	290.5	400.9	413.2
Exports of Goods and Services	593.5	498.7	753.5	997.6	1,006.6
Imports of Goods and Services	356.1	365.3	462.9	596.7	593.4
Primary income account (net)	15.5	5.1	2.2	9.6	13.4
Receipts	24.8	10.5	5.3	13.2	19.6
Payments	9.3	5.4	3.1	3.6	6.2
Secondary income account (net)	105.9	47.2	11.0	1.1	1.9
Inflows	126.1	55.5	14.4	1.9	3.2
Outflows	20.2	8.4	3.5	0.8	1.4
Current Account Balance	358.8	185.6	303.7	411.5	428.5

Source: Tanzania Revenue Authority, Bank of Tanzania, and banks

Note: p denotes provisional data; and fob, free on board

Exports of goods and services increased to USD 1,006.6 million from USD 997.6 million in 2022/23, contributed by service receipts from tourism following the increase in tourist arrivals to the pre-pandemic levels (Chart 6.8). Tourist arrivals increased by 16.4 percent to 638,498 in 2023, dominated by visitors from France, Poland, Germany and Italy, altogether accounting for about 45 percent of the total arrivals. Service receipts increased to USD 942.0 million from USD 932.3

million in 2022/23. Waning of COVID-19 effects from the source market, ongoing promotions, and investment are ascribed mainly to the observed performance. Notwithstanding the improved current account balance, goods exports decreased notably cloves following the cyclical nature of the crop and decrease of prices in the global market (Table 6.5).

Chart 6.8: Number of Tourist Arrivals

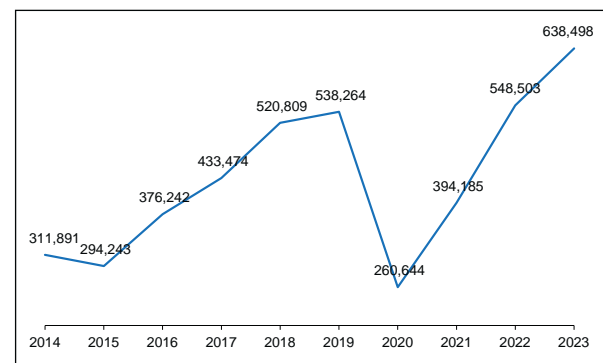


Table 6.5: Goods Exports by Major Categories

Categories	Unit	2019/20	2020/21	2021/22	2022/23	2023/24 ^p
Traditional						
Cloves						
Value	000 of USD	18,633.7	1,032.8	62,767.2	42,520.9	28,898.4
Volume	000 Tonnes	3.9	0.2	9.5	5.9	4.3
Unit Price	USD/Tonne	4,814.9	6,110.5	6,591.7	7,149.1	6,747.0
Non-Traditional						
Seaweeds						
Value	000 of USD	5,273.7	13,233.3	6,953.0	7,073.6	6,828.2
Volume	000 Tonnes	7.8	17.7	15.9	11.5	10.1
Unit Price	000 of USD	676.1	747.7	438.2	614.9	676.8
Manufactured Goods	000 of USD	3,224.2	7,085.9	11,021.1	6,975.0	18,659.9
Fish and Fish Products	000 of USD	1,097.1	1,790.0	1,578.0	2,114.8	2,103.2
Others Exports	000 of USD	1,550.1	2,199.0	6,219.1	6,536.2	8,104.7
Sub Total	000 of USD	11,145.1	24,308.2	25,771.2	22,699.7	35,696.1
Grand Total	000 of USD	29,778.8	25,341.1	88,538.4	65,220.6	64,594.5

Source: Tanzania Revenue Authority

Note: Other exports mainly include souvenirs and spices; and p denotes provisional data

Imports of goods and services decreased to USD 593.4 million in 2023/24 from USD 596.7 million in 2022/23 (Table 6.6). Goods imports declined by 0.8 percent to USD 496.2 million, while services payments increased by 0.5 percent to USD 97.2 million. The reduction in imports was attributed to the decrease in imports of machinery, oil imports, and industrial raw materials.



Bank of Tanzania Annual Report 2023/24

Table 6.6: Goods Imports by Major Categories

Category	Millions of USD				
	2019/20	2020/21	2021/22	2022/23	2023/24 ^p
Capital goods	58.9	70.2	41.8	107.9	122.5
Transport equipment	17.6	13.5	8.0	23.9	51.3
Building and construction	13.9	23.3	17.7	29.4	32.5
Machinery	27.3	33.4	16.1	54.7	38.7
Intermediate goods	104.4	173.7	290.3	265.0	249.5
Oil imports	42.0	47.0	107.2	195.2	187.1
Industrial raw materials	62.4	126.7	183.1	69.8	62.4
Consumer goods	61.3	37.5	56.1	127.1	124.2
Food and food stuffs	26.3	9.3	13.5	60.1	61.1
All other consumer goods	35.0	28.2	42.6	67.1	63.1
Grand Total (c.i.f)	246.8	309.2	426.5	549.5	545.3
Grand Total (f.o.b)	224.6	281.4	388.1	500.1	496.2

Source: Tanzania Revenue Authority

Note: p denotes provisional data; c.i.f, cost, insurance and freight; and f.o.b, free on board



Bank of Tanzania Annual Report 2023/24

PART IV

OTHER ACTIVITIES OF THE BANK OF TANZANIA



Bank of Tanzania Annual Report 2023/24

Corporate Strategic Planning and Performance

The Bank implemented its annual corporate plan and achieved 80 percent of its intended strategic objectives. During the period, it also formulated a five-year strategic plan for 2024/25-2028/29. The plan provides a strategic direction to enable the Bank to effectively discharge its core mandate of ensuring macroeconomic and financial sector stability while strengthening its internal governance controls. The Bank also developed and rolled out a new Plan and Budget Management System (PBMS) in a bid to transform the planning, budgeting, and performance appraisal processes.

Credit Guarantee Schemes

The Bank, on behalf of the Government, continued to manage Credit Guarantee Schemes (CGS), namely the Export Credit Guarantee Scheme (ECGS) and the Small and Medium Enterprises Credit Guarantee Scheme (SME-CGS). These schemes support projects in the export sector and SMEs with financing needs but lack sufficient collateral to access credit from financial institutions. As of the end of June 2024, the outstanding guaranteed loans under ECGS stood at TZS 26.5 billion. To increase uptake, the Bank provided awareness to the public, banks, and financial institutions on the scheme's operations. The awareness was provided through various forums, including exhibitions, workshops, and social media.

Banking and Currency Services

The Bank continued to provide banking and currency services to the Governments, banking institutions, and public authorities. It also offered safekeeping services for precious minerals. In addition, the Bank conducted customer engagement meetings and outreach programs to various stakeholders to promote a better understanding of the Bank's role and functions.

During the year, the Bank continued with efforts to interface between the Governments and the Bank for Accounts Management System.

Currency management and distribution were executed smoothly during the review period, ensuring the circulation of clean currency and the right denomination mix in the economy. In efforts to ensure the efficient utilization of bank coins in the economy, the Bank urged the public to exchange the withheld coins, particularly the 200, 100, and 50 denominations with banknotes through the Bank of Tanzania and banks.

Research and Publications

To ensure effective and more guided policy decisions for the Bank and the Government, the Bank maintained its focus and priority on the research and innovation agenda. As such, in 2023/24, a guideline for researchers/innovators was developed. The Bank completed three studies on; the development of a Viable Blue Economy in Zanzibar; the Development of Tourism in the Southern and Eastern Circuits of Tanzania; and Factors Influencing Horticulture Exports in Tanzania.

The Bank also conducted surveys on market perception, international visitors' exit, private capital flow, and fees and charges by financial service providers. The surveys aimed to inform the Bank, policymakers, and the public on the prevailing economic situation.

To inform the public, the Bank published periodic reports on the economy's and financial sector's performance. These reports included the Monetary Policy Statements, the Bank of Tanzania Annual Report, Consolidated Zonal Economic Performance Reports, the Annual Financial Stability Report, and the Financial Sector Supervision Annual Report.



Bank of Tanzania Annual Report 2023/24

Staffing and Human Capital Development

The Bank implemented various strategies to attract, motivate, develop, retain, and optimize its human capital. In terms of hiring, 197 staff were recruited, out of which 96 were females. The number of staff as of June 2024 was 1,436, of which 525 were females.

In an endeavour to develop organizational competence, a corporate training plan was developed and implemented at a rate of 89 percent. During the period under review, the Bank continued to implement leadership development programs in line with the approved Framework for Leadership Development. The notable leadership program was the Leadership Seminar for all staff conducted by the Uongozi Institute. The Bank remains steadfast in its dedication to allocating resources to nurture talent and fostering engagement programs. This commitment ensures that employees consistently sustain their ability to provide value to stakeholders.

Engagement with Stakeholders

The Bank has been placing engagement with stakeholders high on its agenda, which facilitated in achieving its goals as succinctly explained by the Bank's Mission. In 2023/24, the Bank conducted various public education programs targeting different groups, including legislators from the Parliament of URT and Zanzibar House of Representatives, public servants, bankers, special groups, journalists, students from colleges, secondary and primary schools.

To effectively communicate the decision of the Monetary Policy Committee (MPC), the Bank organized post-MPC briefings for Chief Executive Officers of banks and the media. The briefings aimed to enhance trust, transparency, and credibility with stakeholders and ultimately influence economic decisions and outcomes. Other engagements with stakeholders were

through the Bank's website, social media, and radio and television programs. In addition, the Bank participated in different nationally organized exhibitions and other fora. On regional and international fronts, the Bank participated in various forums for knowledge exchange and consensus building, especially on matters related to regional integration.

Corporate Social Responsibility

In fulfilling its social responsibilities to the community, the Bank has been providing financial and material support and scholarships for community development. During 2023/24, the Bank provided financial support amounting to TZS 640 million to various government and charitable institutions.

Further, the Bank granted Mwalimu Nyerere Memorial Scholarships to 10 best-performing students to pursue undergraduate and master's degree programs at Tanzanian Universities. The Bank also offered two scholarships under the Gilman Rutihinda Trust Fund to University of Dar es Salaam students who excelled in their bachelor's degree programs in economics and finance to pursue master's degrees in similar fields at the University of Dar es Salaam.

Financial Sector Human Capital Development

Through its Academy, the Bank provided training to staff of the Bank, financial institutions, EAC and SADC central banks and the public, with programs tailored on demand to bridge knowledge and skills gaps in the financial sector.

During the year, certified financial educators and microfinance programs were introduced to build the capacity of financial literacy educators and microfinance businesses in that order. Further, the Bank introduced a certified professional agricultural finance program to empower financial institution credit officers administering



Bank of Tanzania Annual Report 2023/24

smallholder credit guarantee schemes under the Tanzania Agriculture Development Bank. The Bank also continued offering ordinary diploma in banking practice and supervision programs, and postgraduate diploma in banking management.

To enhance visibility and knowledge sharing, the Academy continued to partner with key strategic local and international training institutions in teaching, research, consultancy, and a staff exchange program. This was complemented by leveraging technology and engaging local and external stakeholders in resource and knowledge sharing.



Bank of Tanzania Annual Report 2023/24

PART V

**ANNUAL ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2024**



Bank of Tanzania Annual Report 2023/24

**REPORT OF THE AUDITORS
THE REPORT BY THOSE CHARGED WITH GOVERNANCE
AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**



Bank of Tanzania Annual Report 2023/24

TABLE OF CONTENTS

Bank Information	46
The Report by those Charged with Governance	47
Statement of Directors' Responsibilities	90
Declaration of the Head of Finance	91
Independent Auditor's Report	92
Statement of Profit or Loss and other Comprehensive Income	96
Statement of Financial Position	97
Statement of Changes in Equity	98
Statement of Cash Flows	100
Notes to Financial Statements	101



Bank of Tanzania Annual Report 2023/24

BANK INFORMATION

Registered office
Bank of Tanzania
Head Office
16 Jakaya Kikwete Road
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40184 Dodoma, Tanzania

Governor
Mr. Emmanuel M. Tutuba
Bank of Tanzania
Head Office
16 Jakaya Kikwete Road
P.O. Box 2303
40184 Dodoma, Tanzania

Secretary to the Board
Mr. Palloty M. Luena
Bank of Tanzania
Head Office
16 Jakaya Kikwete Road
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40184 Dodoma, Tanzania

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Zanzibar,
Tanzania

BRANCHES AND THE ACADEMY

Arusha
Bank of Tanzania
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Arusha, Tanzania

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16 Jakaya Kikwete Road
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40184 Dodoma, Tanzania

Mbeya
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Mbeya, Tanzania

Mtwara
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Mtwara, Tanzania

Mwanza
Bank of Tanzania
Makongoro Road
P.O. Box 1362,
Mwanza, Tanzania

The Academy
Bank of Tanzania
Capri Point Street
P.O. Box 131,
Mwanza, Tanzania



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024

1. INTRODUCTION

The Board of Directors of the Bank of Tanzania presents this report together with the financial statements for the year ended 30 June 2024. This report outlines the results of the Bank's operations and its overall state of affairs for the financial year 2023/24. It has been prepared in compliance with Tanzania Financial Reporting Standard 1 (TFRS 1) - Report by Those Charged with Governance, as issued by the National Board of Accountants and Auditors (NBAA).

The report is addressed to internal and external stakeholders who are both primary and secondary users of the financial reports. In addition to the historical performance the report provides a forward-looking analysis of the Bank's operations and financial performance, helping stakeholders to assess the Bank's strategies and their potential success in creating value over the short, medium, and long term.

The Bank's internal stakeholders include the Board of Directors and its employees while external stakeholders comprise the Government of the United Republic of Tanzania (URT) and the Revolutionary Government of Zanzibar (RGOZ), the Parliament of Tanzania and the Zanzibar House of Representatives, Government Ministries, Departments and Agencies (MDA's), Parastatals, banks and other financial institutions, the World Bank, and the International Monetary Fund (IMF). Other external stakeholders include development partners, other multilateral and bilateral organizations, other central banks, non-governmental organizations, regional organizations, civil societies, regulatory authorities, service providers, researchers, media, academia, private sector institutions, professional associations, and the general public.

The objective of this report is to provide users with an understanding of the Bank's culture, nature of operations, objectives, strategies, operating model, performance and future developments, resources, corporate governance matters, stakeholders' analysis, risk management, employees' welfare, liquidity management, sustainability matters, corporate social responsibility, responsibility of the auditor and statement of responsibility by Those Charged with Governance.

2. CORPORATE CULTURE

The Bank's culture is articulated in the vision, mission and core values as provided hereunder;

(a) Vision

The Bank's vision is *"To be a Central Bank that effectively fosters macro-economic stability and modernized financial system in sustenance of country's middle-income status and beyond."*

(b) Mission

The Bank's mission is *"To maintain price stability and integrity of the financial system for inclusive economic growth"*.

(c) Core Values

The Bank embraces the following core values, which are upheld by members of the Board of Directors and employees;



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

2. CORPORATE CULTURE (CONTINUED)

(i) Integrity

To exhibit high ethical and moral standards reflected by honesty, sincerity, truthfulness, and confidentiality in executing the Bank's mandate.

(ii) Excellence

To execute duties professionally with creativity and innovativeness to improve organizational performance.

(iii) Accountability

To be collectively and individually accountable in discharging responsibilities.

(iv) Transparency

To clearly and openly execute the Bank's mandates and proactively communicate relevant information to stakeholders.

(v) Inclusiveness

To value broad participation, teamwork, diversity and harnessing multiple skills and experiences in discharging duties.

3. NATURE OF OPERATIONS

(a) Legislative and Regulatory Environment

The Bank derives its mandates from the Bank of Tanzania Act, 2006 as amended. It is the central bank of the country entrusted with the duty of maintaining price stability and integrity of the financial system for inclusive economic growth.

The principal functions of the Bank are to:

- (i) formulate, implement and be responsible for monetary policy, including foreign exchange rate policy;
- (ii) issue currency and deal, hold and manage foreign exchange reserves of Tanzania;
- (iii) license, regulate and supervise banks and financial institutions including mortgage financing, development financing, lease financing and microfinance business;
- (iv) compile, analyse and publish the monetary, financial, balance of payments statistics and other statistics covering various sectors of the national economy;
- (v) license, regulate, monitor and supervise the payment, clearing and settlement systems, service providers and associated products and services;
- (vi) act as a banker, advisor and fiscal agent of the Government of the United Republic of Tanzania and the Revolutionary Government of Zanzibar (the Governments);
- (vii) provide banking services to commercial banks in Tanzania including managing clearing accounts and balances maintained to comply with statutory minimum reserve (SMR) requirements; and
- (viii) act as a lender of last resort to solvent but illiquid banks.

(b) Current Situation and Outlook

This section examines the current global and national trends in macro-economic variables for a period of one year and its projection for the ensuing year. The analysis lays the foundation for the Bank's strategic direction in achieving its vision and mission. Through this analysis, the Bank diagnoses needs, establishes priorities, indicates areas for improvement, and takes advantage of identified opportunities.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

3. NATURE OF OPERATIONS (CONTINUED)

(i) Global Economic Situation

The Global economic activity has shown signs of firming up, with the IMF¹ projecting global growth at 3.2 percent for 2024 and 3.3 percent for 2025. Advanced economies are experiencing balanced growth, while emerging markets, particularly in Asia, continue to drive global expansion, with China's growth forecast revised upward to 5 percent for 2024. The 2024 African Economic Outlook² projects Africa as the second-fast growing region globally, with GDP growth rates of 3.7 percent in 2024 and 4.3 percent in 2025, driven by economic diversification and strategic investments. Despite challenges like geopolitical tensions and climate shock, East Africa is highlighted as the fastest-growing region on the continent, with growth expected to reach 4.1 percent in 2024 and 5.7 percent in 2025, bolstered by strong performances in countries like Ethiopia, Kenya, and Tanzania.

According to IMF, global inflation is projected to continue its moderation, facilitated by stringent monetary policies and the stabilization of global supply chains. In advanced economies, the forecast indicates that the rate of inflation is expected to decelerate in 2024 and 2025, on account persistence of inflationary pressures within the service sectors and elevated commodity prices. Nevertheless, the gradual easing of labor markets, coupled with a forecasted decline in energy prices, are expected to reduce headline inflation to the target levels by the end of 2025. In contrast, inflation in emerging markets and developing economies is expected to remain elevated and decrease at a slower pace compared to advanced economies. However, partly due to the reduction in energy prices, inflation is nearing pre-pandemic levels in the majority of the emerging market and developing economies.

(ii) National Economic Situation

The domestic economy is projected to sustain its recovery trajectory, supported by expected improvements in both global and domestic environments. Inflation sustained a downward trend, hovering below the country's target of 5 percent and was consistent with the EAC and SADC convergence criteria of not more than 8 percent and 3-7 percent, respectively. Inflation is projected to remain stable and within the range of 3-5 percent, attributable to several factors, including adequate food supply in the country, stabilization of power supply and prudent monetary and fiscal policies as well as easing inflationary pressures from trading partners.

In 2023/24, the Tanzanian shilling exhibited stability despite a depreciation against major currencies such as the USD, GBP, and EUR. This stability is largely supported by strong gold exports and tourism receipts. Foreign exchange reserves have been adequate, covering 4.4 months of projected imports, surpassing the national benchmark of 4 months and meeting the East African Community (EAC) benchmark. However, this level is below the Southern African Development Community (SADC) benchmark of 6 months of projected imports. Looking ahead, the shilling is expected to maintain stability, driven by expected modest inflation, sound monetary and fiscal policies, and a manageable current account deficit.

¹ World Economic Outlook Update, July 2024

² <https://www.afdb.org/en/knowledge/publications/african-economic-outlook>



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

3. NATURE OF OPERATIONS (CONTINUED)

Tanzania's financial sector remained stable, despite the challenges of residual effects of the COVID-19 pandemic, supply-chain disruptions caused by exchange rate volatility, the war in Ukraine, the war in the Middle East and climate-related constraints. The financial sector continued to be led by the banking sub-sector that contributed to about 72 percent of its assets. The banking sub-sector was profitable, with capital and liquidity levels above minimum regulatory requirements with strong asset quality. The banking sector's capital adequacy ratios were 18.6 percent and 19.3 percent for core capital and total capital which were above the minimum regulatory capital adequacy ratios of 10 percent and 12 percent, respectively. The liquidity ratio was 26.8 percent above the minimum regulatory requirement of 20 percent. On the other hand, the ratio of non-performing loans to gross loans was 4.1 percent which was within the tolerable level of 5 percent; the ratio had declined from 5.3 percent that was recorded in June 2023 indicating significant improvement in asset quality. The performance of the financial sector was the outcome of the improvement in business conditions and measures taken by the Bank to improve liquidity of the sector and strengthen prudential supervision.

(c) Major Markets and Competitive Position within Those Markets

The Bank operates within a dynamic economic environment that spans both domestic and international markets. Its primary mandate is to formulate and implement monetary policy aimed at ensuring price stability and sustainable economic growth. Additionally, the Bank regulates and supervises financial institutions to maintain financial integrity and stability within the national financial system.

As a key player within the East African Community (EAC), the Bank actively collaborates with other central banks in the region. This collaboration focuses on harmonizing monetary policies and financial regulations, thereby facilitating smooth cross-border financial activities. By promoting regional economic integration and stability, the Bank enhances the competitive position of Tanzania's financial sector. This regional cooperation is essential in creating a robust and resilient financial environment that supports both national and regional economic development objectives.

(d) The Legitimate Needs and Interests of Key Stakeholders

The Bank's key stakeholders include the Governments (the United Republic of Tanzania and the Revolutionary Government of Zanzibar), banks and financial institutions, Bank's staff and general public. The Bank is committed to maintaining stable inflation and promoting a conducive environment for sustainable economic growth. The needs of the Bank's stakeholders are to get timely and reliable economic and financial advisory services, accurate and timely banking services, effective regulatory framework and supervisory mechanisms, efficient infrastructure for payment and settlement systems, timely issuance and clean currency in circulation. Other needs include to be provided with timely settlement of bills for services provided, conducive working environment, timely and reliable data, reports, research papers and information as well as timely and reliable inputs and effective facilitation of fora.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

3. NATURE OF OPERATIONS (CONTINUED)

(e) Market Forces

Market forces, including the competition in the financial sector and customer demand, significantly influence the Bank's operations. The Bank monitors the financial health and competitiveness of commercial banks and other financial institutions to ensure a stable and efficient financial sector. Customer demand for innovative financial products and services drives the Bank to adopt and promote advancements in digital banking and payment systems. The Bank's regulatory framework aims to balance the need for innovation with the necessity of maintaining financial stability and consumer protection.

(f) The Speed and Effect of Technological Change

Technological advancements are rapidly transforming the financial sector, and the Bank continuously adapts to these changes to maintain its effectiveness. The rise of Fintechs, Mobile Banking, and Digital Currencies presents both significant opportunities and challenges. The Bank actively engaged stakeholders and developed a comprehensive Fintech Regulatory Sandbox Regulations that supports technological innovation while addressing associated risks. By promoting a secure and efficient technological environment, the Bank enhances financial inclusion and ensures the resilience of the financial system against cyber threats. These Regulations allow for the controlled testing of new financial technologies in a real-world environment, facilitating innovation while safeguarding consumers and the financial system.

(g) Societal Issues

Societal issues such as population growth, demographic changes, human rights, health, poverty, collective values, and educational systems profoundly impact the Bank's policymaking. The growing population necessitates the creation of job opportunities and the provision of financial services to underserved communities. The Bank's initiatives in promoting financial literacy and inclusion address these societal challenges. Furthermore, the formulation of Bank's monetary policies aims to support sustainable economic development, thereby improving the overall quality of life for citizens. By considering these societal factors, the Bank ensures that its policy formulation is not only economically sound but also socially responsible.

Additionally, the Bank in collaboration with other stakeholders in the National Financial Inclusion Council developed and implemented the Third National Financial Inclusion Framework (2023 – 2028). The Framework aims at increasing access and usage of high-quality broad range of formal financial products and services to promote individuals' and businesses' welfare, as well as economic growth. The Framework targets disproportionately financially excluded population and segments such as women, youth, Micro, Small and Medium Enterprises (MSMEs), as well as smallholder farmers and fishers, and people with special needs.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

3. NATURE OF OPERATIONS (CONTINUED)

(h) Environmental Issues

Environmental issues, including climate change, ecosystem loss and pollution, pose significant risks to economic stability. The Bank recognizes the importance of sustainable finance and the role of the financial sector in addressing environmental issues. The Bank promotes green financing and encourages financial institutions to integrate environmental risk assessments into their lending practices. By supporting environmentally sustainable projects, the Bank contributes to mitigating the adverse effects of climate change and promoting long-term economic resilience.

(i) The Political Environment

The political environment is crucial for the effective functioning of the Bank. Political decisions regarding fiscal policies, trade regulations, and economic reforms directly impact the Bank's operations. The Bank maintains close coordination with the Governments to ensure that its monetary policies align with national development goals.

4.0 CORPORATE OBJECTIVES AND STRATEGIES

During the review period, the Bank completed its third year (2023/24) of the five-year Strategic Plan 2021/22 – 2025/26.

To facilitate the implementation of the five-year Strategic Plan (Medium Term), corporate plan strategies and objectives were cascaded down to the departmental level where short-termed action plans were developed in accordance with the departments' mandate. Departments formulated objectives and specific tasks that were implementable within one year to support achievement of medium-term corporate objectives and strategies. Departmental activities and tasks were monitored and evaluated quarterly to ascertain the achievement of the corporate objectives. The six corporate objectives and corporate strategic initiatives are as follows:

(a) Enhance effectiveness of Monetary Policy:

This objective aims at improving the process of monetary policy formulation and implementation in a way that will best contribute to macroeconomic stability and support financial markets growth and access.

Strategies executed to achieve the strategic objective were as follows:

- (i) implement interest rate based monetary policy framework;
- (ii) design and implement effective strategies to promote regional and international integration, public education in monetary policy and financial markets, and cushion climate change effects as well as other unprecedented events;
- (iii) conduct research to promote a cash-lite economy, transformation into a blue economy preparedness to adoption of digital currencies; and
- (iv) deepen domestic financial markets for effective monetary policy transmission.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

4.0 CORPORATE OBJECTIVES AND STRATEGIES (CONTINUED)

(b) Enhance Foreign Reserves:

This ensures there is adequate foreign reserves to meet the country's foreign exchange demands and management of monetary and exchange rate policies. It also intends to enhance country's resilience to external shocks.

Strategies executed to achieve the strategic objective were as follows:

- (i) broaden avenues for the accumulation of foreign reserves; and
- (ii) enhance management of risks on foreign reserves.

(c) Enhance Safety, Soundness and Inclusiveness of the Financial Sector:

This aims at ensuring availability of macro-prudential framework for resilient financial sector supportive to new product development and risk management. It also refers to having sound infrastructure and resolution frameworks that prevent macroeconomic shocks from disrupting the financial sector. Further, it includes facilitating public with easy access to affordable financial services.

Strategies executed to achieve the strategic objective were as follows:

- (i) enhance Bank's legislation and regulatory tools;
- (ii) enhance financial crisis preparedness and management capability;
- (iii) develop and implement system for accessing real-time data from banks and financial institutions;
- (iv) implement retail payment platforms and framework for fast payment, clearing and settlement;
- (v) implement National Financial Inclusion Framework;
- (vi) enhance financial consumer protection;
- (vii) enhance access to credit to SMEs through Credit Guarantee Schemes; and
- (viii) support financial sector development.

(d) Enhance Banking and Currency Services:

This entails provision of banking and currency services that are safe, convenient, reliable, timely and affordable.

Strategies executed to achieve the strategic objective were as follows:

- (i) modernize banking services; and
- (ii) enhance currency management operations.

(e) Strengthen Institutional Efficiency:

This entails improving organization performance through effective allocation of resources, optimization of human capital, enhancement of corporate culture, infrastructure as well as leveraging on technology and research.

Strategies executed to achieve the strategic objective were as follows:

- (i) develop and implement effective resources management strategies;
- (ii) redefine corporate culture to align with Bank Strategy;
- (iii) develop a robust research and innovation agenda and enhance data management;
- (iv) streamline internal business processes;



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

4.0 CORPORATE OBJECTIVES AND STRATEGIES (CONTINUED)

- (v) adopt new technologies, innovations, cyber-resilient tools and upgrade data centres;
- (vi) modernize the Bank of Tanzania Academy; and
- (vii) develop and modernize facilities and infrastructure for effective service delivery.

(f) Enhance Organizational Effectiveness:

This entails enhancing compliance to national and international legislation, standards, regulations, internal policies, and guidelines. It also aims at putting in place appropriate internal controls and mitigation measures to manage risks and crisis. Further, it points to a need for the Bank to proactively ensure there is effective communication with stakeholders.

Strategies executed to achieve the strategic objective were as follows:

- (i) develop and implement corporate wide risk management strategies;
- (ii) strengthen security and safety of the Bank's assets;
- (iii) enforce organizational compliance to internal, national and international legislations and standards;
- (iv) enhance collaboration with international and regional counterparts; and
- (v) enhance engagement with stakeholders.

In implementing this Strategic Plan, the Bank had available resource allocation amounting to TZS 530,115.3 million to achieve the strategies. Further, the Bank cascaded down the objectives and strategies to departmental level where short-termed action plans were developed. Departments formulated objectives and specific tasks to be implemented within one year to support achievement of the Bank's objectives. The Bank monitors and evaluates, on quarterly basis, departmental activities and tasks to ascertain the achievement of the corporate objectives.

5. BANK'S OPERATING MODEL

The ultimate goal of the Bank is to ensure sustainable macroeconomic and financial system stability in the country. To achieve this goal, the Bank formulates and implements medium and short-term strategies. The Bank's continued impressive performance lies in its operating model, that embraces a philosophy of giving utmost priority of strengthening its internal capacity, hiring highly qualified staff, providing learning and development opportunities for its staff, optimizing use of technology, ensuring adequate availability of working tools and developing productive relationships with stakeholders.

The Bank invests in streamlining its internal processes that result in improved effectiveness of monetary policy, increased level of foreign reserves, safe and stable financial system, widened and deepened financial sector, clean money in circulation, improved timeline and reliability of banking services to the Government and other banks as well as stimulating and rewarding work environment. Effective internal processes have always enhanced the ability of the Bank to produce desired outputs that ultimately ensure macroeconomic stability in the country, stability of the financial system and the Bank's organisational capacity.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

5. BANK'S OPERATING MODEL (CONTINUED)

(a) Inputs

Inputs consist of resources which the Bank uses to accomplish its tasks as provided hereunder:

(i) Social and Relationship

The Bank has productive relationships and engagements with the Government of the United Republic of Tanzania and the Revolutionary Government of Zanzibar, Ministries, Departments and Agencies, other central banks, international financial institutions, banks and other financial institutions, other financial regulatory authorities and other stakeholders. These enable the Bank to fulfil its mandates of maintaining price stability and ensuring the stability of the financial system as provided under the Bank of Tanzania Act, 2006.

(ii) Human and Intellectual

Human inputs include human resources and their skills and knowledge that enable them to perform their duties, while intellectual capital consists of technological innovations and processes that supports the Bank's business. The Bank attracts and retains competent, motivated and skilled staff with relevant skills and knowledge on economic and financial systems. Having experienced and capable leaders with deep understanding of local and international economic and financial fundamentals and systems, the core functions of the Bank are successfully implemented. In addition, the Bank invests in training and development for the staff to enhance their skills and keep pace with evolving economic and financial environment. Further, the Bank leverages technology by developing systems internally to support service delivery, surveillance of financial sector, payments and settlements, and research activities.

(iii) Manufactured

They include fixed and intangible assets that enable the Bank to serve its stakeholders effectively and efficiently. These include strategically located Head Office, 2 Sub-Head Offices, 4 Branches, 1 Academy and 11 Safe Custody Centres that enable effective discharge of the Bank's mandate. The Bank has invested in developing robust Information and Communication Technology (ICT) infrastructures for continuous improvement of the work processes and service delivery. Further, data centres, Business Work Area Recovery (BWAR) and disaster recovery sites, support business continuity of critical processes.

(iv) Financial

Financial inputs comprise sources of funding for running the processes (business activities) that enable the Bank to implement its mandate. They include strong capital base, reserves, and income from investments and market operations.

(b) Processes

Processes are derived from the Bank's primary functions as defined in the Bank of Tanzania Act, 2006 as amended. These processes are translated into activities highlighted in the Bank's Strategic Plan.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

5. BANK'S OPERATING MODEL (CONTINUED)

The processes are:

- (i) Formulating Monetary Policy
- (ii) Assessing Economic Developments
- (iii) Implementing Monetary Policy
- (iv) Managing Foreign Exchange Reserves, including gold
- (v) Performing On-Site Supervision of Banks and Financial Institutions
- (vi) Performing Off-Site Surveillance of Banks and Financial Institutions
- (vii) Promoting Financial System Stability
- (viii) Developing National Payment Systems Regulatory Frameworks
- (ix) Overseeing National Payment Systems
- (x) Acquiring currency
- (xi) Distributing currency
- (xii) Maintaining Customer Accounts
- (xiii) Providing Banking Services
- (xiv) Supervising Clearing of Settlement Instruments
- (xv) Licensing Banks, Financial Institutions/Payment Systems/Electronic Money Issuer
- (xvi) Promoting financial inclusion

(c) Outputs and Outcomes

The Bank's processes intend to achieve three major outcomes, which are macroeconomic stability, stability of the financial system and enhanced organisational capacity as stipulated in the Bank's Strategic Plan. The expected outputs from the Bank's processes related to those outcomes are as provided hereunder:

Macroeconomic Stability

- (i) Low and stable inflation, within the annual target of 3.8 percent;
- (ii) Increased level of foreign reserves- adequate to cover more than 5.5 months of imports;
- (iii) Deepened financial markets with volatility of interbank cash market (IBCM) interest rate evolving within the range of ± 2.0 percent.

Stability of the Financial System

(i) Stable and safe financial system

The key processes intend to ensure capital adequacy and liquidity ratios are above the minimum regulatory requirements of 10.0 percent and 20.0 percent respectively, the ratio of non-performing loans to gross loans is reduced to less than 5.0 percent, and the financial sector stability index is within the range of ± 3 .

(ii) Widened and deepened financial sector

The Bank strives to ensure widened and deepened financial sector. This will be evident when access to formal financial inclusion reaches 90.5 percent, and the usage of digital financial services reach 78.0 percent of the customers with access to mobile financial services.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

5. BANK'S OPERATING MODEL (CONTINUED)

(iii) Improved timeliness, safety and reliability of banking (including payment) services

The stability of financial system is evident when there is improved timeliness, safety and reliability of banking and payment services. The Bank intends to ensure settlement period for cheque and SWIFT is within two working days (T+1) and EFT within a working day (T+0) and percentage customers' satisfaction level on banking and currency services of 80.0 percent.

Enhanced Organizational Capacity

The Bank will achieve organisational capacity through strengthening institutional efficiency and enhancing organisational effectiveness, the outcomes will be achieved after attaining the following:

- (i) organisation performance with strategic management maturity level (SMML) Level 3;
- (ii) satisfaction with work environment by attaining 90.0 percent;
- (iii) risk and crisis management by attaining Risk Maturity Level 3;
- (iv) improved Bank's compliance to standards and legislations by achieving 100% compliance to PPRA; and
- (v) stakeholders understanding of Bank undertakings to achieve 95.0 percent of stakeholders' satisfaction.

6. CURRENT PERFORMANCE AND FUTURE DEVELOPMENT

(a) Review of Current Performance

The Bank continued to implement its 2021/22 – 2025/26 Strategic Plan geared towards achieving the Bank mandate. During the implementation of the third year (2023/24), the overall evaluation revealed considerable achievements as detailed in its three thematic areas based on the strategic objectives, intended results, Key Performance Indicators (KPI's), the set targets and budget utilization.

Theme 1: Macroeconomic Stability

The macroeconomic stability thematic area contains two strategic objectives namely: Enhance the Effectiveness of Monetary Policy and Enhance Foreign Reserves.

Strategic Objective 1.1: Enhance the Effectiveness of Monetary Policy

This objective aimed at improving the process of monetary policy formulation and implementation in a way that will best contribute to macroeconomic stability and support financial markets growth and access.

Two intended results were; low and stable inflation and deepened financial markets. Five KPIs were designed to track the achievement of results; core inflation with a target of 3.8 percent, headline inflation of 5.0 percent, money supply growth of 10.0 percent; reserve money growth of 10.3 percent and volatility of IBCM within the target range of ± 2.0 percent by June 2024.

(a) Core inflation rate

This is a measure of price movements caused by factors other than unprocessed food and energy prices over a specified period. The measure intends to indicate the effectiveness of monetary policy by assessing variability of prices.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

6. CURRENT PERFORMANCE AND FUTURE DEVELOPMENT (CONTINUED)

During the year under review, core inflation averaged 3.1 percent below the corporate target of not more than 3.8 percent compared to 2.6 percent in the corresponding period of 2022/23. The increase in core inflation year was due to the depreciation of the shilling.

(b) Headline inflation rate

This is a measure of price movements of all items in the consumer basket over a specified period. The purpose of the measure is to determine the extent of variability in general price level to assess whether the economy is operating in stable conditions.

During the year under review, headline inflation averaged 3.1 percent, a significant decline from 4.6 percent in the corresponding period of 2022/23. The downward trend was mainly driven by adequate food supply and the prudent implementation of monetary, fiscal, and structural policies. The inflation rate remained within the national target of not exceeding 5 percent, aligning with the macroeconomic convergence criteria for the East African Community (EAC) and the Southern African Development Community (SADC) regions.

(c) Money supply growth

This is the rate of change of the extended broad money supply (M3), which includes currency in circulation outside the banking system, demand deposits, resident bank deposits, and foreign currency deposits.

During the year under review, growth of extended broad money supply (M3) averaged 15.5 percent compared to 13.7 percent in the year ending June 2023, above the target of 10.0 percent. The higher-than-projected growth was mainly driven by sustained high private-sector credit growth. The sustained strong credit growth reflects high demand for loans attributable to the recovery of economic activities from global shocks and the improving business environment. Furthermore, prudent fiscal policy includes payment of supplier's arrears and supportive monetary policy measures including the TZS 1 trillion loan to banks and financial institutions for on-lending to agricultural activities.

(d) Volatility of the IBCM rate

This volatility of the Interbank Cash Market (IBCM) rate measures the variation in the weighted average overnight interest rate at which banks lend to each other. The measure is intended for monitoring the adequacy of liquidity in the economy and ensuring the stability of money market interest rates, which is consistent with price stability.

During the year under review, the volatility of the overnight IBCM rate was 1.17 percent, while the 7-day IBCM rate volatility stood at 0.87 percent, both remaining below the maximum threshold of 2.00 percent. This low volatility indicates a stable and resilient interest rate trend in the market, signaling effective liquidity management within the financial system. The stability of these rates, as measured by their standard deviation, reflects the Bank's successful efforts in managing liquidity to support economic activities. The Bank's ongoing commitment to prudent liquidity management will continue to support the stability of money market interest rates, contributing to a conducive environment for economic growth and stability.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

6. CURRENT PERFORMANCE AND FUTURE DEVELOPMENT (CONTINUED)

(e) Reserve Money Growth

The growth of reserve money (M0) averaged 5.6 percent for the period between July to December 2023, against the target of 10.1 percent for the period. In the second half of the financial year ending June 2024 (January to June 2024), the Bank shifted from monetary targeting to interest-based monetary policy, where the Central Bank Policy Rate (CBR) was used to signal the monetary policy stance.

Budget estimated to implement this objective was TZS 44,308.0 million and the actual expenditure was TZS 43,842.8 million as at 30 June 2024.

Strategic Objective 1.2: Enhance Foreign Reserves.

This objective entails ensuring that the country maintains adequate reserves to meet foreign exchange demands and effectively manage monetary and exchange rate policies. This objective is also aimed at bolstering the country's resilience to external economic shocks. Its intended result was increased level of foreign reserves. The KPI for this result was months of import cover with a target of greater or equal to 5.5 months by June 2024.

(a) Months of Import Cover

This measure indicates the number of months that the available official foreign exchange reserves can sustain the importation of goods and services. It serves as a gauge of the country's ability to cover and maintain import levels through its foreign reserves.

As at 30 June 2024, the month of import cover was 4.4 months compared to 4.8 months in the previous year. When compared to the corresponding period last year, the foreign reserves stood at USD 5,345.5 million slightly below USD 5,446.1 million at the end of June 2023. This stability in reserve levels is within the acceptable range set by the Bank of Tanzania Act.

During the review period, the Bank encountered heightened foreign exchange pressures attributed to USD shortage in the local market. Nevertheless, the situation was effectively managed with the support of the Bank in the foreign exchange market.

Budget estimated to implement this objective was TZS 81,012.1 million and actual expenditure as at 30 June, 2024 was TZS 80,981.6 million.

Theme 2: Stability of Financial Sector

The stability of financial sector thematic area contains two strategic objectives namely: enhance safety, soundness and inclusiveness of the financial sector and enhance banking and currency services.

Strategic Objective 2.1: Enhance Safety, Soundness and Inclusiveness of the Financial Sector.

This aimed at ensuring availability of macro-prudential framework for resilient financial sector supportive to new product development and risk management. It also referred to having sound infrastructure and resolution frameworks that prevent macroeconomic shocks from disrupting the financial sector. Further, it included facilitating public with easy access to affordable financial services.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

6. CURRENT PERFORMANCE AND FUTURE DEVELOPMENT (CONTINUED)

Three intended results were; increased safety, reliability, and integrity of the financial sector; increased efficiency and reliability of Systemically Important Payment Systems and enhanced inclusiveness and deepening of widened and deepened financial and payment systems.

Seven KPI's were designed to track the achievement of these results; capital adequacy ratio with a target of 14.5 percent, asset quality with a target of less or equal to 5.0 percent, liquidity ratio with a target of greater of equal to 20.0 percent, financial sector stability index with a target of ± 3 , Reliability rate of Systemically Important Payment Systems with a target of greater than 98.0 percent; Efficiency rate of Systemically Important Payment Systems with a target of greater than 20.0 percent and access and usage of formal financial services with a target of 90.5 and 78.0 percent respectively by June 2024.

(a) Capital Adequacy

This ratio measures adequacy of banking institution's capital to absorb losses and is meant to ensure protection of depositors as well as promoting stability and efficiency of financial systems. As at the end of June 2024, the ratio of Core Capital to Total Risk-Weighted Assets and Off-balance Sheet Exposures was 18.6 percent compared to 18.3 percent attained in 2022/23. The increase in capital adequacy ratio during the period was attributed to retention of profit by banks.

(b) Asset Quality

As at the end of June 2024, the banking sector's Non- Performing Loans (NPLs) ratio was 4.1 percent as compared to 5.3 percent in June 2023, which was below the maximum tolerable limit of 5.0 percent. The improvement in asset quality was mainly attributed to improved credit risk management practices, proportionately high growth in loans and advances relative to non-performing loans, recovery, and write-off of Non-Performing Loans. The banking sector's NPLs ratio will continue to improve as the Bank continues to monitor implementation of measures by each individual bank to reduce NPLs ratio to the desired level.

(c) Liquidity Ratio

As at the end of June 2024, the ratio of liquid assets to demand liabilities was 26.8 percent, which was above the minimum regulatory requirement of 20.0 percent. The ratio increased from 25.1 percent attained in June 2023 reflecting increased public confidence in using financial services. The liquidity ratio will continue to be above the minimum requirement as Bank will continue encouraging banks to continue with deposit mobilization strategies, including employing various deposit mobilization mechanisms such as digital banking, agent banking and branch expansion.

(d) Financial Sector Stability Index (FSSI)

The Financial System Stability Index (FSSI) is a composite index related to financial system development indicators, vulnerability indicators, financial soundness indicators and other indicators which characterize national, regional and global economic climate. The Bank uses FSSI as an early warning indicator in assessing the resilience of the financial sector to internal and external shocks. The assessment of vulnerability and financial soundness that was done for the period ending March



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

6. CURRENT PERFORMANCE AND FUTURE DEVELOPMENT (CONTINUED)

2024, found the financial system to be stable and resilient to short-term shocks as it lies within desired thresholds of within three standard deviations (+3 and -3). The index improved to 0.3 at the end of March 2024 compared to 0.1 in March 2023. The improvement in the stability is on account of the performance of banking sector indicators and the macroeconomic stability due to the improvement in business environment.

(e) Access and Usage of Formal Financial Services

This measures the number of adult population defined as individuals above the age of 16 years who have access and use formal financial services. As at 30 June 2024, the level of access was 90.6 percent compared to 89.0 percent recorded in the previous year, and slightly above this year's target of 90.5 percent. The growth recorded was a result of an increase of banks and mobile money agents, points of sale and microfinance services points. Moreover, as of June 2024, the usage rate was 78.0 percent compared to 76.0 percent recorded in 2023 and in line with annual target of 78.0 percent by June 2024. The recorded increase was contributed by increased public awareness and usage of digital financial services. The indicator measures usage of a broad range of financial services and products by adult population within the country.

(f) Efficiency Rate of Systemically Important Payment systems

During the review period, all Systemically Important Payment systems (SIPS) operated smoothly in terms of processing speed and accuracy. Regarding settlement time, TISS and TIPS transactions were settled in real-time, while TACH achieved settlements of T+1 and T+0 for cheques and Electronic Fund Transfers (EFTs) respectively, meeting targeted benchmarks.

The aggregate volume of transactions processed by SIPS was 349.7 million, indicating a growth rate of 333.0 percent compared to the volume processed during a similar period in the previous year, above the target growth rate of 20.0 percent. The growth rate was influenced by rise of retail transactions processed by TIPS as more financial service providers were added and started transacting. TIPS transactions accounted for 93.5 percent of all SIPS transactions in the year 2023/24. During the period, policy guidance aimed at making digital financial services affordable were issued which recommended fees reductions for transactions processed through TISS, TACH and TIPS.

(g) Reliability Rate of Systemically Important Payment System

During the review period, the average system availability stood at 99.9 percent, surpassing the minimum target of 98.0 percent. Notably, TISS, TACH, and TIPS achieved availability rates of 99.9 percent, 99.9 percent, and 99.7 percent, respectively.

Budget estimated to implement this Objective was TZS 10,594.0 million and the actual expenditure as at the end of financial year 2023/24 was TZS 9,924.6 million. The variance was due to underutilization on maintenance of software as due to delay of some IT related tools.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

6. CURRENT PERFORMANCE AND FUTURE DEVELOPMENT (CONTINUED)

Strategic Objective 2.2: Enhance Banking and Currency Services

This entailed provision of banking and currency services that are safe, convenient, available, timely and affordable. Intended results were; improved timeliness, safety and reliability of banking (including payment) services and increased adequacy of clean currency in circulation.

Three Key Performance Indicators (KPIs) were designed to track achievements as follows; Cheque Settlement period with a target of T+1, EFT settlement period with a target of T+0, and percentage customer's satisfaction level on banking and currency services with a target of 80.0 percent by June 2024.

(a) Settlement Period

This is the time taken for a payment instrument (cheque or EFT) to be cleared, measured from the time it is received to when a beneficiary account is credited. This measure shows that all incoming and outgoing payment instructions in favour of Bank's customers are settled on time. Its purpose is to ensure that Bank's customers transaction is processed timely.

During the period under review, cheques and EFTs received were processed within the specified time of T+1 and T+0, respectively. This was made possible through the continued use of systems in place as settlement instruments.

(b) Customers Satisfaction Level on Banking and Currency Services

This measures perception of customers on banking services rendered by the Bank with a target of 80.0 percent by June 2024. During the review period, the Bank conducted customer engagement through awareness sessions to gather feedback on the services provided by the Bank. The feedback obtained, including challenges identified, facilitated improving customer satisfaction. Findings from a survey concluded in August 2023 indicated that the level of customer satisfaction with banking services offered by the Bank was 94.7 percent, which is above the target of 80.0 percent. This high level of satisfaction reflects the Bank's continued efforts to improve service delivery by investing in and utilizing technology, and conducting awareness sessions. The sessions have significantly reduced costs and delays in service delivery through improvement in stakeholders' knowledge on banking and payment services procedures and requirements.

Budget estimated to implement this objective was TZS 103,189.0million and actual expenditure as at 30 June 2024 was TZS 95,365.9 million. The variation was on account of issuance of processed banknotes instead of the expected ex-print banknotes as they were still fit for use. Prolonged life of these notes was due to continuous public awareness on notes handling.

Theme 3: Organizational Capacity

The organizational capacity thematic area contains two strategic objectives namely: strengthen institutional efficiency and enhance organizational effectiveness.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

6. CURRENT PERFORMANCE AND FUTURE DEVELOPMENT (CONTINUED)

Strategic Objective 3.1: Strengthen Institutional Efficiency

This entailed improving organization performance through effective allocation of resources, developing human resource, improving employees' culture and infrastructure, while leveraging on technology and research to improve institutional efficiency.

Intended results were: improved management of Bank's resources, improved organization performance, improved technology and security of IT infrastructure and improved work environment. The Bank tracks results under this theme by focusing on seven Key Performance Indicators (KPIs): expenditure coverage ratio with a target of 1:1, Strategic Management Maturity Level (SMML) with a target of level 3, IT maturity level of level 3, percentage system availability of 95.0 percent, employees' satisfaction with work environment of 90.0 percent, percentage implementation of corporate training plan of 85.0 percent and percentage of achievement of strategic results of 85.0 percent.

(a) Expenditure Coverage Ratio

This is the level at which total expenditure is covered by the revenue generated in the same period. The intention of this measure is to gauge the extent to which the Bank's expenditures are financed by income generated within the same period. It assists in allocation and utilization of resources. The targeted ratio for this measure is 1 connoting that 100.0 percent financing of Bank's obligations come from revenue generated.

As at 30 June 2024, the Expenditure Coverage Ratio stood at 1.5 same as a ratio of 1.5 for the period ending June 2023. This signified continued ability to generate revenue sufficient to cover expenditure. The Bank will continue to manage budget performance by aligning expenditure to the planned activities and available financial resources.

(b) Strategic Management Maturity Level (SMML)

SMML measures progress that the Bank is making in strategic management and performance measurements efforts. Assessment is on the scale of 0 to 5, (0 being the lowest). SMML assessment is conducted periodically but at least once in a year, to inform management of where the Bank stands in terms of strategic management. It also allows management to monitor progress in improving maturity of strategic management and to allow benchmarking the Bank against other high performing organisations.

According to a survey that was conducted in January 2024, the Bank's overall average strategic management maturity level scored 3.3, which indicates a slight decrease from 3.4 recorded in January 2023. The score implies that the Bank has a structured and comprehensive strategic plan with formal formulation processes and procedures; employees across functional units are regularly engaged in strategic management activities; top management and management are regularly informed about the pursuit of strategies; vision, goals, and values are communicated effectively. In addition, the score is above the target of 3.0, signifying that the Bank has reached the set target ahead of time.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

6. CURRENT PERFORMANCE AND FUTURE DEVELOPMENT (CONTINUED)

(c) IT Maturity Level

This is the desired level of IT processes maturity recommended in good practices of IT governance in accordance with COBIT 19 Framework. The purpose is to determine the level of IT governance in the Bank. During the period under review, the Bank maturity was level 3 consistent with set target for this financial year and previous financial year, which implies that the Bank has been able to apply recommended practices, controls, relevant policies and guidelines, and procedures in its IT operations.

(d) System Availability

This KPI measures availability of critical systems to deploy appropriate measures whenever required. The purpose of the measure is to determine availability of critical systems to deploy appropriate measures whenever required. In the review period, the Bank system availability averaged 97.6 percent which is above the target of 95.0 percent. These results were attributed to enhanced internal power supply, efficient cooling systems in the data centres and dedicated IT technical support.

(e) Employee Satisfaction with Work Environment

This KPI measures the extent to which staff are satisfied with policies, systems, facilities, services, development opportunities, welfare issues and the overall working environment in the Bank. The aim is to understand employees' satisfaction on the work environment in the Bank and take appropriate actions. Employee satisfaction level is assessed through annual Work Environment Surveys (WES) and is conducted once every two years. The latest WES conducted in 2021/22 indicated that employee satisfaction level was 83.0 percent, below the set target of 90.0 percent, where, generally, employees were satisfied with many aspects of the work environment. Towards the end of fourth quarter of the review year, the Bank launched a WES whose results are expected to show improvement from previous survey but also fewer areas which need further improvements.

(f) Percentage Implementation of Corporate Training Plan

In the review period, the Bank has implemented the Corporate Training Plan for 2023/24 by 89.0 percent as of 30 June 2024 which is above the target of 85.0 percent and improvement from 82.3 percent recorded during the previous financial year. This performance was largely contributed by the effective engagement of all stakeholders during training needs assessment and planning. The implemented capacity-building programs focused on enhancing banking and currency services, enhancing the effective implementation of monetary policy, improving management foreign reserves, strengthening safety, soundness, and inclusiveness of the financial sector, strengthening institutional efficiency, and increasing staff awareness on organization systems and operations.

(g) Percentage of Achievement of Strategic Results

During the implementation of plan in 2023/24, the Bank attained 75.0 percent of its intended results which is above 66.7 percent recorded in June 2023 but below the set corporate target of 85 percent. Going forward, the Bank will continue to closely monitor implementation of plan to improve on achievement of strategic results.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

6. CURRENT PERFORMANCE AND FUTURE DEVELOPMENT (CONTINUED)

Budget estimated to implement this objective was TZS 83,752.1 million and the actual expenditure as at 30 June 2024 was TZS 77,450.9 million. Budget variance was mainly from transport and accommodation related expenses as most of the official assignments planned outside duty stations were conducted virtually and some under special duty arrangements.

Strategic Objective 3.2: Enhance Organizational Effectiveness

This entailed enhancing compliance to national and international legislations, standards, regulations, internal policies, and guidelines. It also aimed at putting in place appropriate internal controls and mitigation measures to manage risks and crisis. Further, it points to a need for the Bank to proactively ensure there is effective communication with stakeholders coupled with sense of accountability, transparency and quality disclosures.

The intended results were improved risk and crisis management, improved compliance to international and national standards and improved stakeholders' understanding of Bank's undertakings. Three KPI's were designed to track results; risk maturity level with the target of level 3, net risk level with a target of yellow, percentage Compliance to PPRA with a target of 100.0 percent and percentage of stakeholder's satisfaction of 95.0 percent by June 2024.

(a) Risk Maturity Level

This assesses the Bank's risk management culture and development of a risk management program. It evaluates the extent to which risk management is embedded within the Banks operations where a high maturity level translates into effective risk management. The Bank uses Deloitte Risk Maturity Model. During the period under review, the corporate maturity on risk management remained at level 3 (Top Down), in line with the annual target of maintaining risk management practices at level 3. Various strategies have been designed and will be implemented in the coming financial year to elevate the maturity level to 4 (Systematic).

(b) Net Risk Level

In the review conducted in June 2024, the Net Risk level score slightly improved to 67.0 in June 2024 from 71.0 recorded in June 2023 implying the Bank's overall risk exposure is at moderate level like the status reported in June 2023. With this performance the risk exposure is in line with the annual target of risk exposure within the moderate (yellow) zone. The improvement in the net risk level is attributable to implementation of the risk mitigation strategies.

(c) Compliance to Public Procurement Law and Regulations (PPA& PPR)

This measure intends to assess Bank compliance to procurement law and its regulations. The target by the end of the financial year 2023/24 is 100.0 percent. Audit on compliance with Procurement Laws and its regulation is conducted by PPRA on annual basis. During the latest assessment conducted in the financial year 2021/22 assessment for procurement conducted in Tanzania National e-Procurement System (TANePS), the Bank scored 64.6 percent, indicating a fair performance on compliance audit.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

6. CURRENT PERFORMANCE AND FUTURE DEVELOPMENT (CONTINUED)

(d) Stakeholders' Satisfaction

This measures stakeholders' satisfaction on their interaction with the Bank. The Bank conducts stakeholder satisfaction survey once every two years. The latest survey was conducted in June 2022 and it indicated stakeholder satisfaction level of 87.3 percent (against target of 95.0 percent). The Net Customer Index (NCI) showed that the Bank stakeholders were mainly satisfied in terms of service accessibility, customer service quality while engaging with customers, knowledge sharing and trustworthiness in the Bank. This survey is conducted biennially; hence the next survey was undertaken in June 2024 and results are yet to be finalized.

Budget estimated to implement this objective was TZS 207,260.5 million and actual expenditure as at 30 June 2024 was TZS 200,124.4 million. Variation noted on actual expenditure was mainly due to delay of delay of recruitment process for new staff who were projected to report in the first quarter as resulted to cumulative effect on underutilized salary and other staff benefit fund.

(b) Future Developments

In its five-Year Strategic Plan 2021/22 – 2025/26, the Bank aligns its vision and strategic objectives with the national priorities outlined in the National Development Vision 2025, the Zanzibar Development Vision 2050, Zanzibar Development Plan 2021-2026, National Five-Year Development Plan III (2021/22 – 2025/26), and National Financial Sector Development Masterplan 2020/21–29/30. The Bank recognizes the main agenda of the Governments to sustain the country in the middle-income status and above. This national agenda can be attained through having macro-economic and financial stability; and widened and deepened access to financial services for enhanced investments in the productive sectors leveraging on technological advancement. In executing its mandate and attaining expected results, the Bank intends to accomplish the following in the financial year 2024/25:

(a) Enhance effectiveness of monetary policy

The Bank will continue to improve the process of monetary policy formulation and implementation in a way that will best contribute to macroeconomic stability and support financial markets growth and access. through this objective, the Bank will implement interest rate based monetary policy framework; Implement regional integration initiatives; Provide advice on the economy to the governments; Conduct research to promote economic transformation and Deepen domestic financial markets for effective monetary policy transmission.

Four Key Performance Indicators (KPI's) and targets have been set to realize success of this objectives; core inflation with a target of ≤ 5.0 percent, headline inflation of 5.0 percent, 7-day interbank cash market interest rate with a target of (IBCM rate) ± 200 bps of Central Bank rate (CBR) and GDP growth rate with target of ≥ 6.0 percent by June 2025.

(b) Enhance foreign reserves

The Bank will continue to ensure there are adequate foreign reserves to meet the country's foreign exchange demands and management of monetary and exchange rate policies. It also intends to enhance the country's resilience to external shocks. The Bank intends to achieve this objective by broadening avenues for the accumulation of foreign reserve and Implementing strategic initiatives for management of foreign reserves.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

6. CURRENT PERFORMANCE AND FUTURE DEVELOPMENT (CONTINUED)

To monitor performance of this achievement, the Bank uses months of import cover with a target of at least ≥ 4.0 months by June 2025.

(c) Enhance safety, soundness and inclusiveness of the financial sector

The Bank will ensure the availability of a macro-prudential framework for a resilient financial sector supportive of new product development and risk management. The objective is to ensure robust legal, regulatory and supervisory frameworks that embrace regional and international standards for effective financial sector supervision, and responsive to market dynamics. It also refers to having sound infrastructure and resolution frameworks that prevent macroeconomic shocks from disrupting the financial sector. Furthermore, it includes facilitating the public with easy access to affordable financial services.

In achieving this objective the Bank will, develop and implement legislation and regulatory tools, develop and implement fraud and cybersecurity strategies, enhance financial crisis preparedness and management capability, implement system for accessing real-time data from banks and financial institutions, develop and maintain payment system platforms, implement national Financial Inclusion Framework, implement financial consumer protection strategies, increase access to credit to SMEs through Credit Guarantee Schemes, develop and implement Islamic Banking and Finance Framework, promote a cash-lite economy, and preparedness for the adoption of central bank digital currency and manage climate related financial risks.

The Bank will continue to measure the results using; capital adequacy ratio with a target of 14.5 percent, asset quality ratio (NPL ratio) with a target of ≤ 5.0 percent, liquidity ratio with a target of ≥ 20.0 percent. Financial sector stability index with a target of ± 3 , access to formal financial services with a target of 91.0 percent, usage of formal financial services with targets of 75.0 percent and Reliability Rate of Systemically Important Payment systems (SIPS) with a target of 100.0 percent, respectively by June 2025.

(d) Enhance banking and currency services

The Bank will continue to provide banking and currency services that are safe, convenient, available, timely and affordable. To achieve this objective, the Bank will modernize banking services and implement currency management strategies.

In order to track achievements, the Bank maintained three KPIs, which are cheque settlement period with a target of T+1, EFT settlement period of T+0 and customer satisfaction level with a target of 90.0 percent, by June 2025.

(e) Strengthen institutional efficiency

The Bank will improve organization performance through effective allocation of resources, optimization of human capital, enhancement of corporate culture, acquisition of new properties (plots) as well as leveraging on technology and research. Through this objective, the Bank will develop and implement effective resources management strategies; develop a robust research and innovation agenda, streamline internal business processes; acquire, develop and modernize facilities and infrastructure including relocation to Dodoma; modernize the Bank of Tanzania Academy and implement initiatives to manage diversity and inclusion at the work place.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

6. CURRENT PERFORMANCE AND FUTURE DEVELOPMENT (CONTINUED)

In tracking the results, the Bank has placed seven KPIs, which are; expenditure coverage ratio with a target of 1, Strategic Management Maturity Level (SMML) with a target of reaching level four; percentage achievement of strategic result with a target of 98.0 percent; IT maturity level with a target of reaching level four; system availability of 97.0 percent; and employee's satisfaction with work environment with a target of 95.0 percent and percentage implementation of corporate training plan with target of 98.0 percent by June 2025.

(f) Enhance organizational effectiveness

The Bank will enhance compliance with national and international legislation, standards, internal policies, and guidelines. This objective aims at instituting appropriate internal controls and mitigation measures to manage risks and crises. In addition, it points to a need for the Bank to proactively ensure there is effective communication with stakeholders. To achieve this objective, the Bank will develop and implement corporate-wide risk management strategies; strengthen security and safety of the Bank's assets; and enhance engagement with stakeholders.

Four KPIs have been designed to track results; risk maturity level with a target of reaching level four, net risk levels with a target of low risk category, (green) compliance to Public Procurement Regulatory Authority (PPRA) criteria with a target of 100.0 percent and percentage of stakeholder's satisfaction of 95.0 percent by June 2025.

7. RESOURCES

The Bank has adequate resources to implement its mandates. In order to achieve its strategic goals, the Bank uses its human, financial, intellectual, social and relationship and natural resources efficiently and effectively.

(a) Financial Resources

The Bank has adequate financial resources to support its strategic and operational initiatives. The financial resources comprise capital TZS 100.0 billion and reserves TZS 2,266.2 billion. The Bank generated revenue that covered all operating expenses and support provided to its stakeholders. This has enabled the Bank to continue fulfilling its mandates without seeking shareholder support. The profitable operations have helped the Bank accumulate adequate reserves while paying reasonable dividends to its shareholder. From a strategic perspective, the Bank seeks to improve its financial performance by improving resource management, prioritizing initiatives, implementing initiatives within available financial resources, and generating adequate revenue to support its operations.

(b) Human Resources

The Bank has a workforce of 1,436 individuals who possess qualifications, motivation, competence, and a dedication to long-term careers. Among these employees, 911 are males, and 525 are females. The leadership upholds robust governance principles and fosters positive working dynamics, creating a conducive atmosphere for fulfilling the Bank's responsibilities. The Bank remains steadfast in its dedication, allocating resources for nurturing talent and fostering engagement programs. This commitment ensures that employees consistently sustain their ability to provide value to stakeholders.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

7. RESOURCES (CONTINUED)

(c) Intellectual Resources

The expertise of the Bank's staff stands as a highly important strategic asset, prominently contributing to the modernization of its functions. This is evident in the creation of in-house contemporary technology aimed at enhancing daily operations. Notably, during the year under review, the Bank's personnel pioneered two systems which support business in accomplishing its objectives i.e. Bank Digital Signature System and Performance and Budget Management System.

(d) Social and Relationship Resources

The Bank places great importance on cultivating robust relationships with its stakeholders, driven by a commitment to comprehend their expectations and deliver value that guarantees satisfaction. We extend support through public education, scholarships, and charitable donations to worthy causes, to cultivate positive ties with the communities where the Bank conducts its operations. The Bank contributed a total of TZS 640.0 million to diverse community groups during the year ending June 2024. Our dedication to engaging with stakeholders remains unwavering, and we will persist in our efforts to provide public education to enhance their understanding on the Bank's undertakings and hence contribute to their welfare.

(e) Natural Resources

This forms the foundation for various other types of capital that collectively constitute the organizational capacity for productivity. While the Bank does not rely on natural resources directly for its output, its activities remain attuned to the ecosystem's balance to ensure the continuity of life and economic endeavors. Acknowledging the diminishing state of ecosystems, like the atmosphere's capacity to absorb carbon dioxide without destabilizing, which poses threats to both stability and the economy, the Bank assesses its operations' environmental impact. As a result, it actively advocates for environmental sustainability. The Bank employs energy-efficient systems, imposes restrictions on motor vehicle mileage and age, and has implemented a nearly paperless office approach. These efforts signify the Bank's commitment to utilizing contemporary, eco-friendly practices that conserve water, land, and energy while mitigating air pollution.

8. CORPORATE GOVERNANCE MATTERS

(a) Corporate Governance Statement

A good corporate governance requires legal, regulatory, and institutional basis that is appropriate and efficient. Clear governance rules as well as the necessity of accountability in its actions allow management to focus on the priorities defined by the organization, and decision-makers to have their actions assured by a formally established institutional structure, among other benefits.

Governance is associated with setting rules for the decision-making process. It defines who makes decisions, who is responsible for them, and how decisions must be made. In essence, it defines roles and responsibilities. Management is about execution of rules set by governance, and the operational routine of the organization. Good corporate governance is critical in the public sector entities, and the Bank in particular, is committed to adhering to the highest standards of corporate governance. This commitment is rooted in the reputation built on a solid foundation of integrity, excellence, accountability, transparency, fairness and inclusiveness.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

8. CORPORATE GOVERNANCE MATTERS (CONTINUED)

In view thereof, during the year under review, the Bank complied with aspects of good corporate governance principles which include:

- (i) **Accountability:** The Bank has been accountable at all times to the stakeholders including the Government by maintaining price stability and integrity of the financial system for inclusive economic growth. In accordance with section 21, subsection (3) to (6) of the Bank of Tanzania Act, Cap. 197, the Governor submitted the Monetary Policy Statement to the Minister of Finance for 2023/24 which subsequently was submitted to the Parliament.
- (ii) **Transparency:** The Bank of Tanzania exercises a high degree of transparency on its decisions. The decisions of the Monetary Policy Committee (MPC) are communicated to banks through post-MPC engagements with Chief Executive Officers of banks, and to the public through various communication channels. In addition, the Bank regularly publishes various reports, which highlight monetary policy stance, the outcome of monetary policy implementation, and developments of the economy at large. The reports are available on the Bank of Tanzania website. The Bank regularly organize and conduct awareness and sensitization programs to enable the public to understand its roles and operations.
- (iii) **Fairness:** The Bank has been fair to banks and financial institutions, payment systems service providers and microfinance service providers while discharging its functions of supervising and regulating as per section 5 of the Bank of Tanzania Act, 2006. The Bank improved legal and regulatory frameworks which eased licensing requirements, promoted innovations in the financial sector and developed proportional prudential requirements while maintaining an appropriate balance between financial inclusion objectives and other policies, such as financial stability and consumer protection as provided for under the Bank of Tanzania (Financial Consumer Protection) Regulations, 2019.
- (iv) **Responsibility:** The primary function of the Bank is to maintain price stability and promote stability of the financial system. In addition to these primary functions, the Bank performed the following responsibilities in the year 2023/24: provided banking services to Governments and financial institutions and acted as a lender of last resort. It supervised the commercial banking system and ensured its smooth running; it controlled the money and capital markets by changing the supply of money and thereby the rate of interest; it acted as the custodian of the foreign exchange, and it advised the government in all the monetary affairs.
- (v) **Independence:** The Bank has been exercising independence in formulating and implementing the monetary policy, managing currency and banking operations, supervising the financial sector as well as managing its resources. This has led to a greater transparency of decision-making, accountability and the capability of the Bank to pursue its mandate.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

8. CORPORATE GOVERNANCE MATTERS (CONTINUED)

(b) Membership and Committees of Those Charged with Governance

As per section 9 of the Bank of Tanzania Act 2006, Cap 197 the Governor and Deputy Governors of the Bank of Tanzania are appointed by the President of the United Republic of Tanzania, The Permanent Secretary to the Treasury of the Government of United Republic and the Principal Secretary to the Treasury of the Revolutionary Government of Zanzibar, are ex-officio members of the Board. However, they may appoint in writing persons in the public service to be their representatives who shall, at any meeting for which they are appointed, have the powers of the Permanent Secretary or Principal Secretary, in their capacities as members of the Board. Four non-executive Directors are appointed by the Minister for Finance of the United Republic of Tanzania and at least one should hail from either side of the United Republic. The following Directors served on the Board during the financial year 2023/24.

Table 1: Members of the Board of Directors

No.	Name	Position	Age	Gender	Qualification	Date of Appointment	Nationality
1.	Mr. Emmanuel M. Tutuba	Governor and Chairperson of the Board	51	Male	Economist	8 January 2023	Tanzanian
2.	Mr. Julian B. Raphael	Deputy Governor	68	Male	Economist	26 January 2016	Tanzanian
2.	Dr. Yamungu M. Kayandabila	Deputy Governor	52	Male	Economist	31 May 2017	Tanzanian
3.	Ms. Sauda K. Msemo	Deputy Governor	51	Female	Economist	1 June 2022	Tanzanian
5.	Dr. Juma M. Akil	Member	60	Male	Agricultural Economist	23 January 2021	Tanzanian
6	Mr. Nassor S. Ameir ¹	Member	45	Male	Economist	3 November 2023	Tanzanian
7	Prof. Esther K. Ishengoma ²	Member	55	Female	Finance Professor	4 September 2023	Tanzanian
8	Ms. Esther L.J. Manyesha	Member	65	Female	Lawyer	14 February 2022	Tanzanian
9.	Mr. Elijah Mwandumba ³	Member	47	Male	Accountant	25 August 2023	Tanzanian
10	Mr. Ngosha S. Magonya ⁴	Member	67	Male	Economist	4 September 2023	Tanzania

Key:

¹ Appointed on 3 November 2023

² Appointed on 4 September 2023

³ Appointed on 25 August 2023

⁴ Appointed on 4 September 2023

In accordance with Section 9(2) (c) of the Bank of Tanzania Act, 2006, a representative of the Ministry of Finance of the United Republic and Principal Secretary to the Treasury of the Revolutionary Government of Zanzibar are ex-officio members. Bank of Tanzania ascribes to the highest standards of corporate governance. The Bank through the Board of Directors and Management upholds and practices sound corporate governance principles.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

8. CORPORATE GOVERNANCE MATTERS (CONTINUED)

To this end, the Bank of Tanzania Act, 2006, Cap 197, has provided a framework for ensuring the 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 Board of Directors of the Bank is the supreme policy-making body, and the approving authority of the corporate plan and budget of the Bank;
- (ii) Four committees are currently assisting the Bank's Board of Directors in discharging its functions. These are the Monetary Policy Committee, Audit Committee, Banking Supervision Committee and Finance and Investment Committee

(i) Monetary Policy Committee

The Monetary Policy Committee is established under the provision of Section 12(1) of the Bank of Tanzania Act, 2006. Its membership comprises of the Governor as Chairperson, the Deputy Governors, and six 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 covers a review of the Governments' revenue and expenditure patterns; a review of debt management operations and statutory reports of the Bank related to the implementation of monetary and financial policies. The Members of the Monetary Policy Committee that served during the year ended 30 June 2024 were as follows:

Table 2: Monetary Policy Committee

No.	Name	Position	Qualification	Nationality
1.	Mr. Emmanuel M. Tutuba	Chairperson	Economist	Tanzanian
2.	Mr. Julian B. Raphael	Member	Economist	Tanzanian
3.	Dr. Yamungu M. Kayandabila	Member	Economist	Tanzanian
4.	Ms. Sauda K. Msemo	Member	Economist	Tanzanian
5.	Prof. Esther K. Ishengoma ¹	Member	Finance Professor	Tanzanian
6.	Mr. Ngosha S. Magonya ²	Member	Economist	Tanzanian
7.	Ms. Esther L.J. Manyesha	Member	Lawyer	Tanzanian
8.	Dr. Juma M. Akil	Member	Agricultural Economist	Tanzanian
9.	Mr. Elijah G. Mwandumba ³	Member	Accountant	Tanzanian
10.	Mr. Nassor S. Ameir ⁴	Member	Economist	Tanzanian

Key:

¹ Appointed on 4 September 2023

² Appointed on 4 September 2023

³ Appointed on 25 August 2023

⁴ Appointed on 3 November 2023



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

8. CORPORATE GOVERNANCE MATTERS (CONTINUED)

(ii) Audit Committee

Established under the provision of Section 12(1) of the Bank of Tanzania Act 2006, the Audit Committee is composed of Non-Executive Directors. The Chairperson of the Committee is a Non-Executive Director. The Terms of Reference for the Audit Committee covers internal control, financial reporting, internal audit and external audit.

The Audit Committee's mandate under internal control covers evaluation of the control environment and culture; the adequacy of the internal control systems and compliance with International Financial Reporting Standards (IFRS) in the preparation of financial statements; the overall effectiveness of the internal control and risk management frameworks. The Committee also reviews management requests for write-off/ write back of items from the books of accounts and reviews 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 that financial risk areas are managed appropriately. The Committee also ensures adequacy of the financial reporting process and reviews draft financial statements before submission to the external auditors for audit and the audited financial statements before approval and adoption by the Board. With regards to External Audit, the Audit Committee is informed by the independent external auditor (National Audit Office of Tanzania) about the scope, approach and audit.

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

The Members of the Audit Committee that served during the year ended 30 June 2024 were as follows:

Table 3: Audit Committee

No.	Name	Position	Qualification	Nationality
1.	Mr. Ngosha S. Magonya ¹	Chairperson/ member	Economist	Tanzanian
2.	Prof. Esther K. Ishengoma ²	Member	Finance Professor	Tanzanian
3.	Ms. Esther L.J. Manyesha	Member	Lawyer	Tanzanian
4.	Mr. Nassor S. Ameir ³	Member	Economist	Tanzanian

Key:

¹ Appointed on 4 September 2023

² Appointed on 4 September 2023

³ Appointed on 3 November 2023



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

8. CORPORATE GOVERNANCE MATTERS (CONTINUED)

(iii) Banking Supervision Committee

The Banking Supervision Committee is also established under the provision of Section 12(1) of the Bank of Tanzania Act, 2006. Members of the Committee comprise the Non-Executive Director who is the Chairperson, the Deputy Governors, Representative of the Ministry of Finance, Government of the United Republic of Tanzania and Principal Secretary to the Treasury, Revolutionary Government of Zanzibar and two Non-Executive Directors.

The Banking Supervision Committee is responsible for the review of internal control and systems in banks and other financial institutions; the banking supervision function; adequacy of the prevailing legal and regulatory framework; operating performance of banks, financial institutions, microfinance service providers and bureau de change 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 banking system and high supervisory standards and practices.

The Members of the Banking Supervision Committee that served during the year ended 30 June 2024 were as follows.

Table 4: Banking Supervision Committee

No.	Name	Position	Qualification	Nationality
1.	Prof. Esther K. Ishengoma ¹	Chairperson	Finance Professor	Tanzanian
2.	Mr. Julian B. Raphael	Member	Economist	Tanzanian
3.	Dr. Yamungu M. Kayandabila	Member	Economist	Tanzanian
4.	Ms. Sauda K. Msemo	Member	Economist	Tanzanian
5.	Dr. Juma M. Akil	Member	Agricultural Economist	Tanzanian
6.	Mr. Nassor S. Ameir ²	Member	Economist	Tanzanian
7.	Mr. Elijah G. Mwandumba ³	Member	Accountant	Tanzanian

Key:

¹ Appointed on 4 September 2023

² Appointed on 3 November 2023

³ Appointed on 25 August 2023

(iv) Finance and Investment Committee

The Finance and Investment Committee is established under the provision of Section 12 (1) of the Bank of Tanzania Act, 2006. Members of the Committee comprise Non-Executive Director, who is the Chairperson, the Deputy Governors and four Non-Executive Members of the Board.

The Finance and Investment Committee is responsible for reviewing the proposed budgets and 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 Bank's Annual Corporate Plan. The Committee also reviews the appropriateness of the Bank's investment policy and assets allocation strategy, Risk Management Framework for the Bank's operations and Project Management framework.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

8. CORPORATE GOVERNANCE MATTERS (CONTINUED)

The Members of the Finance and Investment Committee that served during the year ended 30 June 2024 are as follows:

Table 5: Finance and Investment Committee

No.	Name	Position	Qualification	Nationality
1.	Ms. Esther J. Manyesha	Chairperson	Lawyer	Tanzanian
2.	Mr. Julian B. Raphael	Member	Economist	Tanzanian
3.	Dr. Yamungu M. Kayandabila	Member	Economist	Tanzanian
4.	Ms. Sauda K. Msemo	Member	Economist	Tanzanian
5.	Mr. Ngosha S. Magonya ¹	Member	Economist	Tanzanian
6.	Mr. Nassor S. Ameir ²	Member	Economist	Tanzanian

Key:

¹ Appointed on 4 September 2023

² Appointed on 3 November 2023

(c) Meetings of Those Charged with Governance

The Board held five (5) ordinary and eight (8) extra ordinary meetings during the year ended 30 June 2024. In addition, there were various meetings of the Board Committees. All members of the Board were able to substantially devote their time required for the Board and Committee meetings. Below is a summary indicating the number of meetings attended by each member of the Board from 1 July 2023 to 30 June 2024.

Table 6: Meetings of Those Charged with Governance

		Number of Planned and Actual meetings					KEY
		Board	MPC	BSC	AC	FIC	
No.	Number of Planned Meetings	11(Ordin6) (Extra5)	7(Ordin.5) (Extra 2)	6(All Ordinary)	8(Ordin5) (Extra3)	8(Ordin7) (Extra1)	Board: Board of Directors
No.	Actual Number of meetings Held	14	7	5	8	8	MPC: Monetary Policy Committee
Names							BSC: Banking Supervision Committee
1.	Mr. Emmanuel. M. Tutuba	14	7	N/A	N/A	N/A	AC: Audit Committee
2.	Mr. Julian B. Raphael	11	6	4	N/A	7	
3.	Dr. Yamungu M. Kayandabila	13	5	4	N/A	7	FIC: Finance and Investment Committee
4.	Ms. Esther L.J. Manyesha	11	7	1	8	6	
5.	Prof. Esther K. Ishengoma ¹	11	4	4	7	N/A	N/A: Not applicable
6.	Ms. Sauda K. Msemo	12	5	3	N/A	6	
7.	Mr. Elijah G. Mwandumba ²	4	4	1	N/A	N/A	
8.	Dr. Juma I. Akil	6	3	2	N/A	N/A	
9.	Mr. Ngosha S. Magonya ³	14	6	N/A	7	8	
10.	Mr. Nassor S. Ameir ⁴	12	5	4	6	7	

Key:

¹ Appointed on 4 September 2023

² Appointed on 25 August 2023

³ Appointed on 4 September 2023

⁴ Appointed on 3 November 2023



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

8. CORPORATE GOVERNANCE MATTERS (CONTINUED)

The Board and its committees meet after every two months with additional meetings convened as and when necessary. During the year, the Board and its committees met to discuss and decide on various business activities. The Board's Committees recommend key business decisions to the Board for approval.

(d) Independence of the Non-Executive Directors

The Board considers all Non-Executive Directors to be independent in character and judgment, and free of relationships or circumstances that could affect their judgment.

(e) Management

Section 13(1) of the Bank of Tanzania Act, 2006 vests the Management of the Bank and the direction of its business and affairs to the Governor. The Governor is required to discharge such functions and directions, in conformity with the policies and other decisions made by the Board.

The law further provides that the Governor be assisted by three Deputy Governors. The Deputy Governors head various functions under them, which are managed by twenty directors, seven managers of independent departments and the principal of Bank of Tanzania Academy.

(f) Secretary to the Bank

The Director of Legal Services is the secretary to the Bank and is responsible for advising the Board on legal and corporate governance matters and, in liaising with the Chairperson, 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.

9. RELATIONSHIP WITH STAKEHOLDERS

The Bank's Five Years Strategic Plan 2021/22 - 2025/26 provides a detailed analysis of the Bank's key stakeholders. The Bank recognises the importance of addressing the needs of its key stakeholders in order to add value and satisfy their needs and expectations. The Bank's key stakeholders are the Governments (United Republic of Tanzania and Revolutionary Government of Zanzibar), banks and financial institutions, staff and the public. The Bank is committed to delivering value to its stakeholders through better services and good customer care while maintaining effective relationship in its engagement. The Bank's key stakeholders, services provided to them and expectations are as follows:

(a) The Governments

URT and RGoZ, as the main stakeholders, expect timely and reliable economic and financial services, banking services and dividend from the Bank. During the year under review, the Bank provided the Governments with advice on monetary and financial matters through the Monetary Policy Statements, which review recent global and domestic macroeconomic developments and the outcome of monetary policy implementation during 2023/24. The Bank also provided timely, safe and reliable banking services, including payments. The Bank endeavours to meet Governments' expectations and serve their interests through open and reliable communication.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

9. RELATIONSHIP WITH STAKEHOLDERS (CONTINUED)

(b) Banks and Other Financial Institutions

The Bank provides these stakeholders with banking and currency services, regulatory and supervisory services and infrastructure for payments and settlements. Banking and currency services have to be provided timely and reliable, whereas regulatory frameworks and supervisory mechanisms and infrastructure for payment and settlement systems have to be effective and efficient, respectively. During the period under review, the Bank provided banking services and currency that met their expectations. Further, the Bank continue to play its supervisory role to enhance the safety, soundness, and inclusiveness of the financial sector through risk-based supervision and through systems.

In addition, the Bank kept pace with the speed of innovation and technological changes in payment systems by putting in place and improving payment systems including, Tanzania Instant Payment System (TIPS) that is supportive of economic growth.

(c) The General Public

The stakeholders' needs from the Bank include clean cash in circulation and reliable economic and financial information. The Bank issues currency to the public through commercial banks. To ensure the supply of cash in the economy, the Bank distributes currency through its branches and its safe custody centres. The Bank has continued to employ multiple channels to effectively engage with the public to make them well informed on Bank undertakings and get feedback on its operations. The communication channels utilized include: various print and electronic media, website and social media accounts. The media air programs and publish news articles about the Bank. Also, the Bank reaches out to the public through various exhibitions, conducts public education and awareness sessions through seminars, workshops and symposiums for special groups, and disseminates publications.

During the year under review, the Bank conducted various public education and sensitization campaigns to its stakeholders on various issues. In addition, the Bank produces a 30-minute weekly TV programme called "IJUE BENKI KUU YA TANZANIA", which is aired on four television stations in the country and posted on the Bank's YouTube channel.

The Bank will continue to use all communication channels at its disposal to continue reaching out to the general public in order to enhance the reputation of the Bank through increased understanding of the Bank's undertakings.

(d) The Bank Staff:

Staff are the most valuable resource for the Bank to perform and achieve its goals. The staff expect a conducive working environment, optimal utilization of their skills and knowledge, and fair compensation. As at the end of the year, the total staff stood at 1,436 employees, where 911 (63.4 percent) were males and 525 (36.6 percent) females. The Bank prides itself of experienced and



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

9. RELATIONSHIP WITH STAKEHOLDERS (CONTINUED)

competent leadership team, well-trained and engaged staff with appropriate skills, knowledge, and attitude necessary for the execution of its mandate. The Bank will continue to take deliberate efforts to develop its staff and ensure their knowledge and skills remain relevant to meet the current and future needs.

(e) The Parliament: The parliament's role in the growth of the country's economy makes it one of the key stakeholders of the Bank. The Parliament expects timely and reliable reports and information. To ensure timely and reliable information and reports reach the Parliament, the Bank issues structured reports and respond timely to questions submitted from the Parliament. Also, the Bank organizes awareness sessions to the Permanent Parliamentary Committees aiming to create awareness on its undertakings and operations. For the year under review, the Bank conducted sessions with the Public Accounts Committee, Permanent Parliamentary Budget Committee, Public Investment Committee and Parliamentary Committee for Subsidiary Legislation.

10. CAPITAL STRUCTURE AND TREASURY POLICIES

(a) Capital Structure

The capital structure of the Bank as at 30 June 2024 consisted of authorized share capital of TZS 100.00 billion (2023: TZS 100.0 billion) and reserves of TZS 2,260.3 billion (2023: TZS 1,239.8 billion). Section 17 of the Bank of Tanzania Act 2006 provides for the level of authorized capital to be TZS 100.0 billion, subject to potential increase as decided by the Board and approved by the Minister of Finance through a notice in the Government gazette. The Bank's share capital is subscribed to and held by the Government of the United Republic of Tanzania. Due to the nature of the Bank's business and statutory requirements, the whole capital is held as equity.

The Bank establishes and maintains different classes of reserves as stipulated by section 18 of the Bank of Tanzania Act, 2006. As at 30 June 2024, the Bank's main reserves include the General Reserve, Foreign Exchange Revaluation Reserve, Foreign Exchange Equalization Reserves, Capital Reserve, Reserve for Projects and Security Revaluation. Details of the movement of these reserves during the year are provided in the Statement of Changes in Equity.

(b) Treasury Policies and Objectives

The Bank engages in treasury transactions mainly in managing foreign exchange reserves, implementing monetary policy, and managing liquidity in the banking sector. The Bank has put in place Foreign Exchange Reserves Management Policy to govern the foreign reserves management function. The Policy defines the approach and framework governing the reserves management and outlines the governance structure, roles and responsibilities pertaining to reserve management.

Each year the Bank reviews its Strategic Asset Allocation (SAA) to determine an optimal mix of its foreign assets that meets its long-term investment objectives. The review incorporates approved risk tolerance, Bank strategic objectives and global macroeconomic and financial market conditions.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

10. CAPITAL STRUCTURE AND TREASURY POLICIES (CONTINUED)

Further, the Bank has Foreign Exchange Reserves Investment Guidelines that provides guidance on reserve management operations and serves as the basis for monitoring performance and compliance of its investments to the benchmarks and limits approved by the Board. Adherence to the Investment Guidelines is critical for the full attainment of the Bank's foreign exchange reserves management objectives of preservation of value, liquidity, and return generation.

In addition, the Bank uses Monetary Policy Statements to provide guidance on managing market liquidity. The statement serves as the basis for injecting or mopping up liquidity in the financial system through buying or selling monetary policy instruments to the market. The instruments used for liquidity management include repurchase agreements, treasury bills, and foreign exchange transactions.

Lastly, the Bank has put in place guidelines to provide loans and advances to commercial banks as mandated by the Bank of Tanzania Act 2006. The guidelines provide guidance on issuing special loans and standing facilities (Intraday and Lombard) to commercial banks.

11. FINANCIAL PERFORMANCE AND POSITION

(a) Significant Aspects of the Statement of Financial Performance

(i) Operating Income

During the year ended 30 June 2024 operating income was TZS 1,494.4 billion (2023: TZS 616.1 billion), which is an increase of TZS 878.2 billion from previous year and equivalent to 142.5 percent. The increase was mainly attributed to increase in net foreign exchange revaluation gains.

(ii) Operating Expenses

During the year under review operating expenses was TZS 461.1 billion (2023: TZS 555.6 billion), which is a decrease of TZS 94.5 billion from previous year and equivalent to 17.0 percent. The decrease was mainly attributed to offsetting of net foreign exchange revaluation loss.

(iii) Other Comprehensive Profit

The Bank recorded other comprehensive profit of TZS 80.0 billion (2023: loss of TZS 56.8 billion), which is an increase of TZS 136.8 billion from previous year and equivalent to 240.8 percent. This was mainly due to improvement in market conditions in which the Bank invests its foreign assets.

(b) Significant Aspects of Statement of Financial Position

(i) Cash and balances with central banks and other banks

Cash and balances with central banks and other banks as at 30 June, 2024 was TZS 6,140.9 billion (2023: TZS 5,824.7 billion), which is an increase of TZS 316.2 billion, equivalent to 5.4 percent. The increase was attributed to an increase in demand and time deposits as the instruments offer relatively higher yield.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

11. FINANCIAL PERFORMANCE AND POSITION (CONTINUED)

(ii) Foreign currency marketable securities

The Bank's foreign currency marketable securities as at 30 June, 2024 was TZS 7,809.3 billion (2023: TZS 7,011.9 billion), which is an increase of TZS 797.4 billion, equivalent to 11.4 percent. The increase was because of foreign exchange revaluation gain.

(iii) Advances to the Government

The advances to the Government as of 30 June, 2024 was TZS 4,963.5 billion (2023: TZS 4,384.4 billion), which is an increase of TZS 579.1 billion, equivalent to 13.2 percent. This was attributed to overdraft extended to Government to finance short term financing gap between the receipts from budgeted revenue and Governments expenditure.

(iv) Currency in Circulation

The currency in circulation as at 30 June, 2024 was TZS 8,039.7 billion (2023: TZS 7,192.0 billion), which is an increase of TZS 847.7 billion, equivalent to 11.8 percent. The increase was attributed to general increase in currency issued to the public.

(v) Deposits - Banks and Non-Bank Financial Institutions

The deposits - banks and non-bank financial institutions as at 30 June, 2024 was TZS 3,914.8 billion (2023: TZS 4,341.0 billion), which is a decrease of TZS 426.4 billion, equivalent to 9.8 percent. The decrease was attributed to net transfers from the Bank by commercial banks.

(vi) Deposits – Others

The deposits – others as at 30 June 2024 was TZS 2,263.0 billion (2023: TZS 2,869.5 billion), which is a decrease of TZS 606.5 billion, equivalent to 21.1 percent. The decrease was attributed to settlement of government obligations and withdrawal by parastatals.

(vii) Capital

The capital position of the Bank as at 30 June 2024 was TZS 2,360.3 billion (2023: TZS 1,339.8 billion), a increase of TZS 1,020.5 billion equivalent to 76.2 percent manly due to increase in reserves.

(c) Results and Dividends

During the year ended 30 June 2024, the Bank operations registered an overall total comprehensive income of TZS 1,113.2 billion (2023: TZS 3.6 billion). The profit mainly resulted from foreign revaluation gain and interest income. The net profit for the year was TZS 1,033.2 billion (2023: TZS 60.4 billion).

The Bank of Tanzania Act, 2006 requires transfer of net unrealized gains or losses to a separate reserve account until realized and available for distribution. In line with section 17 of the Act, special purpose reserves have been set to cater for specific needs and the balance is distributed as dividend to the Government. As a result, a dividend amounting to TZS 300.0 billion (2023: TZS 100.0 billion) is payable to the Government.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

12. CASH FLOWS

The statement of cash flows for the Bank is presented using indirect method whereby it is classified and presented into cash flows from operating, investing, and financing activities. The cash flow analyses changes in cash and cash equivalent during the year ended 30 June 2024. Cash and cash equivalent for the Bank include, money market placements, account balances with foreign banks and holding of foreign currency in Bank's strong room. In overall terms, cash and cash equivalent increased from TZS 5,824.8 billion to TZS 6,141.1 billion.

The changes in cash flow have are summarized below:

(a) Operating Activities

Operating activities for the year ended 30 June 2024 resulted in net outflow of TZS 400.6 billion (2023: TZS 580.7 billion). Cash outflow from operating activities during the year was mainly due to transfers by commercial banks from clearing accounts.

(b) Investing Activities

Investing activities during the year resulted in net cash outflows of TZS 27.9 billion (2023: inflows of TZS 845.9 billion). Increase in cash outflows was on account of purchases of foreign marketable securities and monetary gold.

(c) Financing Activities

Financing activities during the year resulted in net cash inflows of TZS 618.0 billion (2023: TZS 1,106.1 billion). Cash inflows during the year was a result of increase in currencies in circulation. These items provided additional funding for operating and investing activities.

13. RISK MANAGEMENT AND INTERNAL CONTROLS

Risk management is recognized as an integral component of effective corporate governance, essential for achieving the Bank's vision, mission, and strategic objectives. The Board accepts final responsibility for risk management and internal control systems in the Bank. Accordingly, risk management and internal control frameworks are embedded in all processes of the Bank in order to provide reasonable assurance regarding:

- (a) the effectiveness and efficiency of operations;
- (b) the safeguarding of the Bank's assets;
- (c) compliance with applicable laws and regulations;
- (d) the reliability of accounting records;
- (e) business sustainability under normal as well as adverse conditions; and
- (f) responsible behaviours towards all stakeholders.

The risk management process is guided by the Corporate Risk Management (CRM) Framework, CRM Guidelines, Business Continuity Management (BCM) Framework and BCM Guidelines that nurture an integrated approach to the management of all risks inherent in the operations so that the Bank can in turn attain its strategic objectives.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

13. RISK MANAGEMENT AND INTERNAL CONTROLS (CONTINUED)

The CRM framework provides guidance on identifying and managing multiple and cross-enterprise risks; determining appropriate risk response decisions; aligning risk appetite with corporate strategy; allocating resources effectively; minimizing unexpected events which might result in financial losses and reputational damage, and seizing opportunities in a timely manner. Its implementation is guided by the CRM guidelines that provide description of steps in the risk management process in order to establish a uniform way of assessing risks in the Bank in a thorough and consistent manner.

The BCM framework provides clear guidance to the Board, Management and employees on preparedness for managing unforeseen business disruptions. BCM guidelines provide detailed guidance in all broad BCM Policy statements to facilitate clear understanding by each actor on what should be done and how to accomplish related activities and programmes.

The risks that the Bank is exposed to emanate from fulfilling its responsibilities, are those relating to implementation of monetary policies; managing foreign exchange reserves; promoting financial inclusion; procure works, goods and services; provision of management information system services; and maintain fixed assets.

14. KEY RISKS AND UNCERTAINTIES

The risks that may affect the implementation of the Bank's strategies are categorized as financial, operational, and strategic risks. Assessment conducted as at June 2024 indicated that, the Bank is more exposed to operational risks, which account for 87.7% of total risks, while the exposure to strategic and financial risks stands at 9.9% and 2.4%, respectively. Below is a description of the operational and strategic risks facing the Bank. The risks related to financial instruments have been disclosed under Note 42 of the financial statements:

(a) Operational risk:

This is the risk resulting from inadequate or failed internal processes, people, and systems or from external events. In order to effectively manage operational risk, the Bank has put in place mechanism that assists in operational risk assessment, evaluation, treatment, monitoring, and reporting across all functional units. The same involve proper identification, reporting and management of risk incidents to minimize future incidents and their potentially negative impact to the Bank's operations.

(i) Human Resource Risk

The particular nature of the activities of the Bank necessitates specialized knowledge in many areas. This risk relates to the possibility of having inadequate and unspecialized resources. Materialization of the risk is likely to cause business disruption and inefficiencies, ultimately exerting an adverse impact on the achievement of the Bank's objectives.

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 to improve their competencies. It regularly revises its staff retention scheme to compete with the prevailing labour market. The Bank has Staff By-Laws, Financial Regulations, and Code of Ethics that guide staff behaviour and foster staff integrity.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

14. KEY RISKS AND UNCERTAINTIES (CONTINUED)

(ii) Business Disruption and Security Risks

Risks related to failure to execute business processes and events that compromise the assets, operations, and objectives of the Bank. The risks might be due to lack of business continuity management, lack of good practices, or controls on the Bank's activities. This risk may result in the loss of the Bank's properties injuries and loss of life as well as jeopardizing the Bank's reputation.

The Bank addresses these risks inter alia by ensuring the existence of a Business Continuity Management (BCM) plan and sound internal control system, which include operational and procedural manuals, Information and Communication Technology (ICT) security policies, backup facilities, contingency planning, and independent risk management function.

(iii) Project Risks

The risk associated with the mismanagement of projects leading to an adverse impact on the achievement of the project objectives. This risk may lead to delays in project completion, project cost overrun, legal disputes from infringement of terms of conditions and ultimately damage the Bank's reputation.

The Bank addresses these risks by putting place Projects Management Framework and Operational Manuals which provide mandate, methodology and governance mechanism to ensure common and consistent application of project management principles and practices across the Bank.

(iv) Information Technology Risks

Risks arising from failure of software, hardware and IT infrastructure and other risks related to confidentiality, integrity and availability of information technology, and IT support services. The risk may result in failure of critical business applications, malicious software attacks and unauthorized access to Bank's IT assets and consequently disrupting business processes and adversely affecting the Bank's reputation.

In managing these risks, the Bank has put in place committees, policies and guidelines, which govern the usage and operations of IT systems and infrastructure by providing guidance on the protection of IT assets, business continuity management of its operations and internal controls against potential damage caused by technology risk events. Further, continuous assessment and monitoring of controls is done by IT team and reviewed by the risk and internal audit teams.

(v) External Stakeholders Risk

Risks arising due to the failure of stakeholders to meet obligations to the Bank or potential failure of the Bank to meet stakeholders' needs. This risk may potentially tarnish the reputation of the Bank if it materializes.

The Bank manages these risks through strong involvement of stakeholders in carrying out its undertakings and conducting various sensitization campaigns and public education through various channels of communication.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

14. KEY RISKS AND UNCERTAINTIES (CONTINUED)

(vi) Compliance and Business Practice Risks

Risks related to non-adherence to legislations, regulations, Government directives, and public or internal policies. This risk exposes the bank to legal disputes which may result in the loss of the Bank's financial resources and reputational damage. The Bank ensures the risk is mitigated through a high level of compliance with laws and regulations and code of conduct. Further, compliance reviews and monitoring in various departments are conducted to ensure that operations are in line with all applicable laws, regulations, standards, policies and procedures.

(vii) 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 counterparties. The Bank aims at minimizing such uncertainties through continuous consultations with all relevant parties.

In mitigating this type of 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 substantially different contracts and substantive changes to existing contracts are to be entered into the Bank conducts rigorous legal reviews. The Bank has in place a clear procedure for the delegation of authorities. In addition, a strict code of conduct and ethics is used to minimize the chances of causing legal disputes between the Bank and its counterparts.

(b) Strategic Risk

This entails policy, business, performance and external risks facing the Bank in the course of its operations. Policy risks are associated with economic and monetary policy formulation, while business risk refers to the probability of loss inherent in the Bank's operations and environment. On the other hand, performance risk is associated with the formulation and execution of business plans and strategies, and external risks refer to threats from the external environment such as infrastructure disruption, financial crime, and computer viruses, political, social and economic changes. Similar to operational risk, strategic risk may result in damage to the Bank's reputation.

In managing strategic risk, the Bank adheres to the best practices and applies the principle of sound corporate governance. It also ensures that employees have a clear understanding of the appropriate processes in respect to the best practices and principles of good governance. Further, the Bank sets out policies and guidelines that govern sound functional operations within the Bank. The performance of these policies and guidelines is periodically reported to the Bank's Management for control and compliance monitoring.

The top Management of the Bank has the necessary independence and discretion to exercise central banking functions. However, this independence is exercised within the context of good governance and having regard to accountability and the best interests of the Bank and its various stakeholders. The Board assessed the internal control systems throughout the financial year ended June 2024 and is of the opinion that they met the accepted criteria.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

15. LIQUIDITY MANAGEMENT

The liquidity management ensures at all times the Bank is able to discharge its mandate. This is achieved through setting annual budget for the implementation of departmental action plans derived from the set objectives. The budget allocation is based on approved ceiling, which is based on available resource envelope. The budget process ensures adequate allocation of funds is made in terms of both timing and adequacy. The resulting budget is then approved by the Board of Directors and acts as an expenditure limit. Additional information on liquidity risk is provided under Risk Management section in Note 42(b).

16. EMPLOYEES WELFARE

(a) Management and Employees' Relationship

The relationship between the Bank and its employees remained highly positive. Throughout the year, any employee concerns that arose were largely addressed through consultative gatherings that involved management, the trade union, and employees via the worker's council. For the ended year, the Bank applied Public Service Regulations when addressing all matters regarding disciplinary and grievance actions, and the Bank had great positive impact in resolution. Consequently, a harmonious connection between management and the trade union persisted.

(b) Staff Training and Development

The Bank acknowledges the significance of its staff's expertise and competencies in its functions. As a result, it dedicates resources within its budget to enhance the capabilities of its personnel through both short-term and long-term training initiatives. Additionally, the Bank possesses a training institute known as the Bank of Tanzania Academy, located in Mwanza, along with various facilities on its premises to facilitate internal training programs.

Numerous developmental programs were implemented by the Bank, encompassing initiatives like leadership programs, postgraduate diploma in Banking and programs related to ethics to public servants. These programs offer complete or partial sponsorships, enabling employees to enhance their job performance and prepare for their professional advancement.

(c) Medical Assistance

The Bank extends medical support to its employees, their family members, retirees, and retirees' spouses. For the financial year ended on 30 June, 2024, these services were facilitated via the National Health Insurance Fund (NHIF).

(d) Health and safety

The Bank places paramount importance on managing health, safety, and potential risks. Through an active and efficient safety management system, the Bank maintains a secure working environment by conducting ongoing and thorough evaluations. In adherence to the Occupational Health and Safety Act of 2003 and its accompanying Regulations, the Bank tracks health and safety incidents to guarantee a safe workplace.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

16. EMPLOYEES WELFARE (CONTINUED)

(e) Financial assistance to staff

In accordance with the prevailing Staff Bylaws and Financial Regulations, the Bank offers a range of soft loans and bereavement support to its employees.

(f) Employee's pension plan

The Bank operates a system in which both the employer and employees contribute on a monthly basis to pension schemes. These contributions are obligatory and they amount to twenty percent of the employees' basic salary. Specifics regarding the benefits scheme can be found in the Summary of Material Accounting Policies, outlined in Note 3 of the financial statements.

(g) Voluntary agreement

The agreement is a key instrument for maintaining a positive industrial relations climate, fostering cooperation, and ensuring the welfare and rights of both employees and employer. The Bank has an agreement with the Tanzania Trade Union of Industrial and Commercial Workers (TUICO). This agreement helps promote cooperation, communication, and fairness in the workplace, ensuring a harmonious and productive work environment.

17. PERSONS WITH DISABILITIES AND GENDER PARITY

(a) Persons with disabilities

The Bank consistently reviews applications for employment from individuals with disabilities, taking into account the skills and abilities of the applicants. In cases where current staff members acquire disabilities, the Bank strives to support their ongoing employment within the Bank and facilitate suitable training opportunities.

The Bank adheres to a policy wherein training, career advancement, and promotion opportunities for disabled individuals are designed to be at par with those provided to other employees, whenever feasible.

(b) Gender balance

The Bank is an equal opportunity employer. It offers equal access to employment prospects and guarantees that the most qualified individual is selected for each role, devoid of any form of discrimination. Factors such as gender, marital status, ethnicity, religion, and disability, which do not hinder job performance, are not taken into consideration during the selection process. As of 30 June 2024, the Bank's workforce distribution by gender was as follows:

Gender	2024	Percent	2023	Percent
Male	911	63.4	830	64.8
Female	525	36.6	452	35.2
Total	1,436	100.0	1,282	100.0



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

18. SUSTAINABILITY DISCLOSURE

The Bank has not early adopted any of the applicable sustainability standards and guidelines issued by the International Sustainability Standards Board (ISSB) that are not yet effective. However, it is currently making preparations for adoption in the coming financial year.

During the year under review, the Bank continued maintaining vigilance over the environmental impact of its operations, primarily related to energy consumption, water usage, and waste generation. To curtail this impact, the Bank optimizes its facilities and built-in features to ensure effective waste management. Additionally, the Bank adheres to the requisites of environmental impact assessments in its construction undertakings.

Moreover, the employed an expert in Climate-related Financial Risks. The expert to play a role of advising the management of the Bank on matters pertaining to climate related financial risks including legal frameworks, capacity building, financial resources needed and how best to engage stakeholders.

Further, the Bank continued to build capacity to internal and external stakeholders in climate related issues. The Bank conducted training on climate related financial risk management with the objective to enhance staff skills in supervising climate-related financial risks in line with regulatory requirements and applicable good practices. The Bank also conducted external capacity building to banks on implementation of climate related financial risk management and corporate governance practices to board of directors and management of banks and financial institutions.

19. POLITICAL, CHARITABLE CONTRIBUTIONS AND SUBSCRIPTIONS

During the year ended 30 June 2024, the Bank made various subscriptions and contributions to various organizations which amounted to TZS 4,001.9 million (2023: TZS 3,219.4 million). There was no donation made to any political party during the year.

Table 7: Beneficiaries of Contributions and Subscriptions

NO.	BENEFICIARY	2024		2023	
		AMOUNT 'TZS MILLION'	PERCENT	AMOUNT 'TZS MILLION'	PERCENT
1.	Committee of Central Bank Governors	34.7	0.9	46.1	1.4
2.	Research Development Fund	363	9.1	161	5
3.	Association of African Central Banks	121.8	3	53.3	1.7
4.	Macro-Economic and Financial Management Institute	1,000.2	25	981.7	30.6
5.	Capital Markets and Security Authority	708.8	17.7	708.8	22.1
6.	Deposit Insurance Board	233.2	5.8	322.4	9.8
7.	Tanzania Institute of Bankers	340	8.5	340	10.6
8.	Donation and other contributions	640	16	404.3	12.6
9.	Subscription to Various Entities	297.2	7.4	201.8	6.3
10.	African Research Consortium	263	6.6	-	-
	TOTAL	4001.9	100	3,219.4	100



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

20. CORPORATE SOCIAL RESPONSIBILITY

The Bank is committed to fulfilling part of its Corporate Social Responsibility (CSR) through supporting national activities and other areas of interest to the Bank in the United Republic of Tanzania. In this endeavor, the Bank has in place Donation Guidelines, 2009 that assist in the implementation of CSR. During the year, the Bank donated a total of TZS 640.0 million (2023: TZS 404.3 million) to various community groups.

21. PREJUDICIAL ISSUES

During the year ended 30 June 2024, there were no prejudicial issues to report as required by Tanzania Financial Reporting Standard No. 1 – The Report by Those Charged with Governance.

22. APPOINTMENT OF AUDITORS

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 2020 mandates the Controller and Auditor General (CAG) as the statutory auditor of the Bank of Tanzania.

In addition, Section 20(6) of the Bank of Tanzania Act, 2006 provide that the annual external audit of the Bank shall be performed by the Controller and Auditor General in accordance with international accounting and audit standards and in compliance with the Public Finance Act.

The contact and other details about the Controller and Auditor General are as provided below:

National Audit Office,
Audit House, 4 Ukaguzi Road,
41101 Tambukareli,
P.O. Box 950,
DODOMA, TANZANIA.
Tel: 255 (026) 216 1200,
E-mail: ocag@nao.go.tz
Website: www.nao.go.tz

23. RESPONSIBILITY OF THE AUDITOR

The Controller and Auditor General has a statutory responsibility to report to the stakeholders as to whether, in his opinion, the financial statements of the Bank present fairly the financial position, financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard, the Tanzania Financial Reporting Standard (TFRS 1) and in the manner required by the Bank of Tanzania Act, 2006. And whether the procurement transactions and processes have complied with the requirements of the Public Procurement Act, [CAP.410 R.E 2022] and its underlying Regulations of 2013 as amended in 2016.



Bank of Tanzania Annual Report 2023/24

THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

24. STATEMENT OF COMPLIANCE BY THOSE CHARGED WITH GOVERNANCE

In performing the activities of the Bank, various laws and regulations having the impact on the Bank's operations were observed. Moreover, this report has been prepared in full compliance with the Tanzania Financial Reporting Standard No. 1 requirements - The Report by Those Charged with Governance.

25. APPROVAL

This Report was approved and authorized for issue by the Board of Directors during its Extra-Ordinary Meeting held on **19 November 2024** and signed on its behalf by

Mr. Emmanuel M. Tutuba

The Governor and Chairperson of the Board

Mr. Ngosha Said Magonya

Director and Chairperson of the Audit Committee



Bank of Tanzania Annual Report 2023/24

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Board of Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board (IASB), National Board of Accountants and Auditors' (NBAA) Pronouncements 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 Board of 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, NBAA's Pronouncements and in the manner required by the Bank of Tanzania Act, 2006. The Board of 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 **19 November 2024** and signed on its behalf by:

Mr. Emmanuel M. Tutuba

The Governor and Chairperson of the Board

Mr. Ngosha Said Magonya

Director and Chairperson of the Audit Committee



Bank of Tanzania Annual Report 2023/24

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

DECLARATION OF THE HEAD OF FINANCE FOR THE YEAR ENDED 30 JUNE 2024

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

It is the duty of a Professional Accountant to assist the Board of Directors to discharge the responsibility of preparing financial statements of the Bank showing true and fair view of the Bank's financial position and financial performance in accordance with applicable International Financial Reporting Standards, NBAA's pronouncements and statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements rests with the Board of Directors as stated under the statement of directors' responsibilities on page 90.

I, Augustino Nade Hotay, being the Head of Finance of the Bank of Tanzania hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30 June 2024 have been prepared in compliance with International Financial Reporting Standards, NBAA's Pronouncements and the Bank of Tanzania Act, 2006.

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

.....
Augustino Nade Hotay
Director of Finance
NBAA Membership No.: ACPA 1089

19 November 2024



Bank of Tanzania Annual Report 2023/24

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Board Chairman,
Bank of Tanzania,
16 Jakaya Kikwete Road 40184
P.O. Box 2303
Dodoma, Tanzania.

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of Bank of Tanzania, which comprise the statement of financial position as at 30 June 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flow for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly in all material respects, the financial position of Bank of Tanzania as at 30 June 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and in compliance with the requirements of the Bank of Tanzania Act, 2006.

Basis for Opinion

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

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

Key Audit Matters

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

Other Information

Management is responsible for the other information. The other information comprises the Director's Report, Declaration by the Head of Finance and Statements of Directors Report but does not include the financial statements and my audit report thereon which I obtained prior to the date of this auditor's report.

My opinion on the financial statements does not cover the other information, and I do not express any form of assurance conclusion thereon.



Bank of Tanzania Annual Report 2023/24

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed on the other information that I obtained prior to the date of this audit report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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

The management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS's and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;



Bank of Tanzania Annual Report 2023/24

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

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

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are, therefore, the key audit matters. I describe these matters in my audit report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest of such communication.

In addition, Section 10 (2) of the Public Audit Act, Cap 418 requires me to satisfy myself that the accounts have been prepared in accordance with the appropriate accounting standards. Further, Section 48(3) of the Public Procurement Act, [CAP.410 R.E 2022] requires me to state in my annual audit report whether or not the audited entity has complied with the procedures prescribed in the Procurement Act and its Regulations.

Compliance with the Public Procurement laws

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

I performed a compliance audit on procurement of works, goods and services in the Bank of Tanzania for the financial year 2023/24 as per the Public Procurement laws.

Conclusion

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



Bank of Tanzania Annual Report 2023/24

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

Compliance with the Budget Act and other Budget Guidelines

Subject matter: Budget formulation and execution

I performed a compliance audit on budget formulation and execution in the Bank of Tanzania for the financial year 2023/24 as per the Budget Act and its Regulations and Guidelines.

Conclusion

Based on the audit work performed, I state that Budget formulation and execution of Bank of Tanzania is generally in compliance with the requirements of the Budget Act and other Budget Guidelines.

Charles E. Kichere

Controller and Auditor General,

Dodoma, United Republic of Tanzania.

14 December 2024.





Bank of Tanzania Annual Report 2023/24

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2024

	Notes	30.06.2024 TZS '000	30.06.2023 TZS '000
Operating income			
Interest income	5	710,353,575	553,476,664
Interest expenses	6	(105,962,244)	(75,375,268)
Net interest income		604,391,331	478,101,396
Net foreign exchange revaluation gains	7	693,546,943	-
Net realised/unrealized gain on marketable securities	10	37,615,955	-
Fees and commissions	8	107,903,423	94,936,128
Other operating income	9	50,931,704	43,017,092
		889,998,025	137,953,220
Total operating income		1,494,389,356	616,054,616
Operating expenses			
Net foreign exchange revaluation losses	7	-	(209,420,466)
Net realised/unrealized loss on marketable securities	10	-	(5,962,682)
Administrative expenses	11	(118,013,279)	(97,746,266)
Currency issue and related expenses	12	(58,340,403)	(63,153,397)
Personnel expenses	13	(146,880,807)	(128,308,715)
Other operating expenses	14	(108,773,295)	(24,622,147)
Depreciation of property and equipment	28	(26,867,236)	(24,760,248)
Loss on disposal of property and equipment	28	(15,037)	-
Amortisation of intangible assets	29	(2,276,945)	(1,679,732)
Total operating expenses		(461,167,002)	(555,653,653)
Profit before tax		1,033,222,354	60,400,963
Income tax expense		-	-
Profit for the year		1,033,222,354	60,400,963
Other comprehensive profit/(loss)			
Items that will be reclassified to profit or loss			
Net unrealized gain (loss) on marketable securities-FVOCI	15	75,956,641	(64,754,547)
Items that will not be reclassified to profit or loss			
Gain (Loss) on re-measurement of Defined Benefit Scheme	15	(26,080,743)	4,550,048
Net revaluation gain on equity investments	15	30,130,558	3,386,961
Total other comprehensive gain (loss)		80,006,456	(56,817,538)
Total comprehensive gain		1,113,228,810	3,583,425

The financial statements on page 96 to 197 were approved and authorised by the Board of Directors for issue on **19 November 2024** and signed on its behalf by:

Mr. Emmanuel M. Tutuba
The Governor and Chairperson of the Board

Mr. Ngosha Said Magonya
Director and Chairperson of the Audit Committee



Bank of Tanzania Annual Report 2023/24

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	Notes	30.06.2024 TZS '000	30.06.2023 TZS '000
Assets			
Cash and balances with central banks and other banks	16	6,140,940,579	5,824,663,618
Items in course of settlement	17	7,429,373	-
Holdings of Special Drawing Rights (SDRs)	18	4,306,284	14,362,672
Foreign currency marketable securities	19	7,809,335,533	7,011,946,367
Gold	20	72,507,124	-
Government securities	22	1,890,434,100	2,081,966,776
Advances to the Government	23	4,963,541,713	4,384,438,958
Loans and receivables	24	713,051,085	314,277,199
Quota in International Monetary Fund (IMF)	18	1,376,270,577	1,231,998,513
Equity investments	21	152,422,756	118,230,124
Inventories	25	6,206,445	6,393,357
Deferred currency cost	26	44,994,826	85,698,678
Other assets	27	176,903,744	353,358,952
Property and equipment	28	1,025,491,360	1,010,932,348
Intangible assets	29	16,590,518	11,575,249
Total assets		24,400,426,017	22,449,842,811
Liabilities			
Currency in circulation	30	8,039,712,116	7,192,010,828
Deposits - Banks and non-bank financial institutions	31	3,914,794,902	4,341,042,181
Deposits - Others	33	2,263,016,916	2,869,496,105
Items in course of settlement	17	-	371,954,252
Foreign currency financial liabilities	34	4,025,045,276	2,766,499,447
Repurchase Agreement (Repos)	35	-	125,034,465
BoT liquidity papers	36	540,569,079	546,150,668
Provisions	37	8,052,613	5,681,104
Other liabilities	38	55,835,596	60,976,860
Retirement benefit obligation	43	31,808,994	2,022,345
IMF related liabilities	18	1,169,639,527	1,047,028,240
Allocation of Special Drawing Rights (SDRs)	18	1,991,634,410	1,782,136,232
Total liabilities		22,040,109,429	21,110,032,727
Equity			
Authorised and paid up share capital	39	100,000,000	100,000,000
Reserves	40	2,260,316,588	1,239,810,084
Total equity		2,360,316,588	1,339,810,084
Total equity and liabilities		24,400,426,017	22,449,842,811

The financial statements on page 96 to 197 were approved and authorised by the Board of Directors for issue on **19 November 2024** and signed on its behalf by:

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Mr. Ngosha Said Magonya

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Bank of Tanzania Annual Report 2023/24

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

STATEMENT OF CHANGES IN EQUITY AS AT 30 JUNE 2024

Year ended 30 June 2024 (Amounts in TZS '000)	Share Capital Note 44	General Reserve Note 40 (a)	Retained Earnings	Capital Reserve Note 40 (b)	Equalisation Reserve Note 40 (c)	Reserve for Projects Note 40 (d)	Staff Housing Fund Note 40 (e)	Financial Sector Development Fund Note 40 (f)	Securities Revaluation Reserve Note 40 (g)	Foreign Exchange Revaluation Reserve Note 40 (h)	Reserve For Dividends Note 40 (i)	Defined Benefit Reserves Note 40 (j)	Total
At 1 July 2023	100,000,000	805,869,834	-	99,262,908	392,426,269	23,809,186	153,318,143	50,690,731	(248,144,028)	(107,860,374)	100,000,000	(29,562,585)	1,339,810,084
Profit for the year	-	-	1,033,222,354	-	-	-	-	-	-	-	-	-	1,033,222,354
Other comprehensive income/(loss)	-	-	-	-	-	-	-	-	106,087,199	-	-	(26,080,743)	80,006,456
Transfer of realised loss from OCI securities to P&L*	100,000,000	805,869,834	1,033,222,354	99,262,908	392,426,269	23,809,186	153,318,143	50,690,731	(142,056,829)	(107,860,374)	100,000,000	(55,643,328)	2,453,038,894
Transfer of unrealised gain to foreign exchange revaluation reserve	-	-	-	-	-	-	-	-	7,277,694	-	-	-	7,277,694
Transfer of unrealised gain FVTPL to securities revaluation reserve	-	-	(326,641,818)	-	-	-	-	-	-	326,641,818	-	-	-
Transfer of realised loss on foreign exchange revaluation reserve to retained earnings	-	-	(24,439,246)	-	-	-	-	-	24,439,246	-	-	-	-
Transfer of realised gain from previous years to retained earnings (RAIMP)	-	-	2,247,843	-	-	-	-	-	(2,247,843)	-	-	-	-
Profit on Investment of Staff housing fund	-	-	(9,199,904)	-	-	-	9,199,904	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	-	(100,000,000)	-	(100,000,000)
Profit on investments of financial sector development fund	-	-	(6,172,992)	-	-	-	-	6,172,992	-	-	-	-	-
Appropriation of 2023/24 net profit	-	103,322,235	(587,694,721)	-	54,372,486	130,000,000	-	-	-	-	300,000,000	-	-
At 30 June 2024	100,000,000	909,192,069	-	99,262,908	446,798,755	153,809,186	162,518,047	56,863,723	(112,587,732)	300,102,960	300,000,000	(55,643,328)	2,360,316,588

* Transfer of realised gains includes amount relating to price valuation and amortization premium/discount on foreign marketable securities that are measured at FVOCI recycled to profit or loss statement.



Bank of Tanzania Annual Report 2023/24

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

STATEMENT OF CHANGES IN EQUITY AS AT 30 JUNE 2023

Year ended 30 June 2023 (Amounts in TZS '000)	Share Capital Note 44	General Reserve Note 40 (a)	Retained Earnings	Capital Reserve Note 40 (b)	Equalisation Reserve Note 40 (c)	Reserve for Projects Note 40 (d)	Staff Housing Fund Note 40 (e)	Financial Sector Development Fund Note 40 (f)	Securities Revaluation Reserve Note 40 (g)	Foreign Exchange Revaluation Reserve Note 40 (h)	Reserve For Dividends Note 40 (i)	Defined Benefit Reserves Note 40 (j)	Total
At 1 July 2022	100,000,000	750,914,385	-	99,262,908	372,815,082	23,809,186	146,317,881	45,804,945	(273,369,755)	100,427,672	100,000,000	(34,112,633)	1,431,869,671
Profit for the year	-	-	60,400,963	-	-	-	-	-	-	-	-	-	60,400,963
Other comprehensive income/ (loss)	-	-	-	-	-	-	-	-	(61,367,586)	-	-	4,550,048	(56,817,538)
Transfer of realised loss from OCI securities to P&L*	100,000,000	750,914,385	60,400,963	99,262,908	372,815,082	23,809,186	146,317,881	45,804,945	(334,737,341)	100,427,672	100,000,000	(29,562,585)	1,435,453,096
Transfer of realised loss on securities revaluation reserve to Equalisation Reserves	-	-	-	-	-	-	-	-	4,356,988	-	-	-	4,356,988
Transfer of unrealised loss to foreign exchange revaluation reserve	-	-	173,582,462	-	-	-	-	-	-	(173,582,462)	-	-	-
Transfer of unrealised gain FVTPL to securities revaluation reserve	-	-	(1,118,308)	-	-	-	-	-	1,118,308	-	-	-	-
Transfer of realised gain on foreign exchange revaluation reserve to retained earnings	-	-	34,705,584	-	-	-	-	-	-	(34,705,584)	-	-	-
Transfer of realised gain from previous years to retained earnings (RAMP)	-	-	230,231	-	-	-	-	-	(230,231)	-	-	-	-
Staff housing fund	-	-	(7,000,262)	-	-	-	7,000,262	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	-	(100,000,000)	-	(100,000,000)
Transfers to financial sector development fund	-	-	(4,885,786)	-	-	-	-	4,885,786	-	-	-	-	-
Transfers from reserve for Projects to retained earnings Appropriation of 2022/23 net profit	-	-	-	-	-	-	-	-	-	-	-	-	-
At 30 June 2023	100,000,000	805,869,834	99,262,908	99,262,908	392,426,269	23,809,186	153,318,143	50,690,731	(248,144,028)	(107,860,374)	100,000,000	(29,562,585)	1,339,810,084

* Transfer of realised gains includes amount relating to price valuation and amortization premium/discount on foreign marketable securities that are measured at FVOCI recycled to profit or loss statement.



Bank of Tanzania Annual Report 2023/24

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2024

	Notes	30.06.2024 TZS '000	30.06.2023 TZS '000
Cash flows from operating activities			
Net cash (used in)/ generated from operating activities	41	(400,554,360)	(580,675,966)
Cash flows from investing activities			
Purchase of property and equipment	28	(42,158,749)	(16,096,443)
Net proceeds from disposal of property and equipment	28	274,886	18,603
Purchase of intangible assets	29	(7,292,214)	(8,162,022)
(Increase)/decrease in marketable securities(Fair value)		(35,823,211)	468,873,970
Purchases of Gold		(56,000,811)	-
Decrease in Government securities(Fair Value)		91,681,354	397,540,711
(Increase)/decrease in equity shares		11,282,704	(3,122,135)
Decrease holdings of SDRs		10,071,635	6,815,065
Net cash flows from investing activities		(27,964,406)	845,867,749
Cash flows from financing activities			
Increase in currency in circulation		847,701,288	573,164,862
Increase in allocation of SDRs		1,577,444	9,372,940
(Decrease)/Increase in Repurchases Agreements		(125,034,465)	125,034,465
(Decrease)/Increase in BoT liquidity papers		(5,581,590)	499,092,306
Dividends paid to the Government		(100,000,000)	(100,000,000)
Lease principal payments		(671,125)	(589,934)
Cash generated from financing activities		617,991,552	1,106,074,639
Net increase/(decrease) in cash and cash equivalents		189,472,786	1,371,266,422
Unrealized (loss)/gains on foreign exchange revaluation	7	126,876,522	(17,629,827)
Cash and cash equivalents			
At the beginning of the year		5,824,794,202	4,471,157,607
At the end of the year	16	6,141,143,510	5,824,794,202

The financial statements on page 96 to 197 were approved and authorised by the Board of Directors for issue on **19 November 2024** and signed on its behalf by:

Mr. Emmanuel M. Tutuba
The Governor and Chairperson of the Board

Mr. Ngosha Said Magonya
Director and Chairperson of the Audit Committee



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

1. REPORTING ENTITY

Legal framework

(i) Mandate of the Bank and principal responsibilities

The Bank of Tanzania operates under the Bank of Tanzania Act, 2006, to act as the Central Bank for the United Republic of Tanzania. Its principal place of business is at 16 Jakaya Kikwete Road 40184, Dodoma, Tanzania and it operates sub head offices in Dar es Salaam and Zanzibar and four branches in Arusha, Mbeya, Mtwara and Mwanza. The Bank is an independent institution with its own legal personality and submits its reports to the Minister for Finance.

The Bank's principal responsibilities are to:

- (a). Conduct monetary policy and manage the exchange rate policy of the Tanzania Shillings aimed at supporting orderly, balanced and sustainable economic growth of Tanzania;
- (b). Regulate and supervise financial institutions carrying on activities in, or from within, Tanzania, including mortgage financing, lease financing, development financing and licensing and revocation of licenses;
- (c). Manage, in collaboration with other relevant supervisory and regulatory bodies, the clearing, payment and settlement systems of Tanzania;
- (d). Collect, compile, disseminate, on a timely basis, monetary and related financial statistics; and
- (e). Hold and manage gold and foreign exchange reserves of Tanzania.

(ii) Capital of the Bank and its reserves

Section 17 of the Bank of Tanzania Act, 2006, (the Act) provides that the authorised capital of the Bank to be one hundred billion Tanzanian Shillings (TZS 100 billion). The capital may be increased by transfer from the General Reserve established by the Act such amount as may be determined by the Board and authorised by the Minister of Finance, by notice published in the government Gazette.

The paid up capital of the Bank shall not be reduced. The capital of the Bank shall be subscribed and held solely by the Government of the United Republic of Tanzania.

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 unrealised 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-centum of the net profits until such time that the total capital of the Bank reaches 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 its net profits to the General Reserve Fund.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

1. REPORTING ENTITY (CONTINUED)

Legal Framework (continued)

In terms of Section 18(3) of the Act, the Board shall determine, whenever the authorised capital, the General Reserve Fund, the Foreign Exchange Revaluation Reserve and other appropriate asset revaluation reserves or retained net unrealised 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.

Section 18(4) of the Act provides that; unrealised 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 realised components shall be transferred to the Statement of Profit or Loss and Other Comprehensive Income.

Section 18(5) of the Act, requires both realised and unrealised gains and losses to be included in the profit calculation but only the residual of any net realised profits of the Bank to 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 realised profits to the reduction or discharge of the indebtedness and thereafter such amount as relates to the net realised 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 of Tanzania 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 of Finance 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.

(iii) Statutory auditor of the Bank

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 30 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.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

1. REPORTING ENTITY (CONTINUED)

Legal Framework (continued)

(iv) Liquidation or winding up process of the Bank

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.

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

(a) New and revised IFRSs that are mandatorily effective for the year

The Management has adopted new and revised IFRSs that are effective for annual periods beginning on or after 1 January 2023, and are in line with the Bank's accounting policy and practice. The new and revised IFRSs include the Amendments to IAS 1 and IAS 8.

The Management has also noted, but did not apply, the standards or amendments that are not applicable to the Bank's current business and material accounting policy. The unapplied amendments include those related to Deferred Tax related to Assets and Liabilities arising from a Single Transaction and International Tax Reform – Pillar Two Model Rules leading to changes in IAS 12 Income Taxes. Further, those related to Initial Application of IFRS 17 and IFRS 9—Comparative Information leading to changes in IFRS 17 Insurance Contracts.

New and revised IFRSs applicable to the Bank's material accounting policies

(i) Amendments to IAS 1 and IFRS Practice Statement 2- Disclosure of Accounting Policies

This amendment to IAS 1- Presentation of Financial Statements requires an entity to disclose material accounting policy information rather than significant accounting policies and provides explanation on how to identify a material accounting policy. Further, IFRS Practice Statement 2 provides guidance and examples to explain and demonstrate the application of the 'four-step materiality process'. This amendment will assist preparers in deciding which accounting policies to disclose in the financial statements.

Based on assessment done, the management is of the opinion that the application of this amendment has no impact on the Bank's financial reporting framework apart from being additional disclosure.

(ii) Amendments to IAS 8- Definition of Accounting Estimates

This amendment to IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors introduced a new definition of accounting estimates and included other amendments to help entities distinguish changes in accounting estimates from changes in accounting policies. The new definition states that accounting estimates are 'monetary amounts in financial statements that are subject to measurement uncertainty'

Based on assessment done, the management is of the opinion that the application of this amendment has no impact on the Bank's financial reporting framework apart from being additional disclosure.

(b) New and revised standards in issue but not yet effective for the year

The Bank has not early adopted any of the following new and revised IFRSs that have been issued but are not yet effective. Commentary is provided for the amendments and standards that are applicable to the Bank's operations.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

New and revised standards:	Effective for annual periods beginning on or after
IAS 1 - Presentation of Financial Statements	1-Jan-24
IAS 7 - Statement of Cash Flows	1-Jan-24
IAS 21 – The Effects of Changes in Foreign Exchange Rates	1-Jan-25
IFRS 7 - Financial Instruments: Disclosures	1-Jan-24
IFRS 16 – Lease	1-Jan-24
IFRS 18 – Presentation and Disclosures in Financial Statements	1-Jan-27
IFRS 19 - Subsidiaries without Public Accountability: Disclosures	1-Jan-27

(i) Amendments to IAS 1- Presentation of Financial Statements

The IASB issued two amendments under IAS 1. In July 2020, the amendment of classification of liabilities as current and non-current, and in October 2022, the amendment of Non-Current Liabilities with Covenants.

The amendment of classification of liabilities as current and non-current requires that the classification of liabilities is done based on rights that are in existence at the end of the reporting period. This will only affect the presentation of liabilities in the statements of financial position.

Additionally, the amendment of Non-Current Liabilities with Covenants introduced an additional disclosure requirement of information in the notes that will enable users to understand the risk that the liability could become repayable within twelve months of the reporting period for non-current liabilities that are subject to the covenants which an entity is required to comply with within twelve months of the reporting date. This will help to improve the information an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within twelve months after the reporting period.

Management has assessed the requirements in this amendment and its impact on the Bank's financial reporting when they fall due and believes that their impact will be insignificant.

(ii) Amendments to IAS 7 and IFRS 7- Supplier Finance Arrangements

The IASB issued amendment to IAS 7 and IFRS 7 on Supplier Finance Arrangements in May 2023. The amendment requires an entity to enhance the transparency of supplier finance arrangements by providing additional disclosures that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities, cash flows and exposure to liquidity risk. The entity will be required to provide both qualitative and quantitative information about its supplier finance arrangements. Further, IFRS 7 added supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk.

Management has assessed the requirements in this amendment and its impact on the Bank's financial reporting when they fall due and believes that their impact will be insignificant.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

(iii) Amendments to IFRS 16- Lease Liability in a Sale and leaseback

The IASB developed amendment to IFRS 16 on Lease Liability in a Sale and leaseback. The amendment describes how an entity should account for a sale and leaseback after the date of the transaction. It requires a seller-lessee to subsequently account for lease liabilities arising from a leaseback in a way that it does not recognize any amount of the gain or loss that relates to the right of use it retains, and includes one amended and one new illustrative example.

Management has assessed the requirements in this amendment and its impact on the Bank's financial reporting when they fall due and believes that their impact will be insignificant.

(iv) IFRS 18- Presentation and Disclosures in Financial Statements

The International Accounting Standards Board (IASB) issued IFRS 18- Presentation and Disclosures in Financial Statements in April 2024. This standard sets out the requirements for the presentation and disclosure of information in general purpose financial statements, to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. It explains both general and specific requirements for the presentation of information in the statement(s) of financial performance, the statement of financial position, the statement of changes in equity, and the disclosure of information in the notes.

The standard aims to enhance how entities communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss. It aims to improve financial reporting by requiring additional defined subtotals in the statement of profit or loss; requiring disclosures about management-defined performance measures; and introducing new principles for aggregating and disaggregating information.

Management's preliminary assessment of the standard's requirements indicates that its impact on the Bank's financial reporting framework will be insignificant, though it will enhance presentation, disclosure, and comparability of information. Further assessment of the standard's requirements and its impact on the Bank's financial reporting will be conducted when it falls due

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

3.1 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 and more than 12 months after the statement of financial position date is presented in **Note 42**.

Financial assets and financial liabilities are offset, and the net amount is 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 are 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.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.2 Basis of preparation

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

3.3 Statement of compliance

The financial statements of Bank of Tanzania have been prepared in accordance with International Financial Reporting Standards and comply with the requirements of the Bank of Tanzania Act, 2006. The Report by Those Charged with Governance is presented together with financial statements in compliance with Tanzania Financial Reporting Standards.

3.4 Revenue recognition

Revenue is recognised to in the period when earned. The Bank recognises revenue on the basis of IFRS 9: Financial Instruments and IFRS 15: Revenue from Contract with Customers. The following specific recognition criteria must be met before revenue is recognised:

3.4.1 Interest income

Interest income includes interest on financial instruments measured at fair value through other comprehensive income and financial instruments measured at amortized cost. Interest income is recognised in the statement of profit or loss and other comprehensive income using the effective interest method for all interest bearing financial instruments, except for financial assets measured at fair value through profit or loss (FVTPL). The effective interest rate, is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment, extension, call and similar 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.

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 (amortised cost).

For purchased or originated credit-impaired financial asset, interest income is recognised by applying the credit-adjusted effective interest rate to amortised cost.

For financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset in subsequent reporting periods.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.4.2 Fees and commission income

The Bank earns fee and commission income from a diverse range of financial services it provides to its customers. Fee and commission income is recognized at an amount that reflects the consideration to which the Bank expects to be entitled in exchange for providing the services.

Fees and commissions are generally recognised on an accrual basis when the service has been rendered. The recognition is when or as performance obligations within contract with customer are satisfied at a point in time or at the end of contract period for service provided over time. 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.

3.4.3 Dividend income

Dividend on equity investments that are measured at fair value through other comprehensive income (FVOCI) are recognised in the statement of comprehensive income when the Bank's right to receive the payment is established.

3.4.4 Other income

Other income is recognized on the basis of IFRS 15 and in the period in which it is earned. Income falling under IFRS 15 is recognized after transfer of promised goods or services to customers in an amount that reflects the consideration to which the Bank expects to be entitled in exchange for those goods or services. These include income from hire of conference facility, rental income and income from hostel accommodation.

Other income out of the scope of IFRS 15 is recognised in the period in which it is earned. These include coupon from assets measured at fair value through profit or loss (FVTPL), income from domestic operations and investment income from Staff Housing Fund and Financial Sector Development Fund.

3.5 Dividend payable

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

3.6 Expenses

These are losses and other expenses that arise in the course of Bank's ordinary activities. They include interest and administrative expenses. Generally, expenses are recognised in the Statement of Profit or Loss and Other Comprehensive Income when decrease in future economic benefits related to decrease in an asset or an increase of a liability has arisen and can be measured reliably.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.6.1 Interest expenses

Interest expense is the cost of debt that has accrued during a specified accounting period regardless of the time of spending the cash. These include interests on liquidity papers, repurchase agreements and IMF drawings. Interest expenses are recorded using the effective interest rate method.

Since interest on debt is not paid daily, the Bank passes adjusting entries periodically to recognise interest expense within the accounting period that the expense has been accrued.

3.6.2 Administrative expenses

This includes expenses that produce no future economic benefits or when, and to the extent that, future economic benefits do not qualify, or cease to qualify, for recognition in the balance sheet as an asset. Such expenses are recognised immediately in the income statement in the accounting period that the cost has been incurred. These include maintenance, transport and travelling, meetings, conference and seminars, water and electricity, fees, rates and security expenses, telecommunication and postage, board expenses, audit fees, budget and annual accounts preparation, loss on disposal of property and equipment, hospitality, legal and investigation expenses.

In addition, administrative expenses include expenses whose economic benefits are expected to arise over several accounting periods and the association with benefit can only be broadly or indirectly determined. Such expenses are recognised in the income statement in the accounting period in which the economic benefits are consumed or have expired. They may include stationery and office supplies.

3.6.3 Other expenses

Other expenses are recognised in the statement of profit or loss and other comprehensive income when decrease in future economic benefits related to decrease in an asset or an increase of a liability has arisen and can be measured reliably.

3.7 Employees' benefits including post-employment benefits

Short-term employment benefits such as salaries, social security contributions, and leave fare assistance are recognised in Statement of Profit or Loss and Other Comprehensive Income when they fall due.

3.8 Retirement benefits

The Bank has a statutory obligation to contribute for retirement benefits to its employees. All eligible employees of the Bank are currently members of the social security schemes operating in Tanzania. The fund where employees are members is Public Sector Social Security Fund (PSSSF) Under this scheme, the Bank and employee contribute agreed rate of employee's basic salary every month. 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 upon attaining a number of years in service with the Bank as specified in the Bank's Staff Bylaws. The provisions in the VA and Staff By-Laws constitute a defined benefits plan, which has been accounted and disclosed in accordance with the requirements of International Accounting Standard 19 Employee Benefits.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.8 Retirement benefits (Continued)

The plan is partly funded through employees' contribution. There are two categories of benefits to Bank's staff. The first is payable to staff employed for unspecified period and second is to executive management who are under specific contracts. Benefits are paid upon end of contract, retirement, withdrawal or death as specified in the Staff By-Laws.

The total accumulated obligation to the Bank relating to this arrangement is based on assessments made by independent actuaries. 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 future salary growth. The assumptions used are applied for the purposes of compliance with the 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 not 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.

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

3.9 Other employee benefits

The Bank provides free medical treatment to its employees and their dependants through medical insurance scheme. Exclusions are met by the Bank as medical expenses. The cost is charged to profit or loss. The estimated monetary liability for employees' earned but not taken leave entitlement at the end of the reporting period is recognised as an accrued expense.

3.10 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 the 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.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.11 Income Tax

No provision for income tax is made in the Financial Statements as Section 10 Second Schedule of the Income Tax Act, CAP 332, R.E 2019 exempts the Bank from taxation imposed by law in respect of income or profits.

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.

The Bank pay Value Added Tax (VAT), as per the VAT legislations, on goods or services provided to the Bank. The Bank is also required to pay import and customs duties in accordance with the provisions of the East African Customs Management Act, 2004.

3.12 Foreign currency translation

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.

Transactions and balances

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

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 recognised in profit or loss.

3.13 Foreign exchange revaluation reserve under the legal framework

The realised foreign exchange gains/losses are separated from the total revaluation gains/losses. The unrealised part is excluded from computation of distributable profits for the year and is carried in foreign currency revaluation reserve until realised in subsequent years thereby becoming part of the distributable profits. These are determined as follows:

- (a) for each foreign currency account or security for the case of securities accounts, cash inflows and outflows are determined.
- (b) each inflow is valued using the prevailing exchange rate.
- (c) each outflow is revalued using the prevailing exchange rate and compared with the rate at which the inflow was recognised in the books of accounts. Where specific originating rate cannot be identified, the applicable is determined on First in First out (FIFO) basis. The difference between the two entries represent realised revaluation gains or losses.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.13 Foreign exchange revaluation reserve under the legal framework (Continued)

- (d) all balances in foreign currencies are revalued using prevailing exchange rates. The differences between the values at the time when the related instrument was recognised, and the current values represent unrealised losses or gains as the case may be.

3.14 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 and is available for use, at which time it is reclassified as property and equipment in use.

The Bank's immovable properties (buildings) are subsequently measured at cost less accumulated depreciation on buildings and impairment losses. 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 and useful life applied and subjected to re-assessment for the year ended 30 June 2024 were as follows:

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



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.14 Property and equipment (Continued)

No depreciation is charged 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

3.15 Intangible assets

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

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:

- (a) it is technically feasible to complete the software product so that it will be available for use;
- (b) management intends to complete the software product and use it;
- (c) there is ability to use the software product;
- (d) it can be demonstrated how the software product will generate probable future economic benefits;
- (e) adequate technical, financial and other resources to complete the development and to use the software product are available; and
- (f) 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.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.16 Lease

The lease policy for the Bank covers recognition, measurement and disclosure of right of use assets and lease liabilities, as per IFRS 16 Leases

(a) Date of recognition

The Bank assesses whether the contracts contain lease element and recognize assets and liabilities for all leases, unless the lease term is 12 months or less or the underlying asset has a low value as guided by IFRS 16. Leases are recognised as right-of-use assets and liabilities at the date at which the leased assets are available for use by the Bank.

(b) Initial recognition and subsequent measurement

(i) Lease assets

The Bank recognises right of use in respect of land plot and fibre optic cables. The Bank measures right of use asset using cost model. Amount recognized as right of use asset at initial recognition takes into consideration; estimated incremental borrowing rate as a discount rate, any initial direct costs, disposal costs to be incurred during dismantling and removing of the underlying asset. Payments associated with all short-term leases and leases of all low-value assets are recognised on a straight-line basis as an expense in profit or loss

Subsequently the Bank measures right of use asset assets at cost, this accommodates all adjustments including accumulated depreciation and any accumulated impairment losses that may arise during the lifetime of the lease

The right-of-use assets are depreciated over the shorter of the remaining contractual time at recognition date, and the lease term on a straight-line basis. Periods covered by options to extend and terminate the lease are only included in the lease term if it is reasonably certain that the lease will be extended or not terminated. The amortisation periods for the right-of-use assets are up to 99 years for land plots and up to 5 years for fibre optic cables

(ii) Lease liabilities

Lease liabilities are recognized in the balance sheet and are measured at the present value of the remaining lease payments discounted at the weighted average Bank's incremental borrowing rate. Each lease payment is allocated between the liability and finance cost.

After commencement date the Bank measures lease liability by increasing the carrying amount to reflect interest on lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring carrying amount to reflect lease modification, revised payments or other assessments.

(c) Presentation and disclosure

The Bank presents the right of use assets and liability as line items in the notes of the financial statements under property, plant and equipment. Lease interest expense is presented in the statement of comprehensive income as operating expense separate from other interest expenses. Cash payments for the principal portion of lease liabilities are presented in the cash flow statements under financing activities



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.17 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.

3.18 Currency printing and minting expenses

These expenses include ordering, printing, minting, freight, carriage insurance and handling expenses which are first deferred after delivery. 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 account on weighted average cost basis.

3.19 Currency in circulation

This 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, safe custody centres and notes and coins destroyed.

3.20 Impairment of non-financial assets

Non-financial assets include Property and equipment, Intangible assets and Right of use leased assets. The Bank assesses at each reporting date whether there is an indication of impairment and whenever events or changes in circumstances indicate that the carrying amount of non-financial assets exceeds their recoverable amount. 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 fair value less cost to sell and its value in use and is determined for an individual asset. 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.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.20 Impairment of non-financial assets (Continued)

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.

3.21 Repurchase and Resale Agreements (REPOs and Reverse 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 security 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 sale and purchase price is treated as interest income or expense and is recognised in profit or loss.

3.22 Foreign Exchange Revaluation Reserve

The Bank has a policy whereby both net realised, and unrealised foreign exchange gains and losses are firstly recognised in profit or loss in accordance with the requirements of IAS 21 (The Effects of Changes in Foreign Exchange Rates). The net realised foreign exchange gains (losses) for the year arising from daily revaluation of foreign assets and liabilities form part of the distributable profits while the net unrealised foreign exchange revaluation gains (losses) are transferred to the Foreign Exchange Revaluation Reserve.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.23 Reserve for Dividend

This reserve accommodates the amount of proposed dividend to the Governments as at end of the accounting period or declared dividend if the declaration is made after the end of the period but before the financial statements are signed. 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 is indebted to the Bank, the Bank shall first apply the reminder of its net realised profits to the reduction or discharge of the Governments indebtedness.

3.24 Financial instruments

IFRS 9 Financial Instruments: Recognition and Measurement outlines the requirements for the recognition and measurement of financial assets and liabilities.

(a) Date of recognition

The Bank recognises financial instruments on the trade date, that is the date that the Bank commits to purchase or sell the asset. Such purchases or sales of financial assets would require delivery of assets within the time frame generally established by regulation or convention in the market place.

(b) Initial recognition and subsequent measurement

All financial instruments under IFRS 9 are initially measured 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.

(c) Classification of financial instruments

IFRS 9 classification is based on two aspects: the business model within which the asset is held (the business model test) and the contractual cash flows of the asset which meet the Solely Payments of Principal and Interest ('SPPI') test.

Classification of financial assets

Under IFRS 9 there are three principal classification categories for financial assets: measured at Amortised Cost, Fair Value through Other Comprehensive Income (FVOCI) and Fair Value Through Profit or Loss (FVTPL).

(a) 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);

- (i) the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- (ii) 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.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.24 Financial instruments (Continued)

These includes all other financial assets with an exclusion of foreign currency marketable securities and investments in Equity

(b) Financial assets measured at FVOCI-debt instruments

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at fair value through profit or loss on initial recognition and are subsequently measured at fair value with gains or losses recognised in other comprehensive income;

- (i) the asset is held within a business model whose objective is both to hold assets in order to collect contractual cash flows and sale; and
- (ii) 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.

These includes all foreign currency marketable securities that are internally managed When the financial asset (debt instrument) is derecognised the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment as required by IFRS 9 and IAS 1.

(c) Financial assets designated as measured at FVTPL

Financial assets designated 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 that are externally managed.

(d) Fair Value through Other Comprehensive Income (FVTOCI)-Investments in Equity

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 Afreximbank and Society for Worldwide Interbank Financial Telecommunication (SWIFT). When the financial asset (equity instrument) is derecognised the cumulative gain or loss previously recognised in other comprehensive income is reclassified within equity.

Financial liabilities

This represents issued financial liabilities 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. All Bank's financial liabilities are classified as measured at amortised cost using the effective interest rate method.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.24 Financial instruments (Continued)

De-recognition of financial assets and financial liabilities

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:

- (a) the rights to receive cash flows from the asset have expired; or
- (b) 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
 - (i) the Bank has transferred substantially all the risks and rewards of the asset, or
 - (ii) 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

Financial liabilities are derecognised when the obligation to pay cash flows relating to the financial liabilities has expired. 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.

Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount reported on the statement of financial position 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 asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRS, or for gains and losses arising from a group of similar transactions such as in the Bank's trading activity.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.24 Financial instruments (Continued)

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 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 impairment of financial assets is based on expected credit losses. The Bank recognizes loss allowances for Expected Credit Losses (ECL) on all financial assets except those that are measured at FVTPL and equity investments measured at FVOCI.

The Bank uses the general approach in determining the impairment of financial assets. A loss allowance is always recognized for expected credit losses and is re-measured at each reporting date for changes in those expected credit losses. The term 'expected credit loss' does not imply that losses are anticipated, rather that there is recognition of the potential risk of loss. Determining whether an expected credit loss should be based on 12-month expected credit losses or lifetime expected credit losses depends on whether there has been a significant increase in credit risk of the financial asset since initial recognition.

The Bank measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

Debt investment securities, advances to the government and other government securities that are determined to have low credit risk at the reporting date and other financial instruments on which credit risk has not increased significantly since their initial recognition. The Bank considers a debt security to have low credit risk when their credit risk rating is equivalent to the globally understood definition of 'investment grade'.

Measurement of ECL

ECL are a probability-weighted estimate of credit losses. They are measured as follows:

Stage 1: Assets that are performing. If credit risk is low as of the reporting date or the credit risk has not increased significantly since initial recognition, The Bank recognize a loss allowance at an amount equal to 12-month expected credit losses. This amount of credit losses is intended to represent lifetime expected credit losses that will result if a default occurs in the 12 months after the reporting date, weighted by the probability of that default occurring.

Stage 2: Assets that have significant increases in credit risk. In instances where credit risk has increased significantly since initial recognition, the Bank measures a loss allowance at an amount equal to full lifetime expected credit losses. That is, the expected credit losses that result from all possible default events over the life of the financial instrument. For these debt instruments, interest income recognition will be based on the Effective Interest Rate (EIR) multiplied by the gross carrying amount.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.24 Financial instruments (Continued)

Stage 3: Credit impaired. For debt instruments that have both a significant increase in credit risk plus observable evidence of impairment.

Significant Increase in credit risk (SICR)

The Bank decision on whether expected credit losses are based on 12-month expected credit losses or lifetime expected credit losses depends on whether there has been a significant increase in credit risk since initial recognition. An assessment of whether credit risk has increased significantly is made at each reporting date. When making the assessment, the Bank uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. This forms the basis of stage 1, 2 and 3 classification and subsequent migration.

For all financial instruments the Bank considers that financial instruments for which default patterns are not concentrated at a specific point during the expected life of the financial instrument, changes in the risk of a default occurring over the next 12 months may be a reasonable approximation of the changes in the lifetime risk of a default occurring and could be used to determine whether credit risk has increased significantly since initial recognition.

The appropriateness of using changes in the risk of a default occurring over the next 12 months to determine whether lifetime expected credit losses should be recognized depends on the facts and circumstances. The Bank applies qualitative and quantitative criteria for stage classification and for its forward and backward migration

Quantitative Criteria

The quantitative criteria are based on relative and not absolute changes in credit quality by ratings and days past due depending on the types of instruments as detailed below:

Cash and balances with Central Banks and other banks, Holdings of Special Drawing Rights (SDRs), Quota in International Monetary Fund (IMF) and foreign currency marketable securities: the SICR indicator is determined by comparing the movement in credit rating at origination date and credit rating at the reporting date.

Notch movements give an indicator of the number of downgrades required in order for the asset to be considered to have a significant change in the credit rating. Therefore, highly rated assets for example those in the AAA category would need to move down three notches to AA- (or below) for it to be considered a significant increase in credit risk whereas an asset rated B- would only need to move down one notch.

Staff loans: staff who are still in employment with the Bank, there is no increase in credit risk at any point in time as the cash flow for staff loan is deducted from the payroll directly hence no increase in credit risk.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.24 Financial instruments (Continued)

For staff who are no longer employees of the Bank of Tanzania, the increase in credit risk is determined by using the backstop indicator of 30 days past due of instalments (as prescribed in the IFRS 9 standard) is used to determine significant increase in credit risk.

Government securities and Advances to the Government: The Bank considered all government securities and short-term advances to the Government of United Republic of Tanzania to be low credit risk assets.

Qualitative Criteria

Other factors are considered by the Bank policies in the determination of significant increase in credit risk. They include but not limited to the following:

- (a) Significant changes in the terms of the same instrument if it were issued at the reporting date that indicate a change in credit risk since initial recognition, e.g. increase in credit spread; more stringent covenants; increased amounts of collateral or guarantees; or higher income coverage.
- (b) Significant changes in external market indicators of credit risk for the same financial instrument (or similar instrument of the borrower), e.g.: credit spread; credit default swap prices; length of time or the extent to which the fair value of a financial asset has been less than its amortized cost; other market information related to the borrower, such as changes in the price of a borrower's debt and equity instruments; or external credit rating (actual or expected).
- (c) Changes in the Bank's credit management approach in relation to the financial instrument (e.g. based on emerging indicators of changes in the credit risk of the financial instrument, the bank's credit risk management practice is expected to become more.
- (d) Active or focused on managing the instrument, including the instrument becoming more closely monitored or controlled, or the bank specifically intervening with the borrower.
- (e) Actual or expected adverse changes in business, financial or economic conditions significantly affecting borrower's ability to meet its debt obligations (e.g. increase in interest rates or unemployment rates); operating results of the borrower e.g. declining revenues or margins, increasing operating risks, working capital deficiencies, decreasing asset quality, increased balance sheet leverage, liquidity, management problems or changes in the scope of business or organizational structure (such as the discontinuance of a segment of the business) that results in a significant change in the borrower's ability to meet its debt obligations; or regulatory, economic, or technological environment of the borrower that results in a significant change in the borrower's ability to meet its debt obligations (e.g. a decline in the demand for the borrower's sales product because of a shift in technology).
- (f) Significant decrease in the value of collateral or in the quality of third-party guarantees or credit enhancements, which are expected to reduce the borrower's economic incentive to pay or otherwise effect the probability of default (e.g. if the value of collateral declines because house prices decline, borrowers in some jurisdictions have a greater incentive to default on their mortgages); or quality of a guarantee provided by a shareholder (or an individual's parents) if the shareholder (or parents) have an incentive and financial ability to prevent default by capital or cash infusion.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.24 Financial instruments (Continued)

- (g) Expected changes in the loan documentation (e.g. breach of contract leading to covenant waivers or amendments, interest payment holidays, interest rate step-ups, requiring additional collateral or guarantees).
- (h) Significant decrease in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the group

Loss allowances for ECL are presented in the statement of financial position as follows:

- (a) Financial assets measured at amortized cost: as a deduction from the gross carrying amount of the assets;
- (b) Loan commitments and financial guarantee contracts: generally, as a provision;
- (c) Where a financial instrument includes both a drawn and an undrawn component, and the Bank *cannot identify the ECL on the loan commitment component separately from those on the drawn component*: The Bank presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision; and
- (d) Debt instruments measured at FVOCI: no loss allowance is recognized in the statement of financial position because the carrying amount of these assets is their fair value.

General approach to collective or individual assessment

The Bank's measurement of expected credit losses is based on the weighted average credit loss. As a result, the measurement of the loss allowance should be the same regardless of whether it is measured on an individual basis or a collective basis although measurement on a collective basis is accepted by the Bank if more practical for large portfolios of items.

The assessment of whether there has been a significant increase in credit risk may be on a collective basis where the Bank is not able to identify significant changes in credit risk on individual financial instruments before the financial instrument becomes past due.

Collateral

The Bank obtains collateral where appropriate, from Staff to manage their credit risk exposure to the Bank staff. The collateral forms a lien over the customer's assets and gives the Bank a claim on these assets for both existing and future customers in the event that the customer default

Inputs into measurement of ECLs

The key inputs into the measurement of ECLs are the discounted product of: probability of default (PD), loss given default (LGD) and exposure at default (EAD).



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.24 Financial instruments (Continued)

- (a) The PD represents the likelihood of a borrower defaulting on its financial obligation (as per “Definition of default and credit-impaired” above), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.
- (b) EAD is based on the amounts the Bank expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD). For example, for a revolving commitment, the Bank includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.
- (c) Loss Given Default (LGD) represents the Bank’s expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and Lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

The Lifetime PD is developed by applying a maturity profile to the current 12month PD. The maturity profile looks at how defaults develop on a portfolio from the point of initial recognition throughout the lifetime of the loans. The maturity profile is based on historical observed data and is assumed to be the same across all assets within a portfolio and credit grade band. This is supported by historical analysis.

3.25 Gold

Monetary gold is defined as the gold on which the Bank, as a monetary authority, has title to and is held as a reserve asset with at least 99.5 percent purity level. Non-Monetary gold is defined as gold other than monetary gold held by the Bank.

IFRS has not provided specific accounting standard for monetary gold transactions. However, IFRS (IAS 8: Accounting Policies, Changes in Accounting Estimates and errors) provides guidance to be followed in absence of specific standards. IAS 8 requires management to develop accounting policy by using judgement through making reference to existing IFRSs dealing with similar issues and the IFRS conceptual framework.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.25 Gold (Continued)

Thus, the Bank has used the principles in IFRS 9 (Financial instruments) and IAS 2 (Inventories) which guide on accounting for items similar to monetary gold and non-monetary gold, respectively. In determining the features of monetary and non-monetary gold the guidelines have applied some defining concepts of the World Gold Council (WGC) and IMF's Balance of Payment and International Investment Manual (BPM6) which recognize the monetary gold as a form of foreign reserve.

On initial acquisition the Bank recognizes;

- (a) Monetary gold at fair value, plus transaction costs that are directly attributable to the acquisition of the gold.
- (b) Non-monetary gold at cost plus any other cost directly attributed to the acquisition. The cost may include costs of purchase, transport and handling, refining costs, and any other costs incurred in bringing the gold to its present condition or location.
- (c) The Bank subsequently measure monetary gold at fair value and account for revaluation gains or losses to the statement of profit or loss. Non-monetary gold is subsequently measured at lower of cost and net realizable value.

Other areas of the accounting policy such as classification, presentation, disclosure and de-recognition are aligned to other policies on financial instruments and inventory in the case of monetary gold and inventory, respectively.

3.26 Other liabilities

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

3.27 Items in course of settlement, Advance to the Government and Other assets

These are measured at carrying amounts which approximates their fair value due to the short period between reporting date and settlements of these assets.

3.28 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.

3.29 Derivatives

A derivative is a financial instrument or other contract within the scope of IFRS with all three of the following characteristics:

- (d) Its value changes in response to the change in a specified variable such as interest rate, financial instrument price or foreign exchange rate.
- (e) It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.
- (f) It is settled at future date.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.29 Derivatives (Continued)

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value. Fair values are obtained from market observable prices including recent market transactions, or valuation techniques which incorporate market observable input, such as discounted cash-flow models. Generally, the best evidence of the fair value of a derivative at initial recognition is the transaction price (i.e. the fair value of the consideration given or received). All derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

The Bank uses derivatives mostly for hedging in risk management and liquidity support in monetary implementation. The Bank does not apply the optional hedge accounting rules of IFRS 9.

3.30 International Monetary Fund (IMF) related balances

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 channelled 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 Drawings Rights (SDRs). The SDR balances in IMF accounts are translated into TZS and any unrealised 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.

3.31 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 inventories.

3.32 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



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

4. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES

The preparation of financial statements in conformity with IFRS requires the use of estimates and judgment 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. 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

(b) Impairment of assets carried at amortised cost

Impairment losses on items in cash and balances with central banks, escrow account, items in course of settlement, holdings of Special Drawing Rights (SDR), quota in International Monetary Fund (IMF) government securities, advances to the Governments, loans and receivables and other assets.

The Bank reviews its financial assets measured at amortised cost at each reporting date to assess whether an impairment loss should be recognised in profit or loss. In particular, judgment 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.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

4. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES (CONTINUED)

(c) Impairment of other financial assets

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.

(d) 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. Details have been provided under **Note 42** to these accounts.

(e) 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.

(f) Retirement benefits

Under IAS 19 measurement of scheme liabilities must be calculated under the projected unit credit method, which requires certain demographic, financial and future salary growth assumptions. 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. Details have been provided under **Note 43** to these accounts.

(g) Contingent liabilities

The Bank has provided for the liabilities arising out of contractual obligations. Professional expert advice is taken on establishing litigation provisions. Provisions for legal proceedings and regulatory matters typically require a higher degree of judgments than other types of provisions. When cases are at an early stage, accounting judgments can be difficult because of the high degree of uncertainty associated with determining whether a present obligation exists as a result of a past event, estimating the probability of outflows and making estimates of the amount of any outflows that may arise.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

4. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES (CONTINUED)

As matters progress through various stages of the cases. Management together with legal advisers evaluate on an ongoing basis whether provisions should be recognised, and the estimated amounts of any such provisions, revising previous judgments and estimates as appropriate.

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

	30.06.2024			30.06.2023		
	Received	Accrued	Total	Received	Accrued	Total
	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000
From foreign operations						
GBP investments	8,582,466	2,520,217	11,102,683	1,874,589	2,033,603	3,908,192
USD investments	252,730,676	69,621,027	322,351,703	157,320,837	26,398,130	183,718,967
EUR investments	887,844	-	887,844	251,367	-	251,367
AUD investments	3,370,615	821,660	4,192,275	2,540,296	585,592	3,125,888
CNY investments	23,148,453	21,837,562	44,986,015	32,412,338	20,946,464	53,358,802
Other foreign interest income	7,392,276	1,177,317	8,569,593	4,896,425	1,057,930	5,954,355
	296,112,330	95,977,783	392,090,113	199,295,852	51,021,719	250,317,571
From domestic operations						
Interest on domestic investments	37,492,810	145,025,945	182,518,755	45,753,816	150,161,069	195,914,885
Interest on loans and advances	360,940	134,187,163	134,548,103	42,493,855	64,389,590	106,883,445
Interest on staff loans	388,202	-	388,202	360,763	-	360,763
Interest on Repurchase Agreements (Reverse REPO)	808,402	-	808,402	-	-	-
	39,050,354	279,213,108	318,263,462	88,608,434	214,550,659	303,159,093
	335,162,684	375,190,891	710,353,575	287,904,286	265,572,378	553,476,664

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

	30.06.2024	30.06.2023
	TZS '000	TZS '000
Income from instruments measured at fair value through OCI	202,569,180	151,715,139
Income from instruments measured at amortised cost	507,784,395	401,761,525
	710,353,575	553,476,664



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

6. INTEREST EXPENSES

	30.06.2024			30.06.2023		
	Paid	Accrued	Total	Paid	Accrued	Total
	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000
Interest on BoT liquidity papers	16,204,978	8,887,594	25,092,572	2,756,945	9,409,927	12,166,872
Interest on repurchase agreements	1,283,999	-	1,283,999	13,995,589	34,465	14,030,054
Charges on IMF Drawings	66,157,967	13,427,706	79,585,673	37,876,828	11,301,514	49,178,342
	83,646,944	22,315,300	105,962,244	54,629,362	20,745,906	75,375,268

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.

7. FOREIGN EXCHANGE REVALUATION GAINS/(LOSS)

During the year, the Bank recorded a total net foreign exchange revaluation gain amounting to TZS 693,546.9 million (2023: loss of TZS 209,420.5 million). This amount has been included in the statement of profit or loss in determining the Bank's net operating profit for the year 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 revaluation gain an amount of TZS 326,641.8 million (2023: loss of TZS 173,582.5 million) relating to unrealised gain is not available for the distribution of dividend and according to the Bank of Tanzania Act, 2006 has been transferred to the foreign exchange revaluation reserve (refer to **Note 40 (i)**). Out of the total reported unrealised foreign exchange gain, TZS 126,876.5 million (2023: loss of TZS 17,629 million) relates to cash and cash equivalents.

Analysis of foreign exchange revaluation	30.06.2024	30.06.2023
	TZS '000	TZS '000
Net realised foreign exchange revaluation gains (loss) during the year	366,905,125	(35,838,005)
Net unrealised foreign exchange revaluation gains (loss) during the year	326,641,818	(173,582,461)
	693,546,943	(209,420,466)



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

8. FEES AND COMMISSIONS

	<u>30.06.2024</u>	<u>30.06.2023</u>
	TZS '000	TZS '000
Commission on foreign operations	101,916,393	88,026,636
Tanzania Interbank Settlement System (TISS) fees and charges	4,673,066	5,818,733
Bureau de change application fees	127,000	68,000
Bureau de change registration fees	5,000	8,000
Bureau de change penalty fees	604,058	392,921
Banks and financial institutions applications/licensing fees	577,906	621,688
Clearing House fines and penalties and other fees	-	150
	<u>107,903,423</u>	<u>94,936,128</u>

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

9. OTHER OPERATING INCOME

	<u>30.06.2024</u>	<u>30.06.2023</u>
	TZS '000	TZS '000
Foreign operations		
Miscellaneous income	60,373	888,800
Coupon from FVTPL investments	18,336,726	11,760,046
Dividend from equity investment	4,076,117	3,170,153
Other income from foreign operations	<u>22,473,216</u>	<u>15,818,999</u>
Domestic operations		
Miscellaneous income**	8,226,509	8,151,405
Income - domestic operations	9,494,508	10,053,489
Income from investment on Staff Housing Funds	9,199,905	7,000,262
Rental income from staff quarters	871,277	817,572
Income from hostel accommodation	123,971	212,372
Gain on provision of ECL on Financial instruments-(Note 16 and 24)	398,787	912,065
Income from cafeteria operations	65,855	50,928
Gain on provision for impairment of inventories -(Note 25)	77,676	-
Other income from domestic operations	<u>28,458,488</u>	<u>27,198,093</u>
Total other income	<u>50,931,704</u>	<u>43,017,092</u>

** Miscellaneous Income includes income on Financial Sector Development Fund investment TZS 6,172.9 million



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

10. NET FAIR VALUE GAINS/ (LOSSES) ON FOREIGN CURRENCY MARKETABLE SECURITIES

	<u>30.06.2024</u>			<u>30.06.2023</u>		
	<u>Realised</u>	<u>Unrealised</u>	<u>Total</u>	<u>Realised</u>	<u>Unrealised</u>	<u>Total</u>
	<u>TZS '000</u>	<u>TZS '000</u>	<u>TZS '000</u>	<u>TZS '000</u>	<u>TZS '000</u>	<u>TZS '000</u>
USD	42,510,018	24,439,246	66,949,264	(7,221,055)	1,118,308	(6,102,747)
GBP	(6,369,314)	-	(6,369,314)	537,091	-	537,091
AUD	(21,324,194)	-	(21,324,194)	(620,268)	-	(620,268)
CNY	(1,639,801)	-	(1,639,801)	223,242	-	223,242
Total	13,176,709	24,439,246	37,615,955	(7,080,990)	1,118,308	(5,962,682)

The net realised gain or losses on foreign currency marketable securities represents the net (decrease)/ increase in the fair value of these foreign securities. The value of this balance aggregated to a gain of TZS 37,615.9 million (2023: loss of TZS 5,962.6 million). The Bank reclassified realised loss of TZS 7,244.3 million on securities measured at FVOCI which were derecognized during the year from security revaluation reserve to profit or loss account as required by IAS 1 and IFRS 9.

11. ADMINISTRATIVE EXPENSES

	<u>30.06.2024</u>	<u>30.06.2023</u>
	<u>TZS '000</u>	<u>TZS '000</u>
Maintenance - computer, software and related expenses	25,245,328	18,322,869
Transport and travelling related expenses	28,256,567	23,149,644
Meetings, conferences and seminars	9,365,958	8,787,182
Water and electricity	5,811,309	5,729,334
Maintenance - bank premises	11,825,329	11,580,854
Insurance expenses	6,494,547	5,538,502
Fees, rates and security expenses	4,410,100	3,194,981
Printing, stationery and office supplies	998,754	1,070,541
Telecommunication and postage	1,957,349	1,592,958
Board expenses	2,572,645	1,721,257
Other administrative expenses	12,862,270	8,794,285
Skills development levy	2,729,043	2,936,154
Maintenance - furniture, machinery and equipment	2,194,132	2,050,278
Audit fees	654,357	688,797
Budget and annual accounts related expenses	1,680,786	1,619,589
Hospitality	582,116	469,423
Audit related expenses	186,310	331,191
Legal and investigation expenses	186,379	168,427
	118,013,279	97,746,266



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

12. CURRENCY AND RELATED EXPENSES

	<u>30.06.2024</u>	<u>30.06.2023</u>
	<u>TZS '000</u>	<u>TZS '000</u>
Notes printing and related expenses (Note 26)	38,938,400	42,915,310
Coins minting and related expenses (Note 26)	<u>1,800,216</u>	<u>3,718,902</u>
Cost of currency issued into circulation	<u>40,738,616</u>	<u>46,634,212</u>
Maintenance of currency machines	8,033,619	6,804,913
Currency transport, storage and handling	8,200,677	8,432,944
Other currency expenses	<u>1,367,491</u>	<u>1,281,328</u>
Other currency related costs	<u>17,601,787</u>	<u>16,519,185</u>
Total currency and related expenses	<u>58,340,403</u>	<u>63,153,397</u>

The amount of TZS 40,738.6 million (2023: TZS 46,634.2 million) pertains to notes printing and coins minting and related expenses. This amount refers to the proportionately amortised portion of deferred notes printing and coins minting cost for the new currency notes and coins that were issued into circulation during the year.

A total of TZS 8,033.6 million (2023: TZS 6,804.9 million) was incurred during the year in respect of currency processing machines maintenance expenses. The amount of TZS 8,200.7 million (2023: TZS 8,432.9 million) relates to currency distribution expenses which include; transportation, handling, storage, and other related expenses incurred during the year. Other currency related expenses aggregated to TZS 1,367.5 million (2023: TZS 1,281.1 million).

13. PERSONNEL EXPENSES

	<u>30.06.2024</u>	<u>30.06.2023</u>
	<u>TZS '000</u>	<u>TZS '000</u>
Staff salaries and related expenses	80,255,185	75,357,224
Contribution to social security schemes	9,944,824	9,348,121
Staff medical expenses	11,857,344	9,476,863
Management car maintenance and other related expenses	8,006,500	5,999,194
Travel on leave expenses	7,790,943	5,495,700
Staff retirement benefit	5,529,047	5,700,023
Staff training expenses	6,252,673	5,104,964
HR planning policies expenses	4,814,622	2,752,375
Furniture grant expenses	2,832,256	1,921,117
Cafeteria expenses	3,561,756	2,501,781
Workers Council expenses	2,261,812	1,723,051
Tanzania Union for Industrial and Commercial (TUICO) expenses	1,538,428	1,301,350
Motor vehicles expenses	1,153,413	509,523
Contributions to Workers Compensation Fund	387,592	363,755
Condolence and related expenses	262,339	358,986
Staff uniforms expenses	318,830	368,880
Course functions and field trips expenses	113,243	25,808
	<u>146,880,807</u>	<u>128,308,715</u>



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

14. OTHER OPERATING EXPENSES

	30.06.2024	30.06.2023
	TZS '000	TZS '000
Foreign operations		
Foreign reserve management expenses	1,127,796	13,334,762
Financial markets development expenses	1,987,110	1,619,814
Commission and fees on foreign operations	817,668	3,033,887
	3,932,574	17,988,463
Domestic operations		
Contribution to professional associations, charities	3,043,948	2,810,471
Miscellaneous expenses & initial fair valuation loss on Governments securities*	100,771,556	3,350,397
Contribution to national development programs/projects	660,793	207,057
Subscriptions	297,227	201,832
	104,773,524	6,569,757
Cheques issued expenses	67,197	63,927
	108,773,295	24,622,147

*Included in domestic operation is the amount related to fair valuation loss of government securities in alignment with IFRS requirement on initial recognition TZS 99,851 million

Analysis of donations, contributions and subscriptions

	30.06.2024	30.06.2023
	TZS '000	TZS '000
Macroeconomic and Financial Management Institute of Eastern and Southern Africa (MEFMI)	1,000,211	981,747
Donations and other contributions	640,020	404,288
Subscription to various entities	297,228	201,832
Capital Markets and Securities Authority	708,750	708,750
Contribution to African Research Consortium	263,026	-
Contribution to Research Development	363,026	160,996
Deposit Insurance Board	233,225	322,419
African Association of Central Banks and African Rural and Agriculture Credit Association	121,742	53,268
Contribution - Committee of Central Bank Governors (CCBG)	34,740	46,060
Tanzania Institute of Bankers	340,000	340,000
	4,001,968	3,219,360



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

15. COMPONENTS OF OTHER COMPREHENSIVE INCOME/(LOSS)

	<u>30.06.2024</u>	<u>30.06.2023</u>
	<u>TZS '000</u>	<u>TZS '000</u>
Gain(Loss) on re- measurement of Defined Benefit Scheme (Note 43)	(26,080,743)	4,550,048
Net revaluation gains on equity investments	30,130,558	3,386,961
Net unrealised gains on marketable securities-FVOCI	75,956,641	(64,754,547)
Total other comprehensive loss	80,006,456	(56,817,538)

Included in other comprehensive gain is TZS 75,956.6 million which represents changes in the prices of the marketable securities portfolio classified to fair value through other comprehensive income (2023: loss of TZS 64,754.5 million). The gain of TZS 30,130.6 million (2023: TZS 3,386.9 million) is in respect of revaluation on the Bank's shares in Afrexim bank and SWIFT measured at FVTOCI. The computation of actuarial gain/loss is reported under **Note 43**.

16. CASH AND BALANCES WITH CENTRAL BANKS AND OTHER BANKS

	<u>30.06.2024</u>	<u>30.06.2023</u>
	<u>TZS '000</u>	<u>TZS '000</u>
Time deposits with banks and demand deposits with commercial banks	5,152,587,224	4,893,109,479
Demand deposits with Central Banks	946,784,869	919,585,192
Foreign Currency notes and coins	6,610,075	4,561,675
Accrued interest on deposits	35,161,342	7,537,856
Provision for Expected Credit Losses	(202,931)	(130,584)
	6,140,940,579	5,824,663,618

Movement of Provision for ECL

Opening balance as at 1 July	130,584	44,935
Charged during the year	72,347	85,649
Closing balance as at 30 June	202,931	130,584

Cash and cash equivalents consist of demand deposits; two-day notice accounts and time deposits with maturities of less than three months and carrying interest at market rates. For the purpose of recording cash flows in the Statement of Cash Flow, the Provision for Expected Credit Losses on cash and cash equivalents has been added back as it is not a cash flow.

17. ITEMS IN COURSE OF SETTLEMENT

	<u>30.06.2024</u>	<u>30.06.2023</u>
	<u>TZS '000</u>	<u>TZS '000</u>
BoT net clearing account	7,429,373	(371,954,252)

This balance represents the values of outward and inward clearing instruments, held by the Bank while awaiting clearance in the normal course of business. This includes values of clearing instruments, both 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 in the clearing house.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

18. INTERNATIONAL MONETARY FUND (IMF) RELATED BALANCES

	<u>30.06.2024</u>		<u>30.06.2023</u>	
	SDR '000	Equivalent TZS '000	SDR '000	Equivalent TZS '000
Assets				
Holdings of SDR's	904	3,128,967	4,296	13,304,742
Accrued interest on Holding of SDR	6	21,243	27	84,911
Accrued interest on SDR Tranches	334	1,156,074	314	973,019
Quota in IMF	397,800	1,376,270,577	397,800	1,231,998,513
	399,044	1,380,576,861	402,437	1,246,361,185
Liabilities				
IMF Account No.1	338,071	1,169,627,435	338,071	1,047,017,414
IMF Account No.2	3	12,092	3	10,826
	338,074	1,169,639,527	338,074	1,047,028,240
Allocation of SDRs	571,785	1,978,206,704	571,785	1,770,834,718
Accrued interest on allocation of SDR	3,881	13,427,706	3,649	11,301,514

The Tanzania's quota in IMF stood at SDR 397.8 million equivalent to TZS 1,376,270.6 million (2023: SDR 397.8 million equivalent to TZS 1,231,998.5 million). On a quarterly basis, the IMF pays interest (remuneration) to those members who have a remunerated reserve tranche position at the adjusted rate of remuneration. As at 30 June 2024, the reserve tranche stood at SDR 59.7 million (2023: SDR 59.7 million) whereas the adjusted rate of remuneration was 4.01 percent (2023: 3.98 percent) and adjusted rate charged was 5.01 percent (2023: 4.98 percent).

During the year, IMF disbursed SDR 226.74 million as Extended Credit Facility (ECF) to the Government of Tanzania. As at 30 June 2024 outstanding Rapid Credit Facility (RCF) was SDR 397.80 million and ECF was SDR 455.47 million. The facilities were issued to the United Republic of Tanzania as direct budget support. While the disbursements supported the Bank in addressing the balance of payment needs, the repayment of liability is with the United Republic of Tanzania as the fund beneficiary. The Bank discloses and keeps the loans records off the balance sheet in recognition of its role as a fiscal agent of the Government.

19. FOREIGN CURRENCY MARKETABLE SECURITIES

These are financial assets consisting of foreign currency marketable securities that are internally managed, and a portfolio externally managed by the World Bank Treasury under a special program known as Reserve Advisory Management Program (RAMP). The 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:



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

19. FOREIGN CURRENCY MARKETABLE SECURITIES (CONTINUED)

	<u>30.06.2024</u>	<u>30.06.2023</u>
	<u>TZS '000</u>	<u>TZS '000</u>
Internally Managed Portfolio in Foreign Currency Marketable Securities-FVOCI	6,930,199,256	6,285,235,164
Accrued coupon on marketable securities	59,639,184	42,425,993
External Managed Marketable securities(RAMP)- FVTPL	814,436,720	681,177,964
Accrued interest- RAMP	5,060,373	3,107,246
	<u>7,809,335,533</u>	<u>7,011,946,367</u>

Analysis of foreign currency marketable securities by concentration into sovereign issues, supranational securities and agency securities by fair values:

	<u>30.06.2024</u>	<u>30.06.2023</u>
	<u>TZS '000</u>	<u>TZS '000</u>
Sovereign Issues		
USD	4,695,655,185	3,960,450,152
GBP	374,027,762	325,138,753
AUD	115,044,349	148,585,252
CNY	1,087,980,496	1,331,442,773
	<u>6,272,707,792</u>	<u>5,765,616,930</u>
Supranational Securities		
USD	1,246,816,116	1,005,828,940
GBP	12,889,685	10,600,156
CNY	-	38,883,593
	<u>1,259,705,801</u>	<u>1,055,312,689</u>
Agency Securities		
USD	131,480,472	73,252,601
AUD	-	5,151,621
	<u>131,480,472</u>	<u>78,404,222</u>
Corporate Securities		
USD	145,441,468	112,612,526
	<u>145,441,468</u>	<u>112,612,526</u>
Total Investments		
USD	6,219,393,242	5,152,144,219
GBP	386,917,446	335,738,909
AUD	115,044,349	153,736,874
CNY	1,087,980,496	1,370,326,365
	<u>7,809,335,533</u>	<u>7,011,946,367</u>



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

20. MONETARY GOLD

The Bank of Tanzania prioritizes prudent management of foreign exchange reserves. In enhancing the foreign exchange reserves, the Bank of Tanzania has introduced the gold purchase program. The program leverages the country's natural gold endowment, as it involves purchasing gold from selected local aggregators at the prevailing market price by using domestic currency. The gold undergoes refining processes to attain the necessary purity level before it is safely stored at the reputable foreign bank in which the Bank of Tanzania has a custody account, the value of Monetary Gold held at the Bank of Tanzania as at 30 June 2024 was equivalent to TZS 72,507 million.

21. EQUITY INVESTMENTS

	<u>30.06.2024</u>	<u>30.06.2023</u>
	TZS '000	TZS '000
Investment in equity are measured at Fair Value through Other Comprehensive Income (FVTOCI):		
Equity investment in Afreximbank	151,041,695	117,027,730
Equity investment in SWIFT	1,381,061	1,202,394
	<u>152,422,756</u>	<u>118,230,124</u>

Equity investment in Afreximbank

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. During the year, the Bank's acquired 75 shares from Afreximbank hence as at 30 June 2024, the equity investment in Afreximbank was 2223 ordinary shares (2023:2148) of par value of USD 10,000 each. As at 30 June 2024, the Bank's equity aggregated to USD 8,892,000 representing two fifth of the Bank's paid up shares in Afreximbank (2023: USD 8,592,000). The proportion of the Bank's equity interest to the total holding in this bank is 1.011 percent. These shares are measured at FVTOCI.

Equity Investment in SWIFT

The Society for Worldwide Interbank Financial Telecommunications (SWIFT) (the "Company") is a company founded in Brussels in 1973 to provide a secured 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 an interest in the cooperatives through shares. The Company manages the shares through the reallocation principle defined in its By-laws and general membership rules.

The number of shares allocated to each member is determined at least after every three years according to the Bylaws 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 investment is measured at fair value through other comprehensive income. During the year, under review the Bank had a total of 61 shares (2023: 61).



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

22. GOVERNMENT SECURITIES

Amortised cost:	<u>30.06.2024</u>	<u>30.06.2023</u>
	<u>TZS '000</u>	<u>TZS '000</u>
Treasury Bills	3,271,127	939,124
Special Treasury Bonds	1,606,391,958	1,729,475,461
Treasury EPA Stock	135,745,070	201,391,122
Sub-total	1,745,408,155	1,931,805,707
Accrued interest	145,025,945	150,161,069
Total	1,890,434,100	2,081,966,776

The Bank holds various Government fixed 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.

(a) Special Treasury Bonds

Treasury Special Bonds are long-term instruments issued at fixed coupon for Government financing. Interest on the bonds is payable semi-annually based on the agreed coupon rate. The balance includes:

Matured stock that was converted into a 5.75% 6-Year Special Bond 2019/2025 with face value of TZS 51,333.3 million and the 10 Year Special Government Bond 2009/19 that matured on 2 July 2019 which was rolled over into 6% 7 Year Special bond 2019/2026 with a face value of TZS 50,000.0 million. The carrying amount of these bonds stood at TZS 47,903.3 million and TZS 43,825.7 million respectively on 30 June 2024.

A 10 Year 8% Special Bond 2009/19 with a face value of TZS 323,000.0 million was issued on 2 June 2009. Upon its maturity in 2019, the bond was rolled over and divided into three maturities including;

- (i) 5 Years Special Bond 2019/24 at coupon of 5.5% with face value of TZS 100,000.0 million which matured on June 2nd 2024;
- (ii) 6 Years Special Bond 2019/25 at coupon of 5.75% with face value of TZS 100,000.0 million, this bond recorded value of TZS 94,320.4 million as at 30 June 2024 and;
- (iii) 7 Years Special Bond 2019/26 at coupon of 6.0% with face value of TZS 123,000.0 million whereas at 30 June 2024 stood at TZS 108,980.1 million.

The initial purpose of the bonds was to bridge Government revenue shortfall mainly attributed to the impact of the global financial crisis.

In February, March and April 2022, the Revolutionary Government of Zanzibar issued 6.0% 20-Years Special Bond 2022/2042 of TZS 120,000 million in three tranches of TZS 40,000 million each whereby, Tranches 1, 2 and 3 as 30 June 2024 recorded TZS 23,505.8 million & TZS 23,326.5 million and TZS 23,799.2 million respectively.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

22. GOVERNMENT SECURITIES (CONTINUED)

In June 2022, the Government of the United Republic of Tanzania issued six special bonds with face value of TZS 250,000 million each;

- (i) 4.00% 2 Year Special Bond 2022/2024 No. 04, 05 and 06 with face value of TZS 250,000 million each, matured on 15th June 2024 and rolled over. As at 30 June 2024 these bonds recorded value of TZS 217,785.4 million, TZS 217,814.9 million & TZS 217,875.8 million respectively.
- (ii) 4.25% 3 Year Special Bond 2022/2025 No. 07 and 08 stood at TZS 244,526.3 million and TZS 245,401.3 million respectively as at 30 June 2024 and;
- (iii) 4.50% 4 Year Special Bond 2022/2026 No. 09 recorded value of TZS 237,534.7 million.

The value of Special Bonds as at 30 June 2024 was TZS 1,746,599.7 million (2023: TZS 1,729,475.5 million).

(b) 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, the externalisation of EPA obligations was done based on agreed exchange rates. The exchange rate differential between the exchange rate prevailing when the beneficiaries are paid and the agreed rate resulted into exchange losses, which are recoverable from the Government. Funding of the resulting obligations was obtained through issuance of EPA stocks.

The Government effective from 01 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. EPA Special Stock 2008/23 amounted to TZS 65,646.0 million matured during the year. As at 30 June 2024, the aggregate position of Special EPA stocks stood at TZS 140,563.3 million (2023: TZS 201,391.1 million).



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

23. ADVANCES TO THE GOVERNMENT

	<u>30.06.2024</u>	<u>30.06.2023</u>
	TZS '000	TZS '000
Advances to the Governments (URT)- Note 32	4,666,046,510	4,226,423,511
Accrued interest (URT)	195,765,708	64,199,023
Advances to the Governments (RGOZ)-Note 32	100,484,451	93,625,857
Accrued interest (RGOZ)	1,245,044	190,567
Net advance to the Governments	<u>4,963,541,713</u>	<u>4,384,438,958</u>

Advances to the Governments represent temporary financial accommodation to finance short term financial gap between the receipts from budgeted revenue and Governments expenditure. The interest chargeable for advances granted to the Governments is three percent per annum. Total advance outstanding at the year-end amounted to TZS 4,963,541.7 million (2023: TZS 4,384,438.9 million) as summarised under **Note 32**.

During the year, the Governments net position was overdrawn by TZS 4,766,530.9 million (2023: TZS 4,320,049.4 million). Pursuant to Section 34 of the Bank of Tanzania Act, 2006, during the year an amount of TZS 134,548.1 million (2023: TZS 106,687.2 million) was charged to the Governments as interest on overdrawn position. As at 30 June 2024 interest outstanding amounted to TZS 197,010.8 million (2023: TZS 64,389.6 million).

24. LOANS AND RECEIVABLES

	<u>30.06.2024</u>	<u>30.06.2023</u>
	TZS "000"	TZS "000"
Accounts receivable	636,062,290	238,783,551
Staff loans and advances	80,363,058	79,336,043
Cash loss recoverable from NBC Limited	5,144,000	5,144,000
	<u>721,569,348</u>	<u>323,266,594</u>
Provision for impairment	(8,518,263)	(8,989,395)
Net carrying amount loan and receivable	<u>713,051,085</u>	<u>314,277,199</u>
<i>Analysis of impairment by line items</i>	<u>30.06.2024</u>	<u>30.06.2023</u>
	TZS "000"	TZS "000"
Cash loss recoverable from NBC Limited	5,144,000	5,144,000
Staff loans, advances and receivables	3,374,263	3,845,395
	<u>8,518,263</u>	<u>8,989,395</u>

Movement of provision for impairment

Opening balance 1 July	8,989,395	9,987,110
Charged during the year in P&L	(471,132)	(997,715)
Closing balance 30 June	8,518,263	8,989,395



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

24. LOANS AND RECEIVABLES (CONTINUED)

The Bank did not pledge any loans and receivables as securities against liabilities in 2024 and 2023. Accounts receivable represent short term claims which are expected to be recovered within a period not exceeding twelve months and outstanding transactions made on trade date.

a) Accounts Receivable:

Major components under accounts receivable include the following:

(i) Interest receivable on Liquidity Management Papers:

Included under accounts receivable is TZS 7,210.3 million (2023: TZS 8,547.8 million) relating to 2023/24 United Republic of Tanzania (URT) Government share in respect of interest on liquidity management papers. The URT Government and Bank of Tanzania share liquidity management cost based on the formula contained in the Memorandum of Understanding between the Bank and the Government.

(ii) Advances to commercial banks:

The Bank disbursed advances of TZS 578,436.1 million to commercial banks in order to reduce lending rate as part of implementation of monetary policy intending to increase lending to private sector.

b) Staff Loans and Advances:

Employees of the Bank are entitled to loans and advances as approved in accordance with the Bank's Staff Bylaws and Financial Regulations in force. Staff loans are granted to employees to assist them in acquisition of residential houses, motor vehicles, computers, furniture and short-term needs. The advances/loans are granted at rates of interest determined by the Bank presently at 5.0 percent fixed over the period of the loan. These loans and advances are recovered from the employees' monthly salaries. The facilities are secured against the borrowers' employment and terminal benefits. As at 30 June 2024, the balance of staff loans and advances was TZS 80,363.0 million (2023: TZS 79,336.0 million).

25. INVENTORIES

	<u>30.06.2024</u>	<u>30.06.2023</u>
	<u>TZS '000</u>	<u>TZS '000</u>
The inventory balance consists of the following:		
Currency machine spare parts	4,662,812	4,895,067
Building, machinery and maintenance consumables	1,124,850	1,069,139
Stationery	592,009	542,660
ICT accessories and consumables	805,276	845,859
Cheque books	310,918	329,160
Copier parts and consumables	400,441	405,617
Drugs and medicines	48,799	87,427
Inventory in Transit	55	34,819
Less: Inventory impairment	(1,738,715)	(1,816,391)
	<u>6,206,445</u>	<u>6,393,357</u>

All inventories held by the Bank as at 30 June 2024 were for the internal consumption to support Bank's operations and not intended for sale.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

26. DEFERRED CURRENCY COST

This account represents direct cost relating to notes printing and coins minting held by the Bank. During financial year 2023/24, the movement on deferred currency cost account was as follows:

	<u>30.06.2024</u>	<u>30.06.2023</u>
	TZS '000	TZS '000
Balance as at the beginning of the year	85,698,678	92,991,489
Add: Cost of currency received during the year	-	39,341,401
Add: Recognition of currency in transit	34,764	-
Less: Cost of currency issued in circulation (Note 12)	(40,738,616)	(46,634,212)
Balance as at the end of the year	<u>44,994,826</u>	<u>85,698,678</u>

27. OTHER ASSETS

	<u>30.06.2024</u>	<u>30.06.2023</u>
	TZS '000	TZS '000
Financial Sector Development Fund	56,863,723	50,690,730
Prepayments	19,903,370	65,418,717
Staff Housing Fund investments	56,251,472	56,262,906
Sundry receivables*	43,161,189	180,306,200
Staff imprest	576,990	533,399
Petty cash balances	147,000	147,000
	<u>176,903,744</u>	<u>353,358,952</u>

(i) Prepayment:

The balance under prepayment for the year ended 30 June 2024 mainly covers; TZS 15,562.61 million paid as advance payment in respect of notes printing. As at 30 June 2024 the balance of prepayment was TZS 19,903.4 million (2023: TZS 65,418.7 million)

(ii) Sundry receivable:

The balance under sundry receivable for the year ended 30 June 2024 mainly includes; matured Swap pending settlement TZS 25,389.9 million. As at 30 June 2024 the balance of sundry receivable was TZS 43,161.2 million (2023: TZS 180,306.2 million)

(ii) Staff housing fund:

The balance represents staff housing fund investments in government securities including treasury bills and treasury bonds. The operation of the fund is as explained under Note 40 (e).

(iii) Financial Sector Development Fund:

The balance represents the Financial Sector Development fund's investments in government securities. The operation of the fund is as explained under Note 40 (f).



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

28. PROPERTY AND EQUIPMENT

Year ended 30 June 2024	Buildings TZS '000	Lease TZS '000	Machinery and equipment TZS '000	Motor vehicles TZS '000	Fixtures and fittings TZS '000	Computers, servers and printers TZS '000	Capital work in progress TZS '000	Total TZS '000
Cost/valuation								
At 01 July 2023	964,486,651	5,270,387	327,218,579	32,505,896	4,648,061	48,728,490	12,370,063	1,395,228,127
Additions	94,550	92,994	5,493,308	25,499,178	689,397	4,827,073	5,462,249	42,158,749
Transfers**	2,201,406	-	3,737,331	-	-	-	(5,938,737)	-
Disposal			(1,210,678)	(539,747)	(36,044)	(1,512,857)		(3,299,326)
At 30 June 2024	966,782,607	5,363,381	335,238,540	57,465,327	5,301,414	52,042,706	11,893,575	1,434,087,550
Accumulated depreciation and Impairment								
At 01 July 2023	54,018,751	2,307,316	268,049,271	22,332,764	3,528,623	34,044,055	15,000	384,295,780
Depreciation	8,097,775	578,328	10,834,828	2,140,230	311,876	5,287,366	-	27,250,403
Impairment	-	-	59,409	-	-	-	-	59,409
Disposal	-	-	(1,125,849)	(478,119)	(32,028)	(1,373,406)	-	(3,009,402)
At 30 June 2024	62,116,526	2,885,644	277,817,659	23,994,875	3,808,471	37,958,015	15,000	408,596,190
Net book value								
At 30 June 2024	904,666,081	2,477,737	57,420,881	33,470,452	1,492,943	14,084,691	11,878,575	1,025,491,360

* There were neither amounts nor restrictions on title of property and equipment held by the Bank as at 30 June 2024.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

28. PROPERTY AND EQUIPMENT (CONTINUED)

Year ended 30 June 2023	Buildings	Lease	Machinery and equipment	Motor vehicles	Fixtures and fittings	Computers, servers and printers	Capital work in progress	Total
	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000
Cost/valuation								
At 01 July 2022	959,419,765	5,065,733	323,728,563	31,309,941	11,583,106	46,812,536	13,053,104	1,390,972,748
Additions	563,676	204,654	5,870,930	1,195,955	458,807	1,950,640	5,851,781	16,096,443
Reclassification*			(2,380,914)		(7,393,852)			(9,774,766)
Transfers**	4,503,210	-	-	-	-	-	(6,534,821)	(2,031,611)
Disposal						(34,686)		(34,686)
At 30 June 2023	964,486,651	5,270,387	327,218,579	32,505,896	4,648,061	48,728,490	12,370,064	1,395,228,128
Accumulated depreciation and Impairment								
At 01 July 2022	45,979,937	1,727,448	260,093,949	20,969,733	9,526,300	29,470,612	15,000	367,782,979
Depreciation charges for the year	8,038,814	579,868	9,893,871	1,363,031	295,134	4,589,530	-	24,760,248
Reclassification*	-	-	(1,938,549)	-	(6,292,812)	-	-	(8,231,361)
Disposal	-	-	-	-	-	(16,086)	-	(16,086)
At 30 June 2023	54,018,751	2,307,316	268,049,271	22,332,764	3,528,622	34,044,056	15,000	384,295,780
Net book value	910,467,900	2,963,071	59,169,308	10,173,132	1,119,439	14,684,434	12,355,064	1,010,932,348

There were neither amounts nor restrictions on title of property and equipment held by the Bank as at 30 June 2023.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

28. PROPERTY AND EQUIPMENT (CONTINUED)

Reconciliation of items disposed during the period by class of assets.

Gain or (loss) on disposal of property and equipment					30.06.2024	30.06.2023
	Cost	Accumulated depreciation	Cost of disposal	Cash proceeds	Net gains/ (loss)	Net gains/ (loss)
	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000
Class of asset						
Machinery & equipment	1,210,678	1,125,849	2,710	11,299	(76,240)	-
Motor vehicles	539,747	478,119	13,363	246,870	171,879	-
Fixtures & fittings	36,044	32,028	706	2,033	(2,689)	-
Computers, servers & printers	1,512,859	1,373,409	4,384	35,847	(107,987)	3
	3,299,328	3,009,405	21,163	296,049	(15,037)	3



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

29. INTANGIBLE ASSETS

	Computer software	Computer software - WIP	Total
	TZS '000	TZS '000	TZS '000
2024			
Cost			
At 1 July 2023	37,386,693	5,625,018	43,011,711
Additions	1,098,725	6,193,489	7,292,214
Transfer*	840,124	(840,124)	-
At 30 June 2024	39,325,542	10,978,383	50,303,925
Accumulated amortisation			
At 1 July 2023	31,436,462	-	31,436,462
Charge for the year	2,276,945	-	2,276,945
At 30 June 2024	33,713,407	-	33,713,407
Net book value			
At 30 June 2024	5,612,135	10,978,383	16,590,518
	Computer software	Computer software - WIP	Total
	TZS '000	TZS '000	TZS '000
2023			
Cost			
At 1 July 2022	33,153,331	-	33,153,331
Additions	2,537,004	5,625,018	8,162,022
Transfer/ Adjustments	1,696,358	-	1,696,358
At 30 June 2023	37,386,693	5,625,018	43,011,711
Accumulated amortisation			
At 1 July 2022	30,091,685	-	30,091,685
Charge for the year	1,679,732	-	1,679,732
Transfers/Adjustments	(334,955)	-	(334,955)
At 30 June 2023	31,436,362	-	31,436,362
Net book value			
At 30 June 2023	5,950,331	5,625,018	11,575,349

*Transfer includes completed internal generated intangible assets.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

30. CURRENCY IN CIRCULATION

	<u>30.06.2024</u>	<u>30.06.2023</u>
	<u>TZS '000</u>	<u>TZS '000</u>
Notes		
Notes issued	11,200,434,315	13,612,633,859
Provision for Cash Loss	1,996,960	1,996,960
Less: Notes in Custody	(3,324,732,379)	(6,577,853,149)
Notes in Circulation	<u>7,877,698,896</u>	<u>7,036,777,670</u>
Coins		
Coins issued	179,384,123	179,392,178
Less: Coins in Custody	(17,370,903)	(24,159,020)
Coins in Circulation	<u>162,013,220</u>	<u>155,233,158</u>
Total currency in circulation	<u>8,039,712,116</u>	<u>7,192,010,828</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 vaults, safe custody centres and cashier/teller at the end of financial year have been deducted from notes and coins issued to reflect actual liability for notes and coins in circulation.

The notes and coins in circulation figure of TZS 8,039,712.1 million (2023: TZS 7,192,010.8 million) includes banknotes that were phased out in 2003 with the face value of TZS 99,386.9 million (2023: TZS 99,386.9 million) still in circulation.

31. DEPOSITS – BANKS AND NON-BANK FINANCIAL INSTITUTIONS

	<u>30.06.2024</u>	<u>30.06.2023</u>
	<u>TZS '000</u>	<u>TZS '000</u>
Deposits - commercial bank deposits		
Domestic banks local currency deposits	2,735,866,019	3,533,668,119
Domestic banks foreign currency deposits	1,027,481,877	684,265,512
Sub total	<u>3,763,347,896</u>	<u>4,217,933,631</u>
Deposits – Non-bank financial institutions		
Clearing	151,447,006	123,108,550
Sub total	<u>151,447,006</u>	<u>123,108,550</u>
Total deposits	<u>3,914,794,902</u>	<u>4,341,042,181</u>

Domestic deposits include, general purpose deposits, clearing balances and Statutory Minimum Reserve (SMR). SMR deposits are based on a ratio determined by the Bank to the total deposits of the banks and non-bank financial institution for monetary policy purposes. Banks and non-bank financial institutions are required to hold at the Bank of Tanzania a prescribed percentage of their total deposits as prescribed in circular No.1 issued on 2nd December 2016 in accordance with Section 44 of the Bank of Tanzania Act, 2006 and Sections 4 and 71 of the Banking and Financial Institutions Act, 2006.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

32. DEPOSITS – GOVERNMENTS

	<u>30.06.2024</u>	<u>30.06.2023</u>
	<u>TZS '000</u>	<u>TZS '000</u>
Voted accounts		
URT Government	(9,693,576,756)	(7,297,831,458)
RGOZ Government	657,406	669,898
Sub Total	<u>(9,692,919,350)</u>	<u>(7,297,161,560)</u>
Un-voted accounts		
URT Government	5,027,530,246	3,071,407,947
RGOZ Government	(101,141,857)	(94,295,755)
Sub total	<u>4,926,388,389</u>	<u>2,771,112,192</u>
Total (Advance)/ Deposit URT Government	<u>(4,666,046,510)</u>	<u>(4,226,423,511)</u>
Total (Advance) / Deposit RGOZ Government	<u>(100,484,451)</u>	<u>(93,625,857)</u>
Net (Advance) / Deposit Governments	<u>(4,766,530,961)</u>	<u>(4,320,049,368)</u>
Accrued interest income on Advance to Government URT	195,765,708	64,199,023
Accrued interest income on Advance to Government RGOZ	1,245,044	190,567
Total Accrued interest on Advance to the Government	<u>197,010,752</u>	<u>64,389,590</u>

As at 30 June 2024 the position of the Government of the United Republic of Tanzania (URT) accounts were overdrawn by TZS 4,766,530.9 million (2023: TZS 4,320,049.4 million). Pursuant to the provision of Section 34 of the Bank of Tanzania Act 2006, a total of TZS 134,548.1 million (2023: TZS 106,687.2 million) was charged during the year ended 30 June 2024 as interest on overdrawn position. Government deposit balances are non-interest earning.

33. DEPOSITS – OTHERS

	<u>30.06.2024</u>	<u>30.06.2023</u>
	<u>TZS '000</u>	<u>TZS '000</u>
Deposits-Parastatals United Republic of Tanzania	1,385,895,294	1,939,663,468
Export Credit Guarantee Fund	1,267,624	456,643
Government obligations settlements	20,022,270	125,156,570
Deposit staff	30,056,342	26,836,134
Small and Medium Enterprises Guarantee Fund	79,192	24,422
Deposit Insurance Fund	83,489,664	1,759,108
Miscellaneous deposits*	733,418,718	766,696,618
Mwalimu Julius K Nyerere Memorial Scholarship Fund	78,053	257,363
External Payment Arrears – NBC	2,288,419	2,288,419
Debt Conversion Scheme	2,098,960	2,098,960
Debt Service cash cover	-	41,862
Economic Empowerment Programme	3,536,611	3,536,611
Bank drafts issued	666,887	561,045
Redemption of Government Stock/Bonds	38,610	38,610
Development Finance Guarantee Fund	80,272	80,272
	<u>2,263,016,916</u>	<u>2,869,496,105</u>

*Included in miscellaneous is TZS 160,692.9 million (2023: TZS 143,993.5 million) in respect of Federal Bank of Middle East (FBME) funds transferred from FBME clearing accounts to cater for bank liquidation process.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

33. DEPOSITS – OTHERS (CONTINUED)

Development Finance Guarantee Fund:	<u>30.06.2024</u>	<u>30.06.2023</u>
	TZS '000	TZS '000
Development finance guarantee fund consists of the following:		
Capital contribution by the Government	56,500,000	56,500,000
Less: Transfer of loans proceeds to ECGF, SME-CGS	(12,793,177)	(12,793,177)
Net capital contribution	43,706,823	43,706,823
Interest on refinancing and structured loans	58,726,091	53,259,372
Sub Total	102,432,914	96,966,195
Less: Loans issued for refinancing and structured facility	<u>(102,432,914)</u>	<u>(96,966,195)</u>
Net balance	-	-

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 supports development efforts by businesses with potential to export their products by providing required guarantee to finance the infrastructure in those businesses.

As at 30 June 2024, Government Capital contribution made in financial years 2002/03 and 2003/04 to the Fund amounted to TZS 56,500.0 million. Interest received and accrued on refinancing and restructured loans aggregated to TZS 58,726.1 million (2023: TZS 53,259.4 million). The total accumulated fund as at 30 June 2024 amounted to TZS 102,432.9 million (2023: TZS 96,966.2 million) which represented the total loans issued for refinancing facilities to flowers and vegetable export companies on the same.

Government Obligations Settlement:

This represents Government cash cover in order to settle outstanding foreign currency obligations. The balance as at 30 June 2024 amounted to TZS 20,022.3 million (2023: TZS 125,156.6 million).

Export Credit Guarantee Fund:

The balance under this fund consists of the following:	<u>30.06.2024</u>	<u>30.06.2023</u>
	TZS '000	TZS '000
Export Credit Guarantee Fund	5,465,935	6,276,916
Less: ECGS receivable/ impairment	<u>(6,733,559)</u>	<u>(6,733,559)</u>
	<u>(1,267,624)</u>	<u>(456,643)</u>

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 for the loans issued.

As at 30 June 2024, the Fund had a net balance of TZS 1,267.6 million (2023: TZS 456.6 million). It is a net of Government and the Bank's contributions, accumulated income from investment in treasury bills, bonds, guarantee fees and impairments.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

33. DEPOSITS – OTHERS (CONTINUED)

Debt Conversion Scheme:

These are balances of debt conversion funds that are blocked in the account pending submission of progress reports by beneficiaries in respect of utilisation of previous disbursements, so as to justify further disbursements. The balance has remained at the same level for three years since no report has been received to facilitate disbursements.

Mwalimu Julius K Nyerere Memorial Scholarship Fund:

Included in Deposit Others is the Mwalimu Julius K. Nyerere Memorial Scholarship Fund. The Fund was established by the Bank of Tanzania on 12 October 2009 in honour of the life of the Father of the Nation, Mwalimu Julius Kambarage Nyerere. The objective of the Fund is to sponsor best performing students pursuing mathematics, science and technology, economics, accounting and finance degrees at University level in Tanzania. As at 30 June 2024, a total of TZS 5,670.4 million (2023: TZS 5,144.2 million) in respect of the Fund's resources had been invested in treasury bills and treasury bonds. As a result, the Fund had a net cash balance of TZS 78.1 million (2023: TZS 257.4 million)

34. FOREIGN CURRENCY FINANCIAL LIABILITIES

Foreign Currency Financial Liabilities consist of the following:

	<u>30.06.2024</u>	<u>30.06.2023</u>
	<u>TZS '000</u>	<u>TZS '000</u>
Special Projects	3,955,857,382	2,708,556,012
Other Foreign Currency Deposits	48,257,632	39,414,727
Multilateral Debt Relief Initiative Fund	20,930,262	18,528,708
	<u>4,025,045,276</u>	<u>2,766,499,447</u>

Special Projects:

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 2024, the total balance in respect of Special Project accounts aggregated to TZS 3,955,857.4 million (2023: TZS 2,708,556.0 million).

Multilateral Debt Relief Initiative Funds:

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 2024, the fund had a balance amounting to TZS 20,930.3 million (2023: TZS 18,528.7 million).

35. REPURCHASE AGREEMENTS (REPOs)

	<u>30.06.2024</u>	<u>30.06.2023</u>
	<u>TZS '000</u>	<u>TZS '000</u>
Repurchases Agreements	-	125,000,000
Accrued interest	-	34,465
	<u>-</u>	<u>125,034,465</u>



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

36. BOT LIQUIDITY PAPERS

	<u>30.06.2024</u>	<u>30.06.2023</u>
	<u>TZS '000</u>	<u>TZS '000</u>
BOT liquidity papers	531,681,485	536,740,741
Accrued interest	8,887,594	9,409,927
	<u>540,569,079</u>	<u>546,150,668</u>

As at 30 June 2024, the maturities profile of BOT Liquidity Papers held to maturity were as follows:

	<u>30.06.2024</u>		<u>30.06.2023</u>	
	<u>TZS'000</u>		<u>TZS'000</u>	
	Cost	Accrued Interest	Cost	Accrued Interest
91-Day Treasury Bills	2,352,659	34,856	2,376,528	9,544
182-Day Treasury Bills	40,697,750	808,215	381,470,624	5,316,042
364-Day Treasury Bills	488,631,076	8,044,523	152,893,588	4,084,342
	<u>531,681,485</u>	<u>8,887,594</u>	<u>536,740,740</u>	<u>9,409,928</u>

These are financial instruments issued by the Bank under the open market operations to manage liquidity levels in the economy. Interest incurred on these instruments is accrued and recognised in Statement of Profit or Loss as interest expenses.

37. PROVISIONS

	<u>30.06.2024</u>	<u>30.06.2023</u>
	<u>TZS '000</u>	<u>TZS '000</u>
Provision for leave pay	<u>8,052,613</u>	<u>5,681,104</u>

Relates to the estimated monetary liability for employees earned leave entitlement but not taken at the end of the reporting period. The maximum allowance for number of leaves days accumulated is 56 days. Only leave falling under this period are accumulated. The movements between the two periods are recognised in the Statement of Profit and Loss.

<i>Movement in provisions</i>	<u>30.06.2024</u>	<u>30.06.2023</u>
	<u>TZS '000</u>	<u>TZS '000</u>
<i>Leave pay</i>		
Carrying amount at the beginning of the year	5,681,103	5,841,897
(Decrease)/Increase in provision	2,371,510	(160,794)
Carrying amount at the end of the year	<u>8,052,613</u>	<u>5,681,103</u>



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

38. OTHER LIABILITIES

	<u>30.06.2024</u>	<u>30.06.2023</u>
	TZS '000	TZS '000
Accounts payable	48,167,407	55,653,650
Stale draft payables	68,403	108,330
Other employee cost payable	683,351	609,656
Sundry payables	6,432,890	3,452,573
Lease liability	483,545	1,152,651
	<u>55,835,596</u>	<u>60,976,860</u>

Account Payable:

Included in the accounts payable is TZS 22,743.9 million for trade date payables of foreign financial investments and TZS 21,412.6 million for other creditors

Lease Liability:

Below is the maturity analysis in respect of lease liability, of which all figures are un-discounted

	Fiber Optic Cables	Land
	TZS '000	TZS '000
Up to 1 year	-	84,619
From 1 to 2 years	-	84,619
From 2 to 3 years	-	84,619
From 3 to 4 years	-	84,619
From 4 to 5 years	-	84,619
From 5 to 33 years	-	1,750,079
Above 33 years	-	4,257,377
Total	<u>-</u>	<u>4,172,757</u>

39. AUTHORIZED AND PAID UP SHARE CAPITAL

	<u>30.06.2024</u>	<u>30.06.2023</u>
	TZS '000	TZS '000
Authorised and paid up share capital	<u>100,000,000</u>	<u>100,000,000</u>

The Authorised and paid up capital of the Bank is determined in accordance with Section 17(i) of the Bank of Tanzania Act, 2006.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

40. RESERVES

	30.06.2024	30.06.2023
	TZS '000	TZS '000
(a) General Reserve	909,192,069	805,869,834
(b) Capital Reserve	99,262,908	99,262,908
(c) Equalisation Reserve	446,798,755	392,426,269
(d) Reserve for Projects	153,809,186	23,809,186
(e) Staff Housing Fund	162,518,047	153,318,143
(f) Foreign Exchange Revaluation Reserve	300,102,960	(107,860,374)
(g) Securities Revaluation Reserve	(112,587,732)	(248,144,028)
(h) Financial Sector Development Fund	56,863,723	50,690,731
(i) Reserve for Dividend	300,000,000	100,000,000
(j) Defined Benefit Reserves	(55,643,328)	(29,562,585)
	2,260,316,588	1,239,810,084

(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 Act requires the Bank to 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 transfers not less than ten percent of profits to the General Reserve Fund. During the year ended 30 June 2024, the Bank transferred TZS 103,322.2 million to general reserve. As at 30 June 2024 the reserve had a balance of TZS 909,192.1 million (2023: TZS 805,869.8 million).

(b) Capital Reserve

The Capital Reserve was established on 30 June 2002. 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 2024, the reserve had the same balance as it was on 30 June 2023 of TZS 99,262.9 million.

(c) Equalisation Reserve

The reserve was established on 30 June 2006 as foreign exchange equalisation reserve and amended on 30 June 2015 to include cushion for future losses on fair value movements on securities. The reserve acts as a cushion against any significant future losses, which may arise from significant appreciation of Tanzanian Shilling compared to other international currencies, and unfavourable movement in market prices of financial instruments measured at fair value. The reserve is also available to absorb unrealised losses that cannot be absorbed by the opening balances in that account.

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. During the year ended 30 June 2024, the Bank transferred TZS 54,372.5 million to this reserve. As at 30 June 2024, the reserve had a balance of TZS 446,798.8 million (2023: TZS 392,426.3 million).



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

40. RESERVES (CONTINUED)

(d) Reserve for Projects

This reserve was established by a resolution of the Bank's Board of Directors on 30 June 1992. The purpose of the reserve is to provide funds for financing major capital projects and special funds of the Bank. On an annual basis, the Board determines the amount to be appropriated from the distributable profit to the reserve. During the year ended 30 June 2024, TZS 130,000.0 million was transferred to this reserve. As at 30 June 2024 the reserve had a balance of TZS 153,809.2 million (2023: TZS 23,809.2 million).

(e) Staff Housing Fund

The Staff Housing Fund was established by a resolution of the Board of Directors on 30 June 1990. The purpose of this Fund is to finance housing loans to Bank's employees. On an annual basis, the Board determines the amount to be appropriated from the distributable profit to the reserve. As at 30 June 2024, the Fund had a balance of TZS 162,518.0 million (2023: TZS 153,318.1 million). The increase during the year was on account of interest earned from Fund's investments.

(f) Financial Sector Development Fund

This is a Fund established by the Board on 30 June 2016 pursuant to Section 18(1) (d) of the Bank of Tanzania Act, 2006 to foster execution of the Bank's mandate on financial sector development. The fund complements donor funds directed towards financial sector reforms. As at 30 June 2024, the fund had TZS 56,863.7 million (2023: TZS 50,690.7 million). The increase is on account of interest income earned from the Fund's investments.

(g) Securities Revaluation Reserve

The Bank maintains Securities Revaluation Reserve to account for unrealised gains and losses arising from changes in fair value of financial instruments measured at fair value. As at 30 June 2024, the reserve had a total loss of TZS 112,587.7 million (2023: TZS 248,144.0 million).

(h) Foreign Exchange Revaluation Reserve

In accordance with Section 18(4) of the Bank of Tanzania Act, 2006, unrealised gains or losses on foreign exchange are transferred to this reserve account. In accounting for unrealised gains or losses the Bank complies with the requirements of both IFRS and the Bank of Tanzania Act (2006). Pursuant to the requirements of the International Accounting Standard (IAS – 21) the Effects of Changes in Foreign Exchange Rates, all realised and unrealised foreign exchange valuations should be taken to the profit or loss. As at 30 June 2024, the reserve had a total unrealized gain of TZS 300,102.9 million (2023: loss of TZS 107,860.4 million).

Both realised and unrealised foreign exchange gains or losses are taken to profit or loss for the purposes of determination of profit or loss for the year. Until such gains or losses are realised, they are not available for distribution; in the interim, the unrealised amounts are reflected in the Foreign Exchange Revaluation Reserve.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

40. RESERVES (CONTINUED)

(i) Reserve for Dividend

This reserve accommodates the amount declared a dividend payable to the Government (shareholder) after end of the accounting period. During the year ended 30 June 2024, the Bank declared dividend of TZS 300,000.0 million. As at 30 June 2024, the dividend reserve had a balance of TZS 300,000.0 million (2023: TZS 100,000.0 million).

(j) Defined Benefit Reserve

This reserve was established in June 2013 in order to accommodate re-measurements arising from change in actuarial assumptions to ensure compliance with International Accounting Standard (IAS 19 as revised in 2011)- Employee Benefits. During the year ended 30 June 2024 an actuarial loss of TZS 26,080.7 million (2023: gain of TZS 4,550.0 million) was recorded following revision of actuarial assumptions. As at 30 June 2024, the reserve had a loss balance of TZS 55,643.3 million (2023: TZS 29,562.3 million).



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

41. CASH GENERATED FROM/USED IN OPERATING ACTIVITIES

		<u>30.06.2024</u>	<u>30.06.2023</u>
		<u>TZS '000</u>	<u>TZS '000</u>
Profit before tax	Notes	1,033,222,354	60,400,963
Adjustment for:			
Depreciation and impairment of property and equipment	28	27,309,813	24,760,248
Unrealized loss/(gains) on foreign exchange revaluation and price	7&10	(351,081,064)	172,464,153
Carrying amount of fixed assets reclassified to Profit or Loss		-	1,543,404
Amortisation of intangible assets	29	2,276,945	1,679,732
Net (gain)/loss on disposal of property and equipment	28	15,037	(3)
Reversal on provision for impairment on inventories	9	(77,676)	-
Gain on provision of ECL on Financial instruments	9	(398,787)	(912,064)
Provision for retirement benefit		-	6,572,392
Initial loss on Fair valuation of government bonds	14	99,851,322	-
Net loss/ (gain)on disposal of foreign currency marketable securities	10	(13,176,708)	7,080,990
		797,941,236	273,589,815
Changes in working capital			
Decrease in escrow assets		-	11,278,779
(Increase)/decrease in items in course of settlement		(379,383,625)	368,116,969
Increase in advances to Government		(579,102,755)	(2,362,402,905)
(Increase)/decrease in loans and receivables		(398,302,753)	117,125,484
Decrease in inventories		264,588	288,781
Decrease in deferred currency costs		40,703,852	7,292,811
(Increase)/decrease in other assets		176,455,215	(222,435,010)
Increase in foreign currency financial liabilities		971,989,075	419,365,846
(Decrease)/increase in deposits*		(1,032,726,468)	827,215,041
(Decrease)Increase in other liabilities and provisions**		1,607,275	(20,111,577)
Net changes in working capital		(1,198,495,596)	(854,265,781)
Net cash (used)/ generated from operating activities		(400,554,360)	(580,675,966)

*Included in deposits is an amount in respect of other deposit, deposit banks and non-bank financial institutions

** Included in other liabilities and provisions is an amount in respect of provisions, retirement benefit obligations and other liabilities. The movement excludes the lease liability movement in other liability of TZS 671.1 million reported under cash flows from financing activities as per IFRS 16. Also, the movement it excludes actuarial loss of TZS 26,080.7 million reported under other comprehensive income.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT

42.1 Introduction

Risk management process in the Bank is based on the Corporate Risk Management Framework (CRM), policy and guidelines that call for an integrated approach to ensure that all risks inherent in the operations are effectively managed; so that the Bank can in turn attain its strategic goals and objectives.

While fulfilling its mandate, the Bank carries out a wide range of activities from implementing monetary policy to monitoring, regulating and supervising the financial system. These activities include, managing foreign reserves and banking system liquidity, providing payment systems and settlement services, banking services to the government, and issuing currency.

Bank's activities in managing foreign exchange reserves, implementing monetary policy and managing liquidity in the banking sector necessitate the use of financial instruments. The majority of the Bank's financial risks arise from these activities, which involve trading in foreign and local currency assets and liabilities. In the course of carrying out these activities, the Bank is likely to encounter financial and non-financial risk.

The main financial risks that the Bank is exposed to include; foreign currency risk, interest rate risk, credit risk, and liquidity risk. The non-financial risks have been elaborated in the Report by Those Charged with Governance under the key risks and uncertainties section

The financial risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Bank.

The Bank's risks are measured to reflect both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss based on quantitative factors. The quantitative factors use models which 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.

The financial risk is analysed and reported to management on timely basis. As part of its financial risk management, the Bank uses various limits specified in the policy and guidelines to manage exposures to various risks.

42.2 Risk management structure

The Bank's management seeks to ensure that effective risk management processes exist for assessing, managing and monitoring risk, within clear risk policies and frame work. The Bank identifies, assesses and manages risk at both Corporate ('top-down') and business ('bottom-up') level, thus risk management is the responsibility of all employees. Heads of business units have a responsibility to evaluate their risk environment, put in place appropriate controls and monitor the effectiveness of these controls.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (Continued)

There are governance arrangements within the Bank as set out in a Corporate Risk Management Framework (approved by the Board of Directors) and documented authorities for implementation of risk management and oversight of the Bank's operations. Finance and Investment Committee oversee corporate risk management as implemented by the Bank's management in ensuring that agreed standards and policies are followed. The Risk Management department is responsible for analysing the financial and operation risks faced by the Bank in its operations, and exercising control on these risks as they are taken through those operations. The Internal Audit function is responsible for providing an independent evaluation of risk management, implementation and reviewing corporate risk profile.

Classification and measurement of financial instruments

The Bank performed a detailed analysis of its business models for managing financial assets and analysis of their cash flow characteristics. After the assessment the Bank did not make any changes on the business model.

IFRS 9 Financial Instruments: Recognition and Measurement outlines the requirements for the recognition and measurement of financial assets and liabilities. Financial instruments are initially recognised when an entity becomes a party to the contractual provisions of the instrument, and are classified into various categories depending upon the type of instrument, which then determines the subsequent measurement of the instrument. IFRS 9 classification is based on two aspects: the business model within which the asset is held (the business model test) and the contractual cash flows of the asset which meet The Solely Payments of Principal and Interest ('SPPI') test.

Credit risk is the risk of loss due to a borrower or counterparty failing to meet their financial obligations to the Bank in accordance with agreed terms. The Bank credit risk exposure includes both direct exposures and contingent exposures. Direct credit exposure arises from 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. Whereby contingent credit exposures relate to banknote issuance and circulation activities.

The Bank's maximum exposure to credit risk for each class of recognised financial asset is the carrying amount of those assets as indicated in the Statement of Financial Position. Credit risk for Foreign Reserves Management is monitored and managed through rating agencies analysis and Internal Credit tools. Exposures are controlled through comprehensive individual counterparty credit limit and issuer credit rating by the International Credit Rating Agencies. The Bank confines its investment to high credit quality issuers and counterparties mainly comprising of foreign governments, suprationals, international financial institutions and government guaranteed agencies.

The institutions eligible for investment placements and transactions are selected based on criteria set in Investment Management Policy and Guidelines.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (Continued)

The investment policy requires issuers/counterparties to be considered for foreign reserve investments to have minimum credit rating criteria of "A" and the counterparty/issuer must be rated by at least two rating agencies among S&P Global Ratings, Moody's Rating and Fitch Ratings. For brokerage services of fixed income and foreign exchange transactions, the counterparties must have a rating of F-2, A-2 and P-2 by at least two of rating agencies. With regard to individual counterparty exposure, the limit is set in the investment management guidelines takes into consideration Internal Credit Rating, Public Rating Agencies Analysis and strength of business relationship.

Overall, the credit risk assumed during financial year 2023/24 operations remained 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.

(a) Credit risk

Total assets of the Bank exposed to credit risk as of 30 June 2024 with its comparative figures are presented in the table below according to the classification of assets (classification foreign denominated assets is based on credit ratings published by Standard and Poor's)

Description	30.06.2024		30.06.2023	
	TZS '000	Share (%)	TZS '000	Share (%)
Central Banks				
AAA to A	1,588,098,748	6.89	919,609,909	4.35
Foreign Commercial Banks				
AAA to A	4,511,273,345	19.56	4,514,776,491	21.34
BBB to B	-	-	378,332,988	1.79
Foreign currency Operation	6,610,075	0.03	4,561,675	0.02
Accrued interest on deposits	35,161,342	0.15	7,537,856	0.04
Loans, receivables & advances to the government				
NR*	5,685,111,060	24.65	4,707,705,552	22.25
Investment in securities				
Marketable securities	7,809,335,533	33.86	7,011,946,367	33.14
AAA	7,544,053,103		5,139,666,902	
AA+	152,995,389		158,943,405	
AA	112,287,041		325,138,753	
A+	-		1,388,197,307	
Government securities				
(Investment grade)	1,890,434,100	8.20	2,081,966,776	9.84
Other assets (excluding prepayments)				
NR*	157,000,374	0.68	287,940,235	1.36
Holdings of Special Drawing Rights (SDRs)				
NR*	4,306,284	0.02	14,362,672	0.05
Quota in International Monetary Fund (IMF)				
NR*	1,376,270,577	5.96	1,231,998,513	5.82
	23,063,601,438	100.00	21,160,739,034	100.00

* NR - Not Rated

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (Continued)

(a) Credit risk (Continued)

The sectoral classification of the Bank's credit exposure as at 30 June 2024 is as follows:

Details	Foreign Central Banks & 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
2024							
Central Banks, Foreign Commercial Banks							
Demand deposits with Central Banks	946,784,869	-	-	-	-	-	946,784,869
Time deposits with banks and demand deposits with commercial banks	641,313,879	-	614,502	4,545,820,185	-	-	5,187,748,566
Foreign currency operations	-	-	-	-	-	6,610,075	6,610,075
Gold	72,507,124	-	-	-	-	-	72,507,124
Investment in securities							
Foreign Currency Marketable securities	6,272,707,792	1,259,705,800	-	145,441,469	131,480,472	-	7,809,335,533
Government securities	-	-	-	-	-	1,890,434,100	1,890,434,100
Others							
Items in the course of settlement	-	-	-	-	-	7,429,373	7,429,373
Loans, receivables and advances	-	-	714,357,985	-	-	4,970,753,075	5,685,111,060
Other assets (excluding prepayments)	-	-	-	-	-	157,000,374	157,000,374
Holdings of Special Drawing Rights (SDRs)	-	4,306,284	-	-	-	-	4,306,284
Quota in International Monetary Fund (IMF)	-	1,376,270,577	-	-	-	-	1,376,270,577
	7,933,313,664	2,640,282,661	714,972,487	4,691,261,654	131,480,472	7,032,226,997	23,143,537,935





Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (Continued)

(a) Credit risk (Continued)

The sectoral classification of the Bank's credit exposure as at 30 June 2023 is as follows:

Details	Foreign Central Banks & Treasury	TZS '000	Supranational Institutions	TZS '000	Domestic Financial Institutions	TZS '000	Foreign Financial Institutions	TZS '000	Government Guaranteed Agencies	TZS '000	Tanzania Treasury	TZS '000	Total
2023													
Central Banks, Foreign Commercial Banks													
Demand deposits with Central Banks	919,609,909		-		-		-		-		-		919,609,909
Time deposits with banks and demand deposits with commercial banks	2,431,777,097		-	539,445	2,468,275,419		-		-		-		4,900,591,961
Foreign currency operations	-		-	-	-		-		-		4,561,675		4,561,675
Investment in securities													
Foreign Currency Marketable securities	5,765,616,930	1,055,312,689	-	-	-	112,612,463	78,404,285	-	-	-	-	7,011,946,367	
Government securities	-	-	-	-	-	-	-	-	-	2,081,966,776	-	2,081,966,776	
Others													
Loans, receivables and advances	-	-	314,277,199	-	-	-	-	-	-	4,384,438,958	-	4,698,716,157	
Other assets (excluding prepayments)	-	-	-	-	-	-	-	-	-	287,406,837	-	287,406,837	
Holdings of Special Drawing Rights (SDRs)	-	14,362,672	-	-	-	-	-	-	-	-	-	14,362,672	
Quota in International Monetary Fund (IMF)	-	1,231,998,513	-	-	-	-	-	-	-	-	-	1,231,998,513	
	9,117,003,936	2,301,673,874	314,816,644	2,580,887,882	78,404,285	6,758,374,246	21,151,160,867						



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (Continued)

(a) Credit risk (Continued)

An analysis of the Bank's assets and liabilities by geographical concentrations as at 30 June 2024 is as follows:

Details	Tanzania	USA	UK	Other European Countries	China	Other Countries	Total
2024	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000
Assets							
Cash and balances with central banks & other banks	7,790,854	1,333,225,538	1,180,385,278	2,358,535,225	924,382,716	336,823,899	6,141,143,510
Items in course of settlement	7,429,373	-	-	-	-	-	7,429,373
Holdings of Special Drawing Rights (SDRs)	-	4,306,284	-	-	-	-	4,306,284
Quota in International Monetary Fund (IMF)	-	1,376,270,577	-	-	-	-	1,376,270,577
Foreign currency marketable securities	-	5,387,856,811	386,917,501	666,820,072	872,547,715	495,193,434	7,809,335,533
Gold	-	-	72,507,124	-	-	-	72,507,124
Government securities	1,890,434,100	-	-	-	-	-	1,890,434,100
Advances to the Government	4,963,541,713	-	-	-	-	-	4,963,541,713
Loans and receivables	721,569,347	-	-	-	-	-	721,569,347
Other assets (excluding prepayments)	157,000,374	-	-	-	-	-	157,000,374
Total assets	7,747,765,761	8,101,659,210	1,639,809,903	3,025,355,297	1,796,930,431	832,017,333	23,143,537,935
Liabilities							
Currency in circulation	8,039,712,116	-	-	-	-	-	8,039,712,116
Deposits - banks and non-banks financial institutions	3,914,794,902	-	-	-	-	-	3,914,794,902
Deposits - others	2,263,016,916	-	-	-	-	-	2,263,016,916
Foreign currency financial liabilities	4,025,045,276	-	-	-	-	-	4,025,045,276
Repurchase agreements	-	-	-	-	-	-	-
BoT liquidity papers	540,569,079	-	-	-	-	-	540,569,079
Other liabilities	55,352,051	-	-	-	-	-	55,352,051
Lease Liability	483,545	-	-	-	-	-	483,545
IMF related liabilities	-	1,169,639,527	-	-	-	-	1,169,639,527
Allocation of Special Drawing Rights (SDRs)	-	1,991,634,410	-	-	-	-	1,991,634,410
Total liabilities	18,838,973,885	3,161,273,937	--	-	-	-	22,000,247,822



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (Continued)

(a) Credit risk (Continued)

An analysis of the Bank's assets and liabilities by geographical concentrations as at 30 June 2023 is as follows:

Details	Tanzania TZS '000	USA TZS '000	UK TZS '000	Other European Countries TZS '000	China TZS '000	Other Countries TZS '000	Total TZS '000
2023							
Assets							
Cash and balances with central banks & other banks	10,244,885	1,867,311,328	80,869,680	1,956,587,780	1,117,870,428	791,910,101	5,824,794,202
Holdings of Special Drawing Rights (SDRs)	-	14,362,672	-	-	-	-	14,362,672
Quota in International Monetary Fund (IMF)	-	1,231,998,513	-	-	-	-	1,231,998,513
Foreign currency marketable securities	-	4,568,175,362	325,138,753	239,083,013	1,391,213,812	488,335,427	7,011,946,367
Government securities	2,081,966,776	-	-	-	-	-	2,081,966,776
Advances to the Government	4,384,438,958	-	-	-	-	-	4,384,438,958
Loans and receivables	323,266,594	-	-	-	-	-	323,266,594
Other assets (excluding prepayments)	287,406,837	-	-	-	-	-	287,406,837
Total assets	7,087,324,050	7,681,847,875	406,008,433	2,195,670,793	2,509,084,240	1,280,245,528	21,160,180,919
Liabilities							
Currency in circulation	7,192,010,828	-	-	-	-	-	7,192,010,828
Deposits - banks and non-banks financial institutions	4,341,042,181	-	-	-	-	-	4,341,042,181
Deposits - others	2,869,496,105	-	-	-	-	-	2,869,496,105
Items in course of settlement	371,954,252	-	-	-	-	-	371,954,252
Foreign currency financial liabilities	2,766,201,612	-	-	-	-	297,835	2,766,499,447
Repurchase agreements	125,034,465	-	-	-	-	-	125,034,465
BoT liquidity papers	546,150,668	-	-	-	-	-	546,150,668
Other liabilities	59,824,213	-	-	-	-	-	59,824,213
Lease Liability	1,152,651	-	-	-	-	-	1,152,651
IMF related liabilities	1,047,028,240	-	-	-	-	-	1,047,028,240
Allocation of Special Drawing Rights (SDRs)	-	1,782,136,232	-	-	-	-	1,782,136,232
Total liabilities	19,319,895,215	1,782,136,232	--	-	-	297,835	21,102,329,282



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (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 system. 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.

Details	Neither past due nor impaired	Past due but not impaired	Individually impaired	Total
	TZS '000	TZS '000	TZS '000	TZS '000
30.06.2024				
Cash and cash equivalents	6,140,940,579	202,931	-	6,141,143,510
Items in the course of settlements	7,429,373			7,429,373
Foreign currency marketable securities	7,809,302,137	33,396	-	7,809,335,533
Gold	72,507,124			72,507,124
Government securities	1,890,434,100	-	-	1,890,434,100
Loans, receivables and advances	5,676,592,798	3,374,263	5,144,000	5,685,111,060
Other assets (excluding prepayments)	157,000,374	-	-	157,000,374
Holdings of Special Drawing Rights (SDRs)	4,306,284	-	-	4,306,284
Quota in International Monetary Fund	1,376,270,577	-	-	1,376,270,577
	23,134,783,346	3,610,590	5,144,000	23,143,537,935
30.06.2023				
Cash and cash equivalents	5,824,663,618	130,584	-	5,824,794,202
Foreign currency marketable securities	7,011,946,367	-	-	7,011,946,367
Government securities	2,081,966,776	-	-	2,081,966,776
Loans, receivables and advances	4,698,716,157	3,845,395	5,144,000	4,707,705,552
Other assets (excluding prepayments)	287,406,837	-	-	287,406,837
Holdings of Special Drawing Rights (SDRs)	14,362,672	-	-	14,362,672
Quota in International Monetary Fund	1,231,998,513	-	-	1,231,998,513
	21,151,060,940	3,975,979	5,144,000	21,160,180,919

Details on provision for impairment losses on loans and receivables have been provided under **Note 16 and 24**. The Bank does not hold collateral for financial liabilities pledged as security.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (Continued)

(a) Credit risk (Continued)

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 pay-out 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.

	<u>30.06.2024</u>	<u>30.06.2023</u>
	Gross Maximum Exposure	Gross Maximum Exposure
	TZS '000	TZS '000
Cash and cash equivalents	6,141,143,510	5,824,794,202
Items in the course of settlements	7,439,373	-
Foreign currency marketable securities	7,809,335,533	7,011,946,367
Gold	72,507,124	-
Government securities	1,890,434,100	2,081,966,776
Loans, receivables and advances	5,685,111,060	4,698,716,157
Other assets (Excluding prepayments)	157,000,374	287,406,837
Holdings of Special Drawing Rights (SDRs)	4,306,284	14,362,672
Quota in International Monetary Fund	1,376,270,577	1,231,998,513

The Bank's maximum exposure to credit risk for each class of recognised financial assets, other than derivatives, is the carrying amount of those assets as indicated in the Statement of Financial Position. The maximum exposure to credit risk for derivatives at the reporting date is detailed below. Swaps are settled on gross terms but recorded on net basis. The net values of derivatives are as follows:

	<u>Asset (Liabilities)</u>
	TZS '000
2024	
Swap	(2,608,270.9)
2023	
Swap	(6,354,832.5)



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (Continued)

(a) Credit risk (Continued)

Expected Credit Loss allowance disclosure

The following table explain movement of the loss allowance for the year ended 30 June 2024 due to change in credit risk factors:

	Stage 1 12-month ECL TZS 000	Stage 2 Lifetime ECL TZS 000	Stage 3 Lifetime ECL TZS 000	Total TZS 000
Loss allowance-Cash and balances with central banks and other banks				
Loss allowance as at 30 June 2023	130,585	-	-	130,585
Movements with impact in the Statement of Profit or Loss				
New financial assets originated or purchased	196,766	-	-	196,766
Financial assets that have been derecognised	(91,414)			(91,414)
Changes in risk parameters	(33,006)	-	-	(33,006)
Loss allowance as at 30 June 2024	202,931	-	-	202,931

	Stage 1 12-month ECL TZS '000	Stage 2 Lifetime ECL TZS '000	Stage 3 Lifetime ECL TZS '000	Total TZS '000
Loss allowance – Loans and receivables				
Loss allowance as at 30 June 2023	778,585	467,530	7,743,280	8,989,395
Changes in the loss allowance				
Transfer to stage 1	248,735	-	(248,735)	-
Transfer to stage 2	(38)	57,183	(57,145)	-
Transfer to stage 3	(2,567)	(33,283)	35,850	-
Movements with impact in the income statement				
New financial assets originated or purchased	141,517	6,203	0	147,720
Financial assets that have been derecognised	(99,787)	(11,009)	(11,624)	(122,420)
Changes in risk parameters	(177,647)	(121,916)	(196,869)	(496,432)
Total impact to the income statement	(135,917)	(126,722)	(208,493)	(471,132)
Loss allowance as at 30 June 2024	888,798	364,708	7,264,757	8,518,263



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (Continued)

(a) Credit risk (Continued)

The following table explain movement of the loss allowance for the year ended 30 June 2023 due to change in credit risk factors:

	Stage 1 12-month ECL TZS 000	Stage 2 Lifetime ECL TZS 000	Stage 3 Lifetime ECL TZS 000	Total TZS 000
Loss allowance-Cash and balances with central banks and other banks				
Loss allowance as at 30 June 2022	44,935	-	-	44,935
Movements with impact in the Statement of Profit or Loss				
New financial assets originated or purchased	16,738	-	-	16,738
Financial assets that have been derecognised	-	-	-	-
Changes in risk parameters	68,912	-	-	68,912
Loss allowance as at 30 June 2023	130,585	-	-	130,585

	Stage 1 12-month ECL TZS '000	Stage 2 Lifetime ECL TZS '000	Stage 3 Lifetime ECL TZS '000	Total TZS '000
Loss allowance – Loans and receivables				
Loss allowance as at 30 June 2022	818,971	297,403	8,870,736	9,987,110
Changes in the loss allowance				
Transfer to stage 1	102,363	-	(102,363)	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	(102,363)	-	102,363	-
Movements with impact in the income statement				
New financial assets originated or purchased	137,734	-	3,236	140,970
Financial assets that have been derecognised	(72,822)	(1,130)	(992,106)	(1,066,058)
Changes in risk parameters	(105,298)	171,257	(138,586)	(72,627)
Total impact to the income statement	(40,386)	170,127	(1,127,456)	(997,715)
Loss allowance as at 30 June 2023	778,585	467,530	7,743,280	8,989,395



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (Continued)

(a) Credit risk (Continued)

	Stage 1 12-month ECL TZS 000	Stage 2 Lifetime ECL TZS 000	Stage 3 Lifetime ECL TZS 000	Total TZS 000
Gross carrying amount-Cash and balances with central banks and other banks				
Gross carrying amount as at 30 June 2023	5,824,794,202	-	-	5,824,794,202
Movements with impact in the Statement of Financial Position				
New financial assets originated or purchased	4,400,131,132	-	-	4,400,131,132
Financial assets that have been derecognised	(4,083,781,824)	-	-	(4,083,781,824)
Gross carrying amount as at 30 June 2024	6,141,143,510	-	-	6,141,143,510

The following table explain movement of the gross exposure for the year ended 30 June 2024 due to change in credit risks factors

	Stage 1 12-month ECL TZS '000	Stage 2 Lifetime ECL TZS '000	Stage 3 Lifetime ECL TZS '000	Total TZS '000
Gross carrying amount Loans and receivables				
Gross carrying amount as at 30 June 2023	314,395,397	393,032	8,478,165	323,266,594
Changes in the loss allowance(gross amount)				
Transfer to stage 1	293,816	-	(293,816)	-
Transfer to stage 2	(3,666)	71,168	(67,502)	-
Transfer to stage 3	(185,669)	(57,465)	243,134	-
Movements with Impact in the Statement of Financial Position				
New financial assets originated or purchased	417,330,762	412,983	0	417,743,745
Financial assets that have been derecognised	(18,412,758)	(71,305)	(92,997)	(18,577,060)
Total impact in the Statement of Financial Position	398,918,004	341,678	(92,997)	399,166,685
Gross carrying amount Loans and receivables as at 30 June 2024	713,417,882	748,413	8,266,984	722,433,279



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (Continued)

(a) Credit risk (Continued)

	Stage 1 12-month ECL TZS 000	Stage 2 Lifetime ECL TZS 000	Stage 3 Lifetime ECL TZS 000	Total TZS 000
Gross carrying amount-Cash and balances with central banks and other banks				
Gross carrying amount as at 30 June 2022	4,482,436,586		-	4,482,436,586
Movements with impact in the Statement of Financial Position				
New financial assets originated or purchased	1,342,357,616	-	-	1,342,357,616
Financial assets that have been derecognised	-			-
Gross carrying amount as at 30 June 2023	5,824,794,202	-	-	5,824,794,202

The following table explain movement of the gross exposure for the year ended June 2023 due to changes in credit risk factors

	Stage 1 12-month ECL TZS '000	Stage 2 Lifetime ECL TZS '000	Stage 3 Lifetime ECL TZS '000	Total TZS '000
Gross carrying amount Loans and receivables				
Gross carrying amount as at 30 June 2022	102,997,376	468,165	10,154,691	113,620,232
Changes in the loss allowance(gross amount)				
Transfer to stage 1	227,473	-	(227,473)	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	(377,869)	-	377,869	-
Movements with Impact in the Statement of Financial Position				
New financial assets originated or purchased	222,861,721	-	3823	222,865,544
Financial assets that have been derecognised	(11,313,304)	(75,133)	(1,830,745)	(13,219,182)
Total impact in the Statement of Financial Position	211,548,417	(75,133)	(1,826,922)	209,646,362
Gross carrying amount Loans and receivables as at 30 June 2023	314,395,397	393,032	8,478,165	323,266,594



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (Continued)

(a) Credit risk (Continued)

Exposure to Credit Risk

Maximum exposure to credit risk — Financial instruments subject to impairment

The following table contains an analysis of the credit risk exposure of financial instruments for which an ECL allowance is recognised. The gross carrying amounts of financial asset below represent the Bank's maximum exposure to credit risk on these assets, including commitment on loans.

	<u>30 June 2024</u>			<u>30 June 2023</u>	
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total	Total
	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000
Investment grade**	22,185,031,717	-	-	22,185,031,717	19,875,975,952
Standard monitoring*	713,417,882	748,413	3,122,984	717,329,279	114,578,834
Default	-	-	5,144,000	5,144,000	5,144,000
Gross carrying amount	22,898,449,599	748,413	8,266,984	22,907,504,996	19,995,698,786
Loss allowance	(1,091,729)	(364,708)	(7,264,757)	(8,721,194)	(9,119,980)

**Investment grade includes, cash and cash equivalent, Marketable Securities, Holding of SDR, Quota in IMF, advances to Government and Government Securities.

* Standard monitoring includes, advances to commercial banks, Staff loans, and other loans and receivables

Collateral and other credit enhancements. The Bank obtains collateral where appropriate, from Staff to manage their credit risk exposure to the Bank staff. The collateral is in the form of staff properties and staff internal terminal benefits.

Write-off policy

- The Bank writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include (i) ceasing enforcement activity and (ii) where the Bank's recovery method is foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of recovering in full.
- The Bank may write-off financial assets that are still subject to enforcement activity. The Bank will seek to recover amounts it is legally owed in full, but which have been fully or partially written off due to no reasonable expectation of full recovery.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (Continued)

(b) Liquidity risk

This arises from inability of the Bank to meet its own foreign exchange and government obligations without incurring huge price concession. The Bank does not have liquidity risk for financial liabilities denominated in Tanzanian shillings as the Bank can meet these liabilities through market operations

Due to its nature of business (externalisation 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 categorizes its foreign exchange reserves into Liquidity, Investment, Stable, Special Purposes and Investment tranches. The liquidity tranche is intended to meet both anticipated and unanticipated monthly cash requirements thus matching both on and off Statement of Financial Position foreign assets and liabilities. The tranche is monitored on a daily basis and is comprised of highly liquid short-term financial instruments.

The table below analyses the assets and liabilities of the Bank into relevant maturity based on the remaining period at Statement of Financial Position date to contractual maturity date.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (Continued)

((b) Liquidity risk (Continued))

By contractual maturity analysis of financial instruments

Details	Up to 1 Month	From 1 to 3 Months	From 3 to 12 Months	From 1 to 5 Years	Over 5 Years	Total
2024	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000
Assets						
Cash and balances with central banks & other banks	2,988,175,951	1,882,663,400	1,270,304,159	-	-	6,141,143,510
Items in course of settlement	7,429,373	-	-	-	-	7,429,373
Holdings of Special Drawing Rights (SDRs)	4,306,284	-	-	-	-	4,306,284
Quota in International Monetary Fund (IMF)	-	-	-	-	1,376,270,577	1,376,270,577
Foreign currency marketable securities	819,497,093	-	1,778,940,188	3,820,971,018	1,389,927,234	7,809,335,533
Gold	72,507,124	-	-	-	-	72,507,124
Equity investment	-	-	-	-	152,422,756	152,422,756
Government securities	3,271,127	-	584,247,983	1,232,283,508	70,631,482	1,890,434,100
Advance to the Government	4,963,541,713	-	-	-	-	4,963,541,713
Loans and receivables	58,731,086	578,656,338	1,218,808	26,008,395	56,954,720	721,569,347
Other assets (excluding prepayments)	43,885,179	56,863,723	-	56,251,472	-	157,000,374
Total assets	8,961,344,930	2,518,183,461	3,634,711,138	5,135,514,393	3,046,206,769	23,295,960,691
Liabilities						
Currency in circulation	8,039,712,116	-	-	-	-	8,039,712,116
Deposit - banks and non-banks financial institutions	3,914,794,902	-	-	-	-	3,914,794,902
Deposit others	2,263,016,916	-	-	-	-	2,263,016,916
Foreign currency financial liabilities	4,025,045,276	-	-	-	-	4,025,045,276
Repurchase Agreements	-	-	-	-	-	-
BOT liquidity papers	2,387,514	27,443,628	510,737,937	-	-	540,569,079
Other liabilities	55,352,051	-	-	-	-	55,352,051
Lease liability	-	-	84,619	338,476	6,007,456	6,430,551
IMF Related Liabilities	1,169,639,527	-	-	-	-	1,169,639,527
Allocation of Special Drawing Rights (SDRs)	-	-	-	-	1,991,634,410	1,991,634,410
Total liabilities	19,469,948,302	27,443,628	510,822,556	338,476	1,997,641,866	22,006,194,828
Net liquidity gap	(10,508,603,372)	2,490,739,833	3,123,888,582	5,135,175,917	1,048,564,903	1,289,765,863



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (Continued)

(b) Liquidity risk (Continued)

The table below analyses the assets and liabilities of the Bank into relevant maturity based on the remaining period at Statement of Financial Position date to contractual maturity date.

By contractual maturity analysis of financial instruments

Details 2023	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
Assets						
Cash and balances with central banks & other banks	3,778,234,954	1,354,592,023	691,967,225	-	-	5,824,794,202
Holdings of Special Drawing Rights (SDRs)	14,362,672	-	-	-	-	14,362,672
Quota in International Monetary Fund (IMF)	-	-	-	-	1,231,998,513	1,231,998,513
Foreign currency marketable securities	696,345,819	-	1,764,908,778	4,477,707,678	72,984,092	7,011,946,367
Equity investment	-	-	-	-	118,230,124	118,230,124
Government securities	-	67,822,164	818,337,337	1,126,039,040	69,768,235	2,081,966,776
Advance to the Government	4,384,438,958	-	-	-	-	4,384,438,958
Loans and receivables	66,914,426	184,726,090	1,354,335	11,143,694	59,128,049	323,266,594
Other assets (excluding prepayments)	180,453,201	50,690,730	-	56,262,906	-	287,406,837
Total assets	9,120,750,030	1,657,831,007	3,276,567,675	5,671,153,318	1,552,109,013	21,278,411,043
Liabilities						
Currency in circulation	7,192,010,828	-	-	-	-	7,192,010,828
Deposit - banks and non-banks financial institutions	4,341,042,179	-	-	-	-	4,341,042,179
Deposit others	2,869,496,105	-	-	-	-	2,869,496,105
Foreign currency financial liabilities	2,766,499,447	-	-	-	-	2,766,499,447
Items in course of settlement	371,954,252	-	-	-	-	371,954,252
Repurchase Agreements	125,034,465	-	-	-	-	125,034,465
BOT liquidity papers	26,936,804	263,403,432	255,810,433	-	-	546,150,669
Other liabilities	59,824,209	-	-	-	-	59,824,209
Lease liability	-	-	802,783	337,380	6,007,456	7,147,619
IMF Related Liabilities	1,047,028,240	-	-	-	-	1,047,028,240
Allocation of Special Drawing Rights (SDRs)	-	-	-	-	1,782,136,232	1,782,136,232
Total liabilities	18,799,826,529	263,403,432	256,613,216	337,380	1,788,143,688	21,108,324,245
Net liquidity gap	(9,679,076,499)	1,394,427,575	3,019,954,459	5,670,815,938	(236,034,675)	170,086,798



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (Continued)

(b) Liquidity risk (Continued)

The following tables detail the Bank's maturity profiles of both financial assets and liabilities.

2024	Less than 12 months	Over 12 months	Total
Assets	TZS '000	TZS '000	TZS '000
Cash and balances with central banks & other banks	6,141,143,510	-	6,141,143,510
Items in course of settlement	7,429,373	-	7,429,373
Holdings of Special Drawing Rights (SDRs)	4,306,284	-	4,306,284
Quota in International Monetary Fund	-	1,376,270,577	1,376,270,577
Foreign Currency Marketable securities	2,598,437,281	5,210,898,252	7,809,335,533
Gold	72,507,124	-	72,507,124
Equity investment	-	152,422,756	152,422,756
Government securities	587,519,110	1,302,914,990	1,890,434,100
Advance to the Government	4,963,541,713	-	4,963,541,713
Loans and receivables	638,606,231	82,963,116	721,569,347
Other assets (excluding prepayments)	100,748,902	56,251,472	157,000,374
	15,114,239,528	8,181,721,163	23,295,960,691
Liabilities			
Currency in circulation	8,039,712,116	-	8,039,712,116
Deposit - banks and non-banks financial institutions	3,914,794,902	-	3,914,794,902
Deposit – Others	2,263,016,916	-	2,263,016,916
Foreign currency financial liabilities	4,025,045,276	-	4,025,045,276
Repurchase agreements	-	-	-
BOT liquidity papers	540,569,079	-	540,569,079
Other liabilities	55,352,051	-	55,352,051
Lease liability	84,619	6,345,932	6,430,551
IMF related liabilities	1,169,639,527	-	1,169,639,527
Allocation of Special Drawing Rights (SDRs)	-	1,991,634,410	1,991,634,410
Total liabilities	20,008,214,486	1,997,980,342	22,006,194,828
Net Liquidity gap	(4,893,974,958)	6,183,740,821	1,289,765,863



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (Continued)

(b) Liquidity risk (Continued)

The following tables detail the Bank's maturity profiles of both financial assets and liabilities.

2023	Less than 12 months	Over 12 months	Total
Assets	TZS '000	TZS '000	TZS '000
Cash and balances with central banks & other banks	5,824,794,202	-	5,824,794,202
Holdings of Special Drawing Rights (SDRs)	14,362,672	-	14,362,672
Quota in International Monetary Fund	-	1,231,998,513	1,231,998,513
Foreign Currency Marketable securities	2,461,254,597	4,550,691,770	7,011,946,367
Equity investment	-	118,230,124	118,230,124
Government securities	886,159,502	1,195,807,274	2,081,966,776
Advance to the Government	4,384,438,958	-	4,384,438,958
Loans and receivables	252,994,852	70,271,742	323,266,594
Other assets (excluding prepayments)	231,143,931	56,262,906	287,406,837
	14,055,148,714	7,223,262,329	21,278,411,043
Liabilities			
Currency in circulation	7,192,010,828	-	7,192,010,828
Deposit - banks and non-banks financial institutions	4,341,042,180	-	4,341,042,180
Deposit – Others	2,869,496,105	-	2,869,496,105
Foreign currency financial liabilities	2,766,499,447	-	2,766,499,447
Items in course of settlement	371,954,252	-	371,954,252
Repurchase agreements	125,034,465	-	125,034,465
BOT liquidity papers	546,150,669	-	546,150,669
Other liabilities	59,824,209	-	59,824,209
Lease liability	802,783	6,344,835	7,147,618
IMF related liabilities	1,047,028,240	-	1,047,028,240
Allocation of Special Drawing Rights (SDRs)	-	1,782,136,232	1,782,136,232
Total liabilities	19,319,843,178	1,788,481,067	21,108,324,245
Net Liquidity gap	(5,264,694,464)	5,434,781,262	170,086,798

(c) Interest rate risk

Interest rate risk is the risk that the fair value or cash flows of financial instruments will fluctuate because of movements in market interest rates. The price of marketable securities rises when market interest rates decline, and it falls when market rates rise. Interest rate risk increases with the maturity of a security. Interest rate risk on foreign assets is controlled through limits on the duration of these portfolios. Interest rate risk on Bank's assets is relatively low as most of the portfolio is held in the short-term. As of 30 June 2024, portfolio duration stood at 1.44 years while that of 30 June 2023 was 1.39 years. The tables below show duration and other characteristics of all portfolios.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (Continued)

(c) Interest risk (continued)

Portfolio Characteristics

USD

Asset Type	30.06.2024			30.06.2023		
	Number of Securities	Duration (Years)	USD	Number of Securities	Duration (Years)	TZS '000
Market value of Marketable Securities	104	2.16	2,362,258,152	183	1.94	2,212,677,798.07
Money Markets placements	59	0.23	1,346,578,444	28	0.14	1,082,669,022.00
			3,541,856,940			2,520,957,574

GBP

Asset Type	30.06.2024			30.06.2023		
	Number of Securities	Duration (Years)	USD	Number of Securities	Duration (Years)	TZS '000
Market value of Marketable Securities	15	2.09	147,102,150	8	1.82	144,188,906.09
Money Markets placements	8	0.17	28,012,380	1	0.11	25,401,976.64
			73,679,957			59,147,629

AUD

Asset Type	30.06.2024			30.06.2023		
	Number of Securities	Duration (Years)	USD	Number of Securities	Duration (Years)	TZS '000
Market value of Marketable Securities	4	1.76	46,031,432	4	2.31	66,024,971.13
Money Markets placements	3	0.12	45,084,767	3	0.05	20,677,603.77
			118,584,844			48,147,089

CNY

Asset Type	30.06.2024			30.06.2023		
	Number of Securities	Duration (Years)	USD	Number of Securities	Duration (Years)	TZS '000
Market value of Marketable Securities	16	2.42	413,639,221	26	2.18	588,707,625.95
Money Markets placements	13	0.10	251,948,847	5	0.39	172,579,790.98
			662,692,007			401,846,107



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (Continued)

(c) Interest risk (continued)

Portfolio Value-at-Risk

The Bank also uses Value-at-Risk (VaR) to measure and monitor interest rate risk. VaR is a probabilistic measure of risk, which provides an estimate of the maximum potential loss in the value of the Bank's positions due to adverse interest rate movements over a defined time horizon with a specified confidence level. The Bank applies a one-month time horizon and a 95 percent confidence level to calculate VaR. This means if the portfolio incurs loss under normal conditions, then there is 95 percent chance the maximum expected loss will not exceed the VaR amount. The amount of VaR for major currencies is as follows;

Details	30.06.2024		30.06.2023	
	95% VaR		95% VaR	
	TZS '000		TZS '000	
USD	25,034,367	65,846,997	6,105,370	14,216,144
GBP	1,813,113	4,768,966	524,845	1,222,084
AUD	401,279	1,055,469	199,097	463,591
CNY	2,438,850	6,414,821	280,890	654,042

Sensitivity to interest rate risk

For measuring the sensitivity of the Bank's foreign exchange reserves to interest rate risk, the portfolios are shocked with +1 percent parallel change in the respective government yield curves. The figures below show the effect on the Bank's profit and equity of a movement of +1 percentage point in interest rates, given the level, composition and modified duration of the Bank's foreign reserve as at 30 June 2024.

Details		30.06 2024		30.06 2023
		TZS'000		TZS'000
USD	(44,205,719.69)	(116,272,717.52)	(38,834,803)	(90,425,503)
GBP	(2,040,069.58)	(5,365,921.78)	(2,473,235)	(5,758,842)
CNY	(467,606.02)	(1,229,927.33)	(6,924,023)	(16,122,349)
AUD	(516,578.69)	(1,358,738.38)	(1,441,345)	(3,356,123)

Stress Testing

The Bank performs stress testing to analyse the resilience of its portfolios to extreme volatility changes caused by potential market events. Portfolios are simulated with extreme events which likely lead to high volatility in the market. The portfolios are shocked with past market events that exerted significant volatility in the market in order to estimate the potential decrease in income generated by the portfolio if the similar events are to re-occur. Likewise, the Bank applies interest rate shocks to the portfolio that stem from potential interest rate cut/hike by central banks in its investment universe.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (Continued)

(c) Interest risk (continued)

As bond prices have inverse relation with interest rate, portfolio values will increase when interest rate fall and decrease when interest rate rises. In that regard, interest rate increase of 20bps and 30bps and curve steepening by 50bps constitute the potential worst case scenarios whereas curve flattening by 50bps is considered as a positive scenario. The results of stress testing are provided in Table below.

Amounts in USD equivalent

	Portfolio			
	CNY	AUD	GBP	USD
Worst case scenarios 2024				
Equity Market Shock (DJIA plummets by 22.6%)	(208,665)	(174,258)	(1,070,844)	(10,245,817)
Euro Sovereign Crisis	(4,920,298)	1,726,717.71	2,286,270.33	9,911,798.25
Severe Economic Slowdown (7% contraction of Global GDP)	24,770,832.74	1,380,143.76	11,261,798.60	143,858,949.25
Tension escalation beyond Israel and Palestine	(98,363)	86,203.81	129,113.41	5,978,262.87
Interest rate scenarios				
100 rate hike	(467,606.02)	(516,578.69)	(2,040,069.58)	(44,205,719.69)
50 rate hike.	(233,803.01)	(258,289.34)	(1,020,034.79)	(22,102,859.84)
25 rate hike.	(116,901.51)	(129,144.67)	(510,017.40)	(11,051,429.92)
Interest rate up by 20 bps	(1,695,667.68)	(160,805.26)	(612,617.38)	(8,739,472.45)
Interest rate up by 30 bps	(2,543,501.59)	(241,947.47)	(918,926.10)	(13,109,209.00)
Curve Flattening by 50bps	3,248,902.88	284,356.50	1,479,522.50	20,713,721.18
Curve Steepening by 50bps	(3,248,902.88)	(284,356.50)	(1,471,840.74)	(20,713,721.18)

	Portfolio			
	CNY	AUD	GBP	USD
Worst case scenarios 2023				
Bear Market - SPX Down 20%, Oil down 20% and VIX Up 150%	(274,889.68)	183,879.23	409,553.10	16,947,193.87
Economic Slowdown	(283,780.65)	(110,543.58)	(270,323.30)	1,862,489.32
Debt Ceiling Crisis and Rating Downgrade	2,092,234.57	895,223.91	679,953.94	9,616,599.09
Oil price shock	(630,776.25)	178,395.39	136,644.19	5,051,353.67
Interest rate scenarios				
Interest rate up by 20 bps	(2,015,274.39)	(301,963.35)	(526,071.22)	(7,338,252.24)
Interest rate up by 30 bps	(3,020,501.93)	(448,816.22)	(787,964.97)	(10,989,041.80)
Curve Flattening by 50bps	3,517,713.09	650,005.85	1,071,164.99	16,467,028.90
Curve Steepening by 50bps	(3,480,538.47)	(640,832.47)	(1,058,900.60)	(16,265,314.16)

The results of stress testing provided in the above table indicate that except for CNY portfolio which is slightly vulnerable to high market volatility and extreme shocks in stocks and oil markets due to safe haven stance, other portfolios show high resilience to these shocks. Similarly, the interest rate scenarios indicate that all portfolios are likely to worsen with potential interest rate increases despite positive outcome under curve steeping scenario.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (Continued)

(d) 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's foreign reserves portfolio is denominated in a number of currencies whose exchange rates are subject to fluctuation on the international foreign exchange market.

Based on the sensitivity of the ten per cent deviation of the exchange rate against major currencies the impact on the Banks profit and equity was TZS 769,790 million (2023: TZS 790,134.1 million).

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 outrightly hedged, but the currency risk is controlled through a target currency composition whose criteria are specified in the Bank's Investment Policy and stated in its Investment Guidelines. The target currency composition attempts to match the composition of on and off balance sheet foreign denominated obligations, thereby managing adverse currency movement at the national level. The currency positions of the Bank as of 30 June 2024 and 2023, which provides the Bank's assets, liabilities and equity at carrying amounts, categorised by currency is summarised below.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (Continued)

(d) Currency Risk (Continued)

Details	GBP TZS '000	USD TZS '000	EUR TZS '000	SDR TZS '000	TZS TZS '000	Others TZS '000	Total TZS '000
2024							
Assets							
Cash and balances with central banks & other banks	99,326,573	4,881,297,147	145,921,403	-	-	1,014,598,387	6,141,143,510
Items in course of settlement	-	17,234	-	-	7,412,139	-	7,429,373
Holdings of Special Drawing Rights (SDRs)	-	-	-	4,306,285	-	-	4,306,285
Quota in International Monetary Fund (IMF)	-	-	-	1,376,270,577	-	-	1,376,270,577
Foreign currency marketable securities	386,917,503	6,213,362,751	-	-	-	1,209,055,279	7,809,335,533
Gold	-	-	-	-	-	72,507,124	72,507,124
Equity investments	-	151,041,695	1,381,061	-	-	-	152,422,756
Government securities	-	-	-	-	1,890,434,100	-	1,890,434,100
Advances to the Government	-	-	-	-	4,963,541,714	-	4,963,541,714
Loans and receivables	-	16,459,102	-	-	705,110,245	-	721,569,347
Other assets (Excluding prepayments)	-	-	-	-	157,000,374	-	157,000,374
Total financial assets	486,244,076	11,262,177,929	147,302,464	1,380,576,862	7,723,498,572	2,296,160,790	23,295,960,693
Liabilities							
Currency in circulation	-	-	-	-	8,039,712,116	-	8,039,712,116
Deposits - banks and non-bank financial institutions	-	1,022,583,518	279,828	-	2,887,313,039	4,618,517	3,914,794,902
Deposits - Others	19,114,603	697,614,367	97,121,120	-	1,449,120,922	45,904	2,263,016,916
Foreign currency financial liabilities	367,467	3,826,649,453	198,028,356	-	-	-	4,025,045,276
Repurchase agreements	-	-	-	-	-	-	-
BoT liquidity papers	-	-	-	-	540,569,079	-	540,569,079
Other liabilities	92,624	16,273,615	-	-	38,851,934	133,878	55,352,051
Lease liability	-	-	-	-	483,545	-	483,545
IMF related liabilities	-	-	-	-	1,169,639,527	-	1,169,639,527
Allocation of Special Drawing Rights (SDRs)	-	-	-	1,991,634,410	-	-	1,991,634,410
	19,574,694	5,563,120,953	295,429,304	1,991,634,410	14,125,690,162	4,798,299	22,000,247,822
Net liquidity gap	466,669,382	5,699,056,976	(148,126,840)	(611,057,548)	N/A	2,291,362,491	N/A
Scenario of 10% appreciation/(depreciation)	46,666,938	569,905,698	(14,812,684)	(61,105,755)	N/A	229,136,249	N/A



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (Continued)

(d) Currency Risk (Continued)

Details	GBP TZS '000	USD TZS '000	EUR TZS '000	SDR TZS '000	TZS TZS '000	Others TZS '000	Total TZS '000
2023							
Assets							
Cash and balances with central banks & other banks	132,508,880	4,763,205,975	102,620,975	-	7,537,856	818,920,516	5,824,794,202
Items in course of settlement	-	-	-	-	11,650,010	-	11,650,010
Holdings of Special Drawing Rights (SDRs)	-	-	-	14,362,672	-	-	14,362,672
Quota in International Monetary Fund (IMF)	-	-	-	1,231,998,513	-	-	1,231,998,513
Foreign currency marketable securities	335,738,909	5,152,147,156	-	-	-	1,524,063,302	7,011,949,367
Equity investments	-	117,027,730	1,202,394	-	-	-	118,230,124
Government securities	-	-	-	-	2,081,966,776	-	2,081,966,776
Advances to the Government	-	-	-	-	4,384,438,958	-	4,384,438,958
Loans and receivables	-	14,600,000	-	-	308,666,594	-	323,266,594
Other assets (Excluding prepayments)	-	-	-	-	287,406,837	-	287,406,837
Total financial assets	468,247,789	10,046,980,861	103,823,369	1,246,361,185	7,081,667,031	2,342,983,818	21,290,064,053
Liabilities							
Currency in circulation	-	-	-	-	7,192,010,828	-	7,192,010,828
Deposits - banks and non-bank financial institutions	-	678,603,495	389,667	-	3,656,776,670	5,272,209	4,341,042,041
Deposits - Others	17,235,937	727,544,171	82,480,042	-	2,042,187,980	47,975	2,869,496,105
Items in course of settlement	-	383,604,261	-	-	-	-	383,604,261
Foreign currency financial liabilities	325,739	2,589,094,968	176,538,621	-	540,118	-	2,766,499,446
Repurchase agreements	-	-	-	-	125,034,465	-	125,034,465
BoT liquidity papers	-	-	-	-	546,150,669	-	546,150,669
Other liabilities	82,311	19,151,466	-	-	40,456,932	133,499	59,824,208
Lease liability	-	-	-	-	1,152,651	-	1,152,651
IMF related liabilities	-	-	-	-	1,047,028,240	-	1,047,028,240
Allocation of Special Drawing Rights (SDRs)	-	-	-	1,782,136,232	-	-	1,782,136,232
Net liquidity gap	17,643,987	4,397,998,361	259,408,330	1,782,136,232	14,651,338,553	5,453,683	21,113,979,146
Scenario of 10% appreciation/(depreciation)	450,603,802	5,648,982,500	(155,584,961)	(535,775,047)	N/A	2,337,530,135	N/A
	45,060,380	564,898,250	(15,558,496)	(53,577,505)	N/A	233,753,013	N/A



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (Continued)

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:

2024	Amortised Cost	FVTPL	FVOCI	Total
	TZS '000	TZS '000	TZS '000	TZS '000
Financial assets				
Cash and balances with central banks & other banks	6,141,143,510	-	-	6,141,143,510
Items in the course of settlement	7,429,373	-	-	7,429,373
Holdings of Special Drawing Rights (SDRs)	4,306,284	-	-	4,306,284
Quota in International Monetary Fund (IMF)	1,376,270,577	-	-	1,376,270,577
Foreign currency marketable securities	-	819,497,093	6,989,838,440	7,809,335,533
Gold	-	72,507,124	-	72,507,124
Equity investment	-	-	152,422,756	152,422,756
Government securities	1,890,434,100	-	-	1,890,434,100
Advances to the Government	4,963,541,713	-	-	4,963,541,713
Loans and receivables	721,569,347	-	-	721,569,347
Other assets (Excluding prepayments)	157,000,374	-	-	157,000,374
	15,261,695,278	892,004,217	7,142,261,196	23,295,960,691
Financial liabilities				
Currency in circulation	8,039,712,116	-	-	8,039,712,116
Deposits - banks and non-banks financial institutions	3,914,794,902	-	-	3,914,794,902
Deposits – others	2,263,016,916	-	-	2,263,016,916
Foreign currency financial liabilities	4,025,045,276	-	-	4,025,045,276
Repurchase agreements	-	-	-	-
BoT liquidity papers	540,569,079	-	-	540,569,079
Other liabilities	55,352,051	-	-	55,352,051
Lease Liability	483,545	-	-	483,545
IMF related liabilities	1,169,639,527	-	-	1,169,639,527
Allocation of Special Drawing Rights (SDRs)	1,991,634,410	-	-	1,991,634,410
	22,000,247,822	-	-	22,000,247,822



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (Continued)

FINANCIAL ASSETS AND LIABILITIES BY CATEGORY

2023	Amortised Cost	FVTPL	FVOCI	Total
	TZS '000	TZS '000	TZS '000	TZS '000
Financial assets				
Cash and balances with central banks & other banks	5,824,663,618	-	-	5,824,663,618
Holdings of Special Drawing Rights (SDRs)	14,362,672	-	-	14,362,672
Quota in International Monetary Fund (IMF)	1,231,998,513	-	-	1,231,998,513
Foreign currency marketable securities	-	684,285,210	6,327,661,157	7,011,946,367
Equity investment	-	-	118,230,124	118,230,124
Government securities	2,081,966,776	-	-	2,081,966,776
Advances to the Government	4,384,438,958	-	-	4,384,438,958
Loans and receivables	323,266,594	-	-	323,266,594
Other assets (Excluding prepayments)	287,406,837	-	-	287,406,837
	14,148,103,968	684,285,210	6,445,891,281	21,278,280,459
Financial liabilities				
Currency in circulation	7,192,010,828	-	-	7,192,010,828
Deposits - banks and non-banks financial institutions	4,341,042,181	-	-	4,341,042,181
Deposits - others	2,869,496,105	-	-	2,869,496,105
Items in course of settlement	383,604,261	-	-	383,604,261
Foreign currency financial liabilities	2,766,499,447	-	-	2,766,499,447
Repurchase agreements	125,034,465	-	-	125,034,465
BoT liquidity papers	546,150,669	-	-	546,150,669
Other liabilities	59,824,209	-	-	59,824,209
Lease Liability	1,152,651	-	-	1,152,651
IMF related liabilities	1,047,028,240	-	-	1,047,028,240
Allocation of Special Drawing Rights (SDRs)	1,782,136,232	-	-	1,782,136,232
	21,113,979,288	-	-	21,113,979,288



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (Continued)

DETERMINATIONS OF FAIR VALUE AND FAIR VALUE HIERACHY

(a) Financial instruments recorded at fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants under current market condition at the measurement date. The following is a description of how fair values are determined for financial instruments that are recorded at fair value. These incorporate the Bank's estimate of assumptions that a market participant would make when valuing the instruments.

(i) Foreign currency marketable securities

The marketable securities are quoted in active markets. The valuation techniques are based on quoted prices in active markets for identical assets.

(ii) Fair value of derivatives

The Bank values over the counter derivative instruments like swaps using a valuation technique with market-observable inputs. Swap models use present value calculations and include market determined foreign exchange rates. For listed derivatives like futures, the Bank uses prices quoted in the active markets. Long dated derivative contracts are valued using a valuation technique with significant non-market-observable. These derivatives are valued using models that calculate the present value and incorporate various non-observable assumptions that include market rate volatilities.

(iii) 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 corroborated to arrive at the fair values at the reporting date.

(b) 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:

(i) 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 applied to cash and cash equivalent, items in course of settlements, deposits, repurchase agreements and BoT liquidity papers and other liabilities without a specific maturity.

(ii) Government securities

The fair value of Government securities carried at amortised cost is estimated by discounting the future cash flows using the market interest rates of similar instruments.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (Continued)

DETERMINATIONS OF FAIR VALUE AND FAIR VALUE HIERACHY (CONTINUED)

(c) Fair value of financial assets and liabilities

Financial instruments are grouped into 3 levels based on the degree to which fair value data / input is observable.

- (i) **Level 1 fair value measurements:** are those derived from quoted prices (unadjusted) in an active market for identical assets or liabilities. This level includes listed debt instruments on exchanges for example Foreign Currency Marketable securities.
- (ii) **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 Dar es Salaam Securities Exchange.
- (iii) **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 hierarchy of the Bank financial assets which are measured at fair value as at:

30 June 2024

Description	Level 1 TZS '000	Level 2 TZS '000	Level 3 TZS '000
Foreign currency marketable securities	7,809,335,533	-	-
Government securities	-	1,890,434,100	-
Equity investments	-	152,422,756	-
Total	7,809,335,533	2,042,856,856	-

30 June 2023

Description	Level 1 TZS '000	Level 2 TZS '000	Level 3 TZS '000
Foreign currency marketable securities	7,011,946,367	-	-
Government securities	-	2,081,966,776	-
Equity investments	-	118,230,124	-
Total	7,011,946,367	2,200,196,900	-

There were no transfers between levels 1, 2 and 3 in the period. If below observable inputs to valuation model were 10 per cent higher or lower while other variables were held constant, carrying amount of TZS 7,809,335.5 million, TZS 1,890,434 million and TZS 152,422.8 million for Foreign Currency Marketable Securities, Government Securities and Equity Investments would have been higher or lower by TZS 780,933.4 million, TZS 189,043.4 million and TZS 15,242.8 million respectively. Swap would change by 260.8 million respectively.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (Continued)

DETERMINATIONS OF FAIR VALUE AND FAIR VALUE HIERACHY (CONTINUED)

The following table gives information about how the fair value of these financial assets and liabilities are determined.

	Fair value at		Hierarchy	Valuation techniques and key inputs	Significant unobservable inputs	Relationship of unobservable input to fair value
	2024	2023				
	TZS '000	TZS '000				
Foreign currency marketable securities (Excluding futures)	7,809,335,533	7,011,946,367	1	Prices of listed securities	N/A	N/A
Government securities	1,890,434,100	2,081,966,776	2	Prices of the similar securities in the active market.		
Equity investments	152,422,756	118,230,124	2	Prices of recent transactions	N/A	N/A
Derivatives:						
Swap Liability	(2,608,270.9)	(6,354,832)	2	Discounted Cash-flows, using market exchange and interest rate	N/A	N/A

The following table analyses within the fair value hierarchy the Bank's assets and liabilities not measured at fair value with exception of foreign currency marketable securities and Government securities.

2024	Level 1	Level 2	Level 3	Total
	TZS '000	TZS '000	TZS '000	TZS '000
Assets				
Cash and balances with central banks & other banks	6,141,143,510	-	-	6,141,143,510
Holdings of Special Drawing Rights (SDRs)	-	4,306,284	-	4,306,284
Quota in International Monetary Fund (IMF)	-	1,376,270,577	-	1,376,270,577
Advances to the Government	-	4,963,541,713	-	4,963,541,713
Loans and receivables	-	721,569,347	-	721,569,347
Other assets (Excluding prepayments)	-	157,000,374	-	157,000,374
	6,141,143,510	7,222,688,295	-	13,363,831,805
Liabilities				
Currency in circulation	-	8,039,712,116	-	8,039,712,116
Deposits - banks and non-banks financial institutions	-	3,914,794,902	-	3,914,794,902
Deposits – others	-	2,263,016,916	-	2,263,016,916
Foreign currency financial liabilities	-	4,025,045,276	-	4,025,045,276
Repurchase agreements	-	-	-	-
BoT liquidity papers	-	540,569,079	-	540,569,079
Other liabilities	-	55,835,596	-	55,835,596
IMF related liabilities	-	1,169,639,527	-	1,169,639,527
Allocation of Special Drawing Rights (SDRs)	-	1,991,634,410	-	1,991,634,410
	-	22,000,247,822	-	22,000,247,822



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

42. RISK MANAGEMENT (CONTINUED)

42.2 Risk management structure (Continued)

DETERMINATIONS OF FAIR VALUE AND FAIR VALUE HIERACHY (CONTINUED)

2023	Level 1	Level 2	Level 3	Total
Assets	TZS '000	TZS '000	TZS '000	TZS '000
Cash and balances with central banks & other banks	5,824,794,202	-	-	5,824,794,202
Holdings of Special Drawing Rights (SDRs)	-	14,362,672	-	14,362,672
Quota in International Monetary Fund (IMF)	-	1,231,998,513	-	1,231,998,513
Advances to the Government	-	4,384,438,958	-	4,384,438,958
Loans and receivables	-	323,266,594	-	323,266,594
Other assets (Excluding prepayments)	-	287,940,235	-	287,940,235
	5,824,794,202	6,242,006,972	-	12,066,801,174
Liabilities				
Currency in circulation	-	7,192,010,828	-	7,192,010,828
Deposits - banks and non-banks financial institutions	-	4,341,042,180	-	4,341,042,180
Deposits – others	-	2,869,496,105	-	2,869,496,105
Foreign currency financial liabilities	-	2,766,499,447	-	2,766,499,447
Repurchase agreements	-	125,034,465	-	125,034,465
BoT liquidity papers	-	546,150,668	-	546,150,668
Other liabilities	-	59,824,209	-	59,824,209
IMF related liabilities	-	1,047,028,240	-	1,047,028,240
Allocation of Special Drawing Rights (SDRs)	-	1,782,136,232	-	1,782,136,232

43. RETIREMENT BENEFIT PLAN

Defined Benefit Plan

The Bank operates a funded lump sum end of service and Long Service Award Benefit Fund. The Scheme was registered effective 13 April 2017 by Social Security Regulatory Authority. Under the plan employees are entitled to benefits upon meeting requirements as stipulated in the Bank's Financial Regulations, Staff Bylaws, and the Staff Benefit Fund Scheme Trust Deed and Rules.

The plan provides benefits of a defined benefit nature. The main risks relating to the benefits under the Scheme is the rates of salary growth, as most of the benefits are based on the final salary, any changes in salary that differ from the salary escalation rate assumed will have a direct bearing on the benefits paid and the present value of the benefit obligation under the Scheme.

Similarly, any increases to the fixed lump sum amounts that differ from the assumed escalation rates for these amounts will also have a direct bearing on the benefits paid and the present value of the benefit obligation under the Scheme. The plan typically exposes the Bank to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

43 RETIREMENT BENEFIT PLAN (CONTINUED)

Investment Risk	The present value of the defined benefit obligations is calculated using a discount rate determined by the yield on long term government bonds. The higher the discount rate the lower 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 with 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 with reference to the future salaries of members. As such a change in the salary of members will result to a change in the plan's liability.

Actuarial valuation of the Scheme was carried out for the year ended 30 June 2024 by NYUX Tanzania Company LTD based in Tanzania. The principal assumptions used for the purposes of valuation included discount rate, expected return on Scheme assets, future salary increase, mortality rate, withdrawals, Ill-health and compulsory retirement age as per the table hereunder:

Actuarial Assumptions

	<u>30.06.2024</u>	<u>30.06.2023</u>
Discount rate (% p.a.)	9.54%	9.85%
Non-Executives - Future salary increases (% p.a.)	4.0%	4.0%
Executives - Future salary increases (% p.a.)	0.0%	0.0%
Mortality (pre-retirement)	A1949-1952	A1949-1952
Mortality (post-retirement)	n/a	n/a
Withdrawals (voluntary or Ill - health)	At rates consistent with similar arrangements	At rates consistent with similar arrangements
Retirement Age*	60 years. Assumed 10% of members retire early at age 55.	60 years. Assumed 10% of members retire early at age 55.

As per the fund operations and valuation, the movements in the present value of defined benefit obligation in the current year were as follows:

	<u>30.06.2024</u>	<u>30.06.2023</u>
	<u>TZS '000</u>	<u>TZS '000</u>
Opening benefit obligation	123,181,947	132,232,703
Current service costs	5,529,047	4,851,394
Interest cost	12,133,422	12,337,311
Employee contribution	571,395	537,186
Actuarial loss in experience	5,743,390	614,964
Actuarial (gain)loss in assumptions	8,612,717	(998,293)
Benefits paid	(16,964,964)	(26,393,318)
Closing benefits obligation	<u>138,806,953</u>	<u>123,181,947</u>



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

43 RETIREMENT BENEFIT PLAN (CONTINUED)

Reconciliation on plan asset in the current year with the comparative figures are as per the below table

	30.06.2024	30.06.2023
	TZS '000	TZS '000
Opening market value of assets	(121,159,602)	(113,786,952)
Interest income on plan assets	(11,934,221)	(10,616,213)
Employer contributions	(2,022,344)	(18,445,850)
Employee contribution	(571,395)	(537,186)
Return on plan assets*	11,724,639	(4,166,719)
Benefits paid	16,964,964	26,393,318
Closing market value of the assets	(106,997,959)	(121,159,602)

* Return on plan asset, excludes amount in interest income

A summary of the distribution of the Scheme assets as at 30 June 2024, based on the Scheme management accounts, is shown in the table below;

	30.06.2024	30.06.2023
	TZS '000	TZS '000
Cash	(3,427,773)	-
Treasury Bonds FV plus accrued Interest	110,547,541	119,174,014
Treasury Bills plus accrued Interest	-	2,349,540
Retirement Benefits Payable	(121,809)	(363,952)
Net Assets	106,997,959	121,159,602

Being a funded Scheme, the defined obligation/(asset) is presented in net terms after consideration of the Scheme assets as per the below;

	30.06.2024	30.06.2023
	TZS '000	TZS '000
Present value of funded obligations	138,806,953	123,181,947
Fair value of Scheme assets	(106,997,959)	(121,159,602)
Present value of net obligation recognized in the balance sheet	31,808,994	2,022,345

Included in the computation are benefit plan expenses, which are recognized in the Profit or Loss statement. Below are the components:

	30.06.2024	30.06.2023
	TZS '000	TZS '000
Service cost		
Current service cost net of employees' contributions	5,529,047	4,851,394
Total Service Cost	5,529,047	4,851,394
Interest Income		
Interest cost on defined benefit obligation	12,133,425	12,337,311
Interest income on plan assets	(11,934,221)	(10,616,313)
Net Interest income on Balance Sheet Asset	199,204	1,720,998
Total included in profit or loss in respect of Scheme	5,728,251	6,572,392



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

43 RETIREMENT BENEFIT PLAN (continued)

Re-measurement on defined benefit are measured through other comprehensive Income and it is composed of the below;

Re-measurements (OCI)	30.06.2024	30.06.2023
	TZS '000	TZS '000
Actuarial loss – due to change in Assumptions	5,743,390	614,964
Actuarial (gain) loss - experience adjustment	8,612,714	(988,293)
Return on plan assets (excluding amount in interest cost)	11,724,639	(4,176,719)
Amount recognised in OCI statement for the financial year	26,080,743	(4,550,048)

Development of net obligation

	30.06.2024	30.06.2023
	TZS '000	TZS '000
Net obligation at the beginning of the year	2,022,344	18,445,851
Net expenses recognized in the income statement	5,728,251	6,572,392
Amount recognized in OCI	26,080,743	(4,550,048)
Settlement/Employer's contribution	(2,022,344)	(18,445,850)
Net liability at end of period	31,808,994	2,022,345

Sensitivity analysis

The results of the actuarial valuation are sensitive to changes in the financial assumptions than changes in the demographic assumptions. In preparing the sensitivity analysis of the results to the discount and salary used, the actuarial valuation has relied on the duration of the liability. Weighted average duration of the liability as at 30 June 2024 is 5 years (2023: 5 years). Based on this methodology, below are the results of the sensitivity analysis

As at 30 June 2024

Assumptions	Result on Financial assumptions	
	Impact of 1.0% increase	Impact of 1.0% decrease
	TZS '000	TZS '000
Discount Rate	134,146,768	143,776,457
Salary increase	143,084,091	134,742,793
	Results on Demographic assumptions	
Early Retirement Rate	138,979,862	138,610,194
Withdrawal Rate	139,579,200	138,312,756

As at June 2023

Assumptions	Result on Financial assumptions	
	Impact of 1.0% increase	Impact of 1.0% decrease
	TZS '000	TZS '000
Discount Rate	118,916,436	128,420,070
Salary increase	127,571,170	119,635,693
	Results on Demographic assumptions	
Early Retirement Rate	123,354,858	122,985,190
Withdrawal Rate	123,954,196	122,687,752



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

43 RETIREMENT BENEFIT PLAN (CONTINUED)

The bulk of benefits payable under the arrangement are salary related, therefore 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 as the amount does not relate to salary.

Effect on Bank's cash flow

The benefits arrangement is funded, 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.

Defined benefits profile

The maturity profile of the present value of define benefit obligation at valuation date for the next five years presented in the table below excludes benefits payable to top management.

Maturity Profile of the Defined Benefit Obligation is as per below;

	Up to 1 yr. TZS '000	1-2 yrs. TZS '000	2-3 yrs. TZS '000	3-4 yrs. TZS '000	5 yrs. and above TZS '000
30 June 2024	13,393,913	13,098,707	12,029,855	10,290,951	89,993,520
30 June 2023	12,774,909	12,759,054	12,000,351	10,587,859	75,059,773

Separation of benefits payable between vested and non-vested benefits resulted to TZS 115,232.2 million (30 June 2023: TZS 109,840.8 million) and TZS 23,574.7 million (30 June 2023: TZS 13,341.1 million) respectively.

44 CAPITAL

Section 17 of the Bank of Tanzania Act, 2006 states that “the authorised 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 authorised 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 98.

	30.06.2024 TZS '000	30.06.2023 TZS '000
Capital	100,000,000	100,000,000
Reserves	2,260,316,588	1,239,810,084
Total	2,360,316,588	1,339,810,084



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

44 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 appropriations of annual profits to various reserves.

The Bank is not for profit organisation, nor does it seek profit maximisation. 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.

45 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.

(a) External payment arrears deposit account

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 may 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.

During the 1970s and 1980s, there was a 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.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

45 CONTINGENT LIABILITIES (CONTINUED)

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 2024 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 the 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:

- (i) to ascertain how the remaining debt as at 2004 has been handled.
- (ii) to compile and establish the current stock of the remaining EPA debts.
- (iii) to develop, jointly with the Ministry of Finance and Bank of Tanzania, a strategy and action plan to handle the unsettled claims.

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:

- (i) Upward revision of the price of the contract to USD 843,700 from the original amount of USD 663,950;
- (ii) Implicitly complaining for not being paid initial fee amounting to USD 175,000 after submitting inception report; and
- (iii) 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.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

45 CONTINGENT LIABILITIES (CONTINUED)

The efforts were aimed at obtaining information that would have paved the 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.

(b) 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.

(c) Small and medium enterprises - credit guarantee schemes

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 2024, there was no outstanding guarantees as it was for the period ended June 2023. As the result on 30 June 2024, the fund had a net cash balance of TZS 79.2 million (2023: TZS 24.4 million)



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

46 OUTSTANDING COMMITMENTS

Capital commitments

As at 30 June 2024, the Bank's capital commitments in respect of, Property and Equipment, Intangible Assets and major capital projects aggregated to TZS 68,699.8 million (2023: 49,098.4 million).

The major capital expenditure commitments item is as reflected herewith below

	<u>30.06.2024</u>	<u>30.06.2023</u>
<u>Particulars</u>	<u>TZS '000</u>	<u>TZS '000</u>
Office buildings	5,400,000	0
Residential buildings	6,225,716	5,726,000
Machinery and equipment	23,880,042	9,872,781
Information, communication and technology (ICT)	11,487,998	8,414,893
Motor vehicles	6,341,247	21,665,783
Furniture and fittings	1,950,626	1,001,500
Intangible assets	826,820	703,446
On-going projects	12,587,362	1,714,000
Total	68,699,811	49,098,403

The above commitments have been included and approved for payment in accordance with the 2023/2024 Approved Budget Estimates.

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 2,424.7.6 million (2023: TZS 1,943.6 million) involving retired staff with their spouses who retired since financial year 2009/10.

47 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:

(a) 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 receivables (**Note 24**) included advances to employees that as at 30 June 2024 amounted to TZS 80,363.1 million (2023: TZS 79,336.0 million). The advances are granted at rates of interest determined by the Bank.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

47 RELATED PARTY DISCLOSURES (CONTINUED)

The following is the breakdown of loans and emoluments granted to key management personnel except Non-Executive Directors.

	<u>30.06.2024</u>	<u>30.06.2023</u>
	TZS '000	TZS '000
i) Loans to Senior Management		
(i.e. Governor, Deputy Governors and Directors)		
At start of the year	2,095,032	1,593,340
Loans granted during the year	1,316,419	669,681
Loans repaid during the year	(898,122)	(167,989)
Balance end of the year	2,513,329	2,095,032
ii) Emoluments to Senior Management Personnel		
(Governor, Deputy Governors and Directors)		
	TZS '000	TZS '000
Salaries, allowances and benefits	4,723,466	4,583,765
Post-employment benefits	786,364	3,770,541
Total	5,509,830	8,354,306

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 2024, the number of Senior management personnel was 27 (2023: 27).

Board of Directors' remunerations

During the year ending 30 June 2024, emoluments paid to the members of the Board amounted to TZS 120.0 Million (2023: TZS 92.1 million). These emoluments include benefits of Non - Executive Directors. Non-Executive Directors are not entitled to loans and advances.

(b) Government of the United Republic of Tanzania

Transactions entered into with the Government include:

- (i) Government deposits. There are no interest and bank charges on deposits;
- (ii) 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;
- (iii) Settlement of foreign currency denominated obligations;
- (iv) Financial accommodation on temporary short falls in Government revenue;
- (v) Other duties including agency of the Government as provided under the Bank of Tanzania Act, 2006.



Bank of Tanzania Annual Report 2023/24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

47 RELATED PARTY DISCLOSURES (CONTINUED)

As at the close of business on 30 June 2024, the following balances, which are included in the statement of financial position in various categories, were outstanding:

	<u>30.06.2024</u>	<u>30.06.2023</u>
	TZS '000	TZS '000
Due from Governments of Tanzania (Note 23)	4,963,541,713	4,384,438,958
Investments in Government Securities (Note 22)	1,890,434,100	2,081,966,776
Structured Financing Facility (Note 33)	102,432,914	96,966,195
Export Credit Guarantee Fund (Note 33)	1,267,624	456,643
Small and Medium Enterprises Guarantee Fund (Note 33)	79,192	24,422

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.

(c) Deposit Insurance Fund Board

The Bank has a close working relationship with the Deposit Insurance 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.

During the year, the Bank contribution to the Deposit Insurance Board amounting to TZS 3,220.4 million (2023: TZS 2,762.2 million). The balance outstanding from the Fund included under Deposit Others as at 30 June 2024 was TZS 83,489.7 million (2023: TZS 1,759.1 million).

48 EVENT AFTER THE REPORTING DATE

There was no event after reporting period that had material impact to the financial statements.



Bank of Tanzania Annual Report 2023/24

PART VI

CALENDAR OF IMPORTANT MONETARY AND FINANCIAL EVENTS

JULY 2023 TO JUNE 2024



Bank of Tanzania Annual Report 2023/24

5th July 2023: The Bank published its Client Service Charter. The Charter sets standards of what clients should expect when dealing with the Bank and what the Bank expects from clients in return.

3rd August 2023: The Bank, in collaboration with the National Financial Inclusion Council, launched the National Financial Inclusion Framework (2023-2028) and its associated Communication Framework.

25th September 2023: The Bank of Tanzania issued a public notice on the commencement of the domestic gold purchase program.

16th October 2023: The Bank issued a public notice on the Foreign Exchange (Bureau de Change) Regulations, 2023.

23rd October 2023: The Bank issued a public notice about the launch of an online system for registering Tier 4 microfinance institutions.

28th December 2023: The Bank published the Foreign Exchange Intervention Policy, intended to address disorderly market conditions and contain excessive fluctuations in the exchange rate.

29th December 2023: The Bank issued a public notice urging the public possessing unused Shilling coins to deposit with banks.

3rd January 2024: The Bank shifted from a monetary targeting to an interest rate-based monetary policy framework.

30th January 2024: The Bank issued the Interbank Foreign Exchange Market Code of Conduct (the Fx Code) to promote fairness and transparency in the foreign exchange market.

7th March 2024: The Bank launched the Tanzania Instant Payments System (TIPS).

7th and 8th March 2024: The Bank organized the 21st Conference of Financial Institutions (COFI) in Arusha with the theme “Strengthening Financial Sector Resilience in Challenging Economic Times”.



Bank of Tanzania Annual Report 2023/24

PART VII

STATISTICAL TABLES



Bank of Tanzania Annual Report 2023/24

A1.0 OUTPUT AND PRICES STATISTICS, TANZANIA MAINLAND

- A1.1 Gross Domestic Product (GDP) by Activity at Current Prices
- A1.2 Gross Domestic Product (GDP), by Activity, Percentage Share in Total GDP at Current Prices
- A1.3 Gross Domestic Product (GDP), by Activity at Constant 2015 Prices
- A1.4 Gross Domestic Product (GDP), by Activity, Percentage Growth Rates at Constant 2015 Prices
- A1.5 Production of Major Agricultural Crops
- A1.6 Agricultural Production Indices
- A1.7 Production of Selected Industrial Products
- A1.8 Industrial Production Indices
- A1.9 Mineral Recoveries
- A1.10 (i) National Consumer Prices Index (Urban and Rural) – Main Groups
- A1.10 (ii) National Consumer Prices Index (Urban and Rural) – Other Selected Groups
- A1.10 (iii) National Consumer Price Index (Urban and Rural), Twelve Months Percentage Change – Main Groups
- A1.10 (iv) National Consumer Price Index (Urban and Rural), Twelve Months Percentage Change – Other Selected Groups

A2.0 UNITED REPUBLIC OF TANZANIA GOVERNMENT FINANCE STATISTICS

- A2.1 Central Government Operations
- A2.2 Outstanding Treasury Bills by Investor
- A2.3 Central Government Stocks, Bonds and Notes by Holder

A3.0 MONETARY STATISTICS

- A3.1 Depository Corporations Survey
- A3.2 Bank of Tanzania Assets
- A3.3 Bank of Tanzania Liabilities
- A3.4 Tanzania Notes in Circulation
- A3.5 Tanzania Coins in Circulation
- A3.6 Commercial Banks Assets
- A3.7 Commercial Banks Liabilities
- A3.8 Commercial Banks Domestic Assets
- A3.9 Commercial Banks Lending and Holding of Securities
- A3.10 Commercial Banks Domestic Lending by Economic Activity
- A3.11 Commercial Banks Deposits
- A3.12 Interest Rate Structure

A4.0 BALANCE OF PAYMENTS AND FOREIGN TRADE STATISTICS

- A4.1 Balance of Payments in USD
- A4.2 Balance of Payments in TZS
- A4.3 Exports (f.o.b) by Type of Commodity in USD
- A4.4 Exports (f.o.b) by Type of Commodity in TZS
- A4.5 Imports (f.o.b) by Major Commodity Groups in USD



Bank of Tanzania Annual Report 2023/24

- A4.6 Imports (f.o.b) by Major Commodity Groups in TZS
- A4.7 Imports (c.i.f) by Major Commodity Groups
- A4.8 Exports by Country of Destination
- A4.9 Imports (c.i.f) by Country of Origin
- A4.10 Tanzania Exports to COMESA Countries
- A4.11 Tanzania Imports from COMESA Countries
- A4.12 Trade with SADC Member States
- A4.13 Tanzania's Shares of Trade with SADC Member States

A5.0 NATIONAL DEBT STATISTICS

- A5.1 Debt Developments

A6.0 OUTPUT, PRICES AND GOVERNMENT FINANCE STATISTICS, ZANZIBAR

- A6.1 Gross Domestic Product by Activity at Current Prices
- A6.2 Gross Domestic Product by Activity at Current Prices, Percentage Share in Total GDP
- A6.3 Gross Domestic Product by Activity at 2015 Constant Prices
- A6.4 Gross Domestic Product by Activity at 2015 Constant Prices, Percentage Annual Growth Rates
- A6.5 Production of Major Export Crops
- A6.6 Production of Selected Commodities
- A6.7 Consumer Price Index
- A6.8 Consumer Price Index, Twelve Months Percentage Change
- A6.9 Government Operations

A7.0 INTERNATIONAL ECONOMICS AND FINANCIAL STATISTICS

- A7.1 Economic Performance in G7 Countries and the Euro Area
- A7.2 World Market Prices of Selected Commodities



Bank of Tanzania Annual Report 2023/24

A1.0 OUTPUT AND PRICES STATISTICS, TANZANIA MAINLAND

A1.1 Gross Domestic Product (GDP) by Activity at Current Prices

Activity	Millions of TZS						
	2017	2018	2019	2020	2021 ^r	2022 ^r	2023 ^p
Agriculture, hunting and forestry	34,142,496.5	33,916,200.6	36,447,870.9	38,760,376.6	41,851,195.6	44,670,628.2	499,790,187.6
Crops	19,712,861.9	19,060,477.7	20,066,646.1	21,920,176.5	23,549,768.6	25,580,489.8	30,378,157.3
Livestock	8,867,809.7	9,251,173.0	10,357,287.1	10,622,498.6	11,269,819.6	11,479,664.5	11,678,978.1
Forestry and hunting	3,313,764.6	3,383,160.1	3,641,955.5	3,720,575.5	4,191,340.5	4,603,883.1	4,804,018.5
Fishing	2,248,060.4	2,221,389.8	2,381,982.2	2,497,125.9	2,840,266.9	3,006,590.9	3,117,864.9
Industry and construction	29,735,584.4	33,410,921.8	37,385,883.3	42,476,524.5	45,334,982.6	52,068,149.9	55,985,595.3
Mining and quarrying	5,206,217.1	6,455,878.2	7,164,221.5	9,867,293.3	11,471,365.0	15,436,227.3	16,903,690.9
Manufacturing	9,102,281.7	9,811,013.0	10,512,033.8	11,207,276.1	11,237,325.2	12,170,059.7	13,182,065.5
Electricity supply	413,350.5	345,774.7	369,917.1	398,084.3	378,691.1	248,139.4	34,391.9
Water supply, sewerage, waste management	519,909.3	554,536.3	590,324.2	635,959.0	746,403.4	893,174.5	908,275.2
Construction	14,493,825.8	16,243,719.5	18,749,386.7	20,367,911.8	21,501,197.9	23,320,548.9	24,957,171.8
Services	45,076,327.7	46,875,694.0	50,952,479.6	54,021,847.8	57,604,453.5	61,343,644.7	69,818,428.4
Wholesale and retail trade; and repairs	10,853,238.5	11,067,502.0	12,286,406.8	12,958,573.3	13,789,131.5	14,006,738.1	15,678,782.4
Transport and storage	7,897,993.1	8,381,276.3	9,622,792.0	10,701,520.4	10,860,302.5	11,397,028.3	13,523,735.5
Hotels and restaurants	1,602,543.2	1,653,791.9	1,680,221.9	1,371,161.0	1,601,505.5	1,892,458.9	2,196,213.5
Information and communication	1,829,355.8	1,948,179.6	2,052,241.8	2,196,753.2	2,375,155.4	2,605,849.2	2,726,854.4
Financial and insurance activities	4,789,631.8	4,823,101.0	4,927,613.3	5,013,181.4	5,380,248.9	6,313,663.9	8,425,562.4
Real estate	3,334,170.7	3,553,629.7	3,869,527.8	4,348,617.9	4,581,584.5	4,784,774.5	5,086,175.2
Professional, scientific and technical activities	726,706.5	711,807.3	753,302.1	822,440.1	1,088,001.6	1,175,441.9	1,264,548.6
Administrative and support service activities	3,027,383.8	3,078,144.8	3,340,939.4	3,692,864.1	4,022,126.8	4,297,339.3	4,937,308.1
Public administration and defence	4,986,287.4	5,131,630.0	5,354,892.6	5,530,737.9	5,875,519.3	6,243,145.9	6,581,823.4
Education	2,864,290.0	3,081,718.3	3,322,028.2	3,440,524.7	3,649,123.8	3,838,329.6	4,130,679.0
Human health and social work activities	1,681,353.3	1,816,737.8	1,932,963.6	2,060,599.6	2,213,486.0	2,392,940.3	2,601,797.8
Arts, entertainment and recreation	322,352.9	374,923.9	427,886.8	416,049.3	513,448.4	623,720.7	749,445.6
Other service activities	959,148.4	1,037,687.4	1,140,417.1	1,217,189.5	1,358,754.3	1,465,396.3	1,594,456.9
Activities of households as employers	201,872.3	215,563.8	241,246.3	251,635.5	296,064.8	306,817.7	321,045.6
All economic activities	108,954,408.6	114,202,816.4	124,786,233.8	135,258,748.9	144,790,631.7	158,082,422.8	175,783,042.5
Taxes on products	9,787,724.2	9,794,956.0	9,753,960.1	10,125,604.5	11,376,505.4	12,737,609.6	12,805,009.3
GDP at market prices	118,742,132.8	123,997,772.4	134,540,193.9	145,384,353.3	156,167,137.1	170,820,032.4	188,588,051.8
Population	51.0	52.6	54.3	56.0	57.7	59.9	61.7
Per capita nominal GDP	2,327,349.0	2,356,506.8	2,479,310.8	2,597,725.0	2,705,393.1	2,854,071.6	3,055,606.4

Source: National Bureau of Statistics

Note: r denotes revised data; and p, provisional data



Bank of Tanzania Annual Report 2023/24

A1.0 OUTPUT AND PRICES STATISTICS, TANZANIA MAINLAND

A1.2 Gross Domestic Product (GDP), by Activity, Percentage Share in Total GDP at Current Prices

	Percent						
Activity	2017	2018	2019	2020	2021 ^r	2022 ^r	2023 ^p
Agriculture, hunting and forestry	28.8	27.4	27.1	26.4	26.1	26.2	26.5
Crops	16.6	15.4	14.9	15.1	14.6	15.0	16.1
Livestock	7.5	7.5	7.7	7.0	7.0	6.7	6.2
Forestry and hunting	2.8	2.7	2.7	2.6	2.8	2.7	2.5
Fishing	1.9	1.8	1.8	1.6	1.8	1.8	1.7
Industry and construction	25.0	26.9	27.8	29.7	29.6	30.5	29.7
Mining and quarrying	4.4	5.2	5.3	6.6	7.2	9.0	9.0
Manufacturing	7.7	7.9	7.8	8.3	7.8	7.1	7.0
Electricity supply	0.3	0.3	0.3	0.3	0.2	0.1	0.0
Water supply, sewerage, waste management	0.4	0.4	0.4	0.5	0.5	0.5	0.5
Construction	12.2	13.1	13.9	14.1	13.8	13.7	13.2
Services	38.0	37.8	37.9	36.5	36.5	35.9	37.0
Wholesale and retail trade; and repairs	9.1	8.9	9.1	8.6	8.7	8.2	8.3
Transport and storage	6.7	6.8	7.2	7.4	7.1	6.7	7.2
Hotels and restaurants	1.3	1.3	1.2	1.0	1.1	1.1	1.2
Information and communication	1.5	1.6	1.5	1.5	1.5	1.5	1.4
Financial and insurance activities	4.0	3.9	3.7	3.5	3.4	3.7	4.5
Real estate	2.8	2.9	2.9	2.8	2.8	2.8	2.7
Professional, scientific and technical activities	0.6	0.6	0.6	0.7	0.7	0.7	0.7
Administrative and support service activities	2.5	2.5	2.5	2.6	2.7	2.5	2.6
Public administration and defence	4.2	4.1	4.0	3.7	3.6	3.7	3.5
Education	2.4	2.5	2.5	2.3	2.3	2.2	2.2
Human health and social work activities	1.4	1.5	1.4	1.4	1.4	1.4	1.4
Arts, entertainment and recreation	0.3	0.3	0.3	0.3	0.3	0.4	0.4
Other service activities	0.8	0.8	0.8	0.8	0.8	0.9	0.8
Activities of households as employers	0.2	0.2	0.2	0.2	0.2	0.2	0.2
All economic activities	91.8	92.1	92.8	92.7	92.3	92.5	93.2
Add Taxes on products	8.2	7.9	7.2	7.3	7.7	7.5	6.8
Total GDP at market prices	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: National Bureau of Statistics

Note: r denotes revised data; and p, provisional data



Bank of Tanzania Annual Report 2023/24

A1.0 OUTPUT AND PRICES STATISTICS, TANZANIA MAINLAND

A1.3 Gross Domestic Product (GDP), by Activity at Constant 2015 Prices

Activity	Millions of TZS						
	2017	2018	2019	2020	2021 ^r	2022 ^r	2023 ^p
Agriculture, hunting and forestry	27,999,284.1	29,504,235.8	30,802,622.4	32,323,672.8	33,588,777.4	34,711,276.9	36,184,322.1
Crops	14,904,927.3	15,679,337.7	16,372,350.9	17,196,814.9	17,818,275.8	18,295,699.5	19,064,329.9
Livestock	7,886,754.2	8,276,692.0	8,687,237.9	9,119,558.7	9,574,892.2	10,054,947.1	10,560,053.6
Forestry and hunting	3,184,482.7	3,339,085.2	3,499,684.4	3,612,827.3	3,739,795.4	3,857,005.8	4,021,644.1
Fishing	2,023,119.9	2,209,120.9	2,243,349.2	2,394,471.9	2,455,814.1	2,503,624.4	2,538,294.5
Industry and construction	28,565,774.0	31,344,128.1	34,912,846.6	37,251,857.4	39,085,651.6	41,147,936.3	43,234,379.7
Mining and quarrying	4,588,623.9	4,659,195.2	5,485,112.4	5,887,451.7	6,442,881.3	7,138,148.9	7,945,920.5
Manufacturing	8,889,818.0	9,623,500.7	10,184,558.4	10,646,278.5	11,155,761.8	11,624,144.0	12,128,561.6
Electricity supply	877,666.6	928,174.5	994,879.2	1,049,610.1	1,154,204.3	1,242,132.0	1,290,959.7
Water supply, sewerage, waste management	444,660.1	477,510.2	510,410.6	540,159.2	575,213.0	606,754.2	621,827.5
Construction	13,765,005.5	15,655,747.5	17,737,886.1	19,128,358.0	19,757,591.1	20,536,757.2	21,247,110.3
Services	42,697,730.5	45,453,302.0	48,133,894.8	50,196,792.3	52,618,667.3	55,393,899.1	58,615,192.6
Wholesale and retail trade; and repairs	9,829,966.7	10,480,203.6	10,984,479.6	11,216,401.4	11,578,145.8	12,031,598.4	12,542,371.5
Transport and storage	7,815,844.6	8,736,560.6	9,493,190.7	10,293,275.6	10,658,344.0	11,061,950.4	11,510,656.7
Hotels and restaurants	1,525,618.5	1,604,390.7	1,645,950.1	1,419,653.9	1,514,711.3	1,651,098.6	1,788,241.5
Information and communication	1,824,471.8	1,989,717.3	2,133,312.4	2,313,032.1	2,524,609.7	2,712,410.7	2,917,297.2
Financial and insurance activities	4,115,392.9	4,094,972.3	4,281,167.0	4,412,967.5	4,599,676.8	5,024,300.6	5,639,079.2
Real estate	3,211,894.9	3,354,517.7	3,505,484.8	3,663,972.3	3,827,459.9	3,997,459.8	4,168,722.1
Professional, scientific and technical activities	694,290.6	763,332.1	821,635.6	881,833.4	942,012.5	996,609.1	1,051,695.7
Administrative and support service activities	2,892,462.9	3,054,288.2	3,311,752.9	3,569,799.8	3,817,046.9	3,993,799.1	4,191,804.6
Public administration and defence	4,907,113.3	5,064,968.5	5,238,490.6	5,438,145.7	5,713,411.3	6,024,202.8	6,358,312.0
Education	2,859,170.7	3,046,789.4	3,257,405.7	3,365,354.6	3,537,610.7	3,724,729.4	3,955,485.3
Human health and social work activities	1,611,999.2	1,746,730.9	1,833,514.0	1,953,479.4	2,065,349.0	2,176,986.2	2,308,205.5
Arts, entertainment and recreation	307,906.8	350,027.3	389,225.2	372,119.5	444,488.0	528,722.0	622,264.3
Other service activities	912,404.3	971,690.0	1,037,083.3	1,089,265.4	1,181,814.3	1,249,425.4	1,333,611.7
Activities of households as employers	189,193.2	195,113.5	201,203.0	207,491.7	213,987.3	220,606.7	227,445.5
All economic activities	99,262,788.6	106,301,665.9	113,849,363.9	119,772,322.5	125,293,096.3	131,253,112.4	138,033,894.4
Taxes on products	8,348,602.3	8,872,802.2	9,289,874.7	8,951,215.3	9,658,416.8	9,994,080.5	10,365,862.6
Total GDP at market prices	107,611,390.9	115,174,468.0	123,139,238.5	128,723,537.8	134,951,513.1	141,247,192.9	148,399,757.0
Population	51.0	52.6	54.3	55.9	57.7	59.9	61.7
Per capita real GDP (TZS)	2,109,186.2	2,188,825.0	2,269,213.7	2,302,746.7	2,337,859.9	2,358,050.0	2,405,182.4

Source: National Bureau of Statistics

Note: r denotes revised data; and p, provisional data



Bank of Tanzania Annual Report 2023/24

A1.0 OUTPUT AND PRICES STATISTICS, TANZANIA MAINLAND

A1.4 Gross Domestic Product (GDP), by Activity, Percentage Growth Rates at Constant 2015 Prices

Activity	Percent						
	2017	2018	2019	2020	2021 ^r	2022 ^r	2023 ^p
Agriculture, hunting and forestry	5.9	5.4	4.4	4.9	3.9	3.3	4.2
Crops	6.5	5.2	4.4	5.0	3.6	2.7	4.2
Livestock	5.1	4.9	5.0	5.0	5.0	5.0	5.0
Forestry and hunting	4.9	4.9	4.8	3.2	3.5	3.1	4.3
Fishing	8.5	9.2	1.5	6.8	2.5	1.9	1.4
Industry and construction	10.6	9.7	11.4	7.3	5.5	5.3	5.1
Mining and quarrying	5.3	1.5	17.7	7.2	9.6	10.8	11.3
Manufacturing	8.2	8.3	5.8	4.5	4.8	4.2	4.3
Electricity supply	1.0	5.8	7.2	5.5	10.0	7.6	3.9
Water supply, sewerage, waste management	6.4	7.4	6.9	5.8	6.5	5.5	2.5
Construction	15.1	13.7	13.3	9.1	4.3	3.9	3.5
Services	5.3	6.5	5.9	4.3	5.0	5.3	5.8
Wholesale and retail trade; and repairs	6.1	6.6	4.8	2.1	3.5	3.9	4.2
Transport and storage	6.7	11.8	8.7	8.4	3.5	3.8	4.1
Hotels and restaurants	3.1	5.2	2.6	-13.7	6.7	9.0	8.3
Information and communication	6.2	9.1	7.2	8.4	9.1	7.4	7.6
Financial and insurance activities	-2.8	-0.5	4.5	3.1	4.9	9.2	12.2
Real estate	4.4	4.4	4.5	4.5	4.5	4.4	4.3
Professional, scientific and technical activities	14.5	9.9	7.6	7.3	6.8	5.8	5.5
Administrative and support service activities	10.8	5.6	8.4	7.8	6.9	4.6	5.0
Public administration and defence	2.4	3.2	3.4	3.8	5.1	5.4	5.5
Education	7.3	6.6	6.9	3.3	5.1	5.3	6.2
Human health and social work activities	7.6	8.4	5.0	6.5	5.7	5.4	6.0
Arts, entertainment and recreation	9.9	13.7	11.2	-4.4	19.4	19.0	17.7
Other service activities	12.0	6.5	6.7	5.0	8.5	5.7	6.7
Activities of households as employers	3.2	3.1	3.1	3.1	3.1	3.1	3.1
All economic activities	7.0	7.1	7.1	5.4	4.8	4.8	5.2
Taxes on products	4.0	6.3	4.7	-2.3	6.6	3.5	3.7
Total GDP at market prices	6.7	7.0	6.9	4.8	4.9	4.7	5.1

Source: National Bureau of Statistics

Note: r denotes revised data; and p, provisional data



Bank of Tanzania Annual Report 2023/24

A1.0 OUTPUT AND PRICES STATISTICS, TANZANIA MAINLAND

A1.5 Production of Major Agricultural Crops

	'000' Tonnes					
	2017/18	2018/19	2019/20	2020/21	2021/22 ^r	2022/23 ^p
Food crops:						
Maize	6,273.2	5,817.5	6,711.0	6,908.3	7,039.0	8,010.9
Rice	2,219.6	2,009.2	3,038.1	2,629.5	2,688.0	2,332.2
Wheat	56.7	62.4	79.0	70.3	70.0	86.5
Pulses	1,823.5	1,407.8	1,858.7	2,135.5	2,236.0	2,802.8
Cash crops:						
Coffee	48.3	66.6	59.3	73.0	66.8	82.5
Seed cotton	222.0	349.0	349.0	122.8	144.8	173.7
Tea	34.0	37.2	28.7	27.5	24.8	26.8
Cashewnuts	313.8	225.1	232.7	210.8	240.1	189.1
Tobacco	50.5	72.6	37.5	58.5	70.7	125.6
Sisal	40.6	33.3	36.4	39.3	43.6	48.6
Pyrethrum	2.4	2.0	2.5	2.4	2.6	4.2

Source: Ministry of Agriculture

Note: p denotes provisional data; and r, revised data

A1.6 Agricultural Production Indices

	2013/14=100					
	2018/19	2019/20	2020/21	2021/22	2022/23 ^r	2023/24 ^p
Food crops:						
Maize	86.4	99.7	102.6	104.5	119.0	149.7
Paddy	119.7	181.0	156.7	160.2	139.0	181.5
Wheat	37.3	47.3	42.1	41.9	51.8	71.2
Pulses	82.9	109.5	125.8	131.7	165.1	147.0
Cash crops:						
Coffee	136.6	121.6	149.3	137.1	169.1	152.1
Cotton	90.5	141.9	98.3	58.9	70.6	114.8
Tea	107.2	82.7	79.2	71.5	77.1	60.4
Cashewnuts	173.0	178.8	158.8	184.5	145.3	238.8
Tobacco	84.1	52.9	64.5	81.9	145.5	134.6
Sisal	88.1	87.8	80.9	115.3	128.7	157.4
Pyrethrum	30.5	38.0	36.5	39.4	64.2	57.8

Source: Ministry of Agriculture

Note: r denotes revised data; and p, provisional data



Bank of Tanzania Annual Report 2023/24

A1.0 OUTPUT AND PRICES STATISTICS, TANZANIA MAINLAND

A1.7 Production of Selected Industrial Products

Commodity	Unit	2018	2019	2020	2021	2022 ^r	2023 ^p
Biscuits and pasta	Tonnes	16,911.0	18,113.0	22,991.0	27,355.0	29,653.0	26,667.0
Wheat flour	Tonnes	678,780.0	680,393.0	763,461.0	733,287.0	684,708.0	817,883.0
Sugar, refined	'000' Tonnes	315.9	439.1	460.6	433.1	478.3	438.0
Distilled spirit	'000' Lts	26,744.0	32,366.0	33,287.0	22,066.0	22,489.0	34,658.0
Beer	'000' Lts	444,633.0	391,299.0	378,349.0	375,960.0	456,035.0	501,592.0
Chibuku	'000' Lts	20,819.0	20,350.0	21,712.0	23,266.0	24,366.0	23,614.0
Cigarettes	Mill Pcs	7,921.0	8,369.0	7,320.0	7,021.0	12,201.0	11,493.0
Textiles	'000' Sq. Mt.	85,982.0	n.a	n.a	86,564.0	70,716.0	60,015.0
Sisal ropes and twines	Tonnes	8,148.0	9,287.0	8,076.0	8,583.0	6,171.0	5,132.0
Fishnet and products	Tonnes	228.0	254.0	261.0	273.0	461.0	570.0
Plywood	Cubic Mt.	1,023.0	1,177.0	1,249.0	1,339.0	670.0	n.a
Pyrethrum extract	Tonnes	139.0	145.0	154.0	164.0	173.0	153.0
Paints	'000' Lts	48,025.0	58,024.0	56,755.0	62,785.0	64,028.0	66,497.0
Cement	'000' Tonnes	4,579.0	6,514.7	6,494.8	6,614.6	7,598.1	7,415.1
Rolled steel	Tonnes	215,828.0	203,018.0	191,365.0	248,074.0	277,079.0	338,558.0
Iron sheets	Tonnes	84,132.0	100,963.0	107,836.0	119,864.0	129,038.0	20,950.0
Aluminium sheets/circles	Tonnes	n.a	n.a	n.a	n.a	n.a	12,171.0
Dry cells	'000' Pcs	115,000.0	120,000.0	132,000.0	n.a	n.a	n.a

Source: National Bureau of Statistics

Note: Notes: p denotes provisional data; r, revised data; n.a, not available, Lts litres; Sq.Mt, square meter; and Pcs pieces



Bank of Tanzania Annual Report 2023/24

A1.0 OUTPUT AND PRICES STATISTICS, TANZANIA MAINLAND

A1.8 Industrial Production Indices

1985=100

Commodity	2018	2019	2020	2021	2022 ^f	2023 ^p
Biscuits and pasta	1,709.9	1,831.4	2,324.7	2,765.9	2998.3	2,696.4
Wheat flour	1,744.5	1,748.6	1,962.1	1,884.6	1759.7	2,102.0
Sugar, refined	282.1	392.1	411.3	386.7	427.1	391.1
Distilled spirit	2,780.0	3,364.4	3,460.2	2,293.8	2337.7	3,602.7
Beer	586.9	516.5	499.4	496.3	601.9	662.1
Chibuku	190.5	186.2	198.6	212.9	222.9	216.0
Cigarattes	297.1	313.9	274.6	263.4	457.7	431.1
Textiles	148.1	n.a	n.a	149.1	121.8	103.3
Sisal ropes and twines	56.2	64.0	55.7	59.2	42.6	35.4
Fishnet and products	237.5	264.6	271.9	284.4	480.2	593.8
Plywood	64.4	74.1	78.6	84.3	42.2	n.a
Pyrethrum extract	356.4	371.8	394.9	420.5	443.6	392.3
Paints	3,520.9	4,254.0	4,160.9	4,603.0	4694.1	4,875.1
Cement	1,159.2	1,649.3	1,644.3	1,674.6	1923.6	1,877.2
Rolled steel	57,401.1	53,994.1	50,894.9	65,977.1	73691.2	90,042.0
Iron Sheets	744.5	893.5	954.3	1,060.7	1141.9	185.4
Aluminium sheets/circles	n.a	n.a	n.a	n.a	n.a	56.2
Dry cells	260.8	272.1	299.3	n.a	n.a	n.a

Source: National Bureau of Statistics and the Bank of Tanzania computations

Notes: p denotes provisional data; r, revised data; and n.a, not available

A1.9 Mineral Recoveries

Item	Unit	2018	2019	2020	2021	2022 ^f	2023 ^p
Diamond	'000' Carats	381.3	416.7	147.2	62.5	370.5	135.1
Gold	Kilograms	39,304.0	48,408.0	55,805.0	59,638.0	53,939.5	51,655.6
Gemstone	Tonnes	284.3	1,929.7	23,564.5	7,197.2	10,682.8	56,428.0
Salt	'000' Tonnes	36.4	99.5	84.0	113.0	181.8	159.0
Gypsum	'000' Tonnes	241.3	256.5	443.9	598.1	604.4	549.8
Limestone	'000' Tonnes	2,944.0	5,527.0	6,788.0	976.3	7,741.3	10,128.7
Pozzolana	Tonnes	91,645.0	263,064.0	160,078.0	216,934.0	226,038.3	351,988.2
Coal	'000' Tonnes	627.7	712.1	690.0	976.3	2,519.2	3,069.9
Tanzanite	Kilograms	n.a	n.a	51,542.0	177,145.5	89,813.8	123,723.0
Phosphate	Tonnes	1,351.0	n.a	28,376.0	24,493.0	26,596.8	31,745.1
Copper ore	'000' Pounds	n.a	n.a	3,761.1	3,352.6	6,622.9	6,307.0

Source: Ministry of Minerals

Note: p denotes provisional data; r denotes revised, and n.a, not available

A1.0 OUTPUT AND PRICES STATISTICS, TANZANIA MAINLAND

A1.10 (i) National Consumer Prices Index (Urban and Rural) – Main Groups

Period	Headline overall index	Food and non-alcoholic beverages	Alcoholic beverages and tobacco	Clothing and footwear	Housing, electricity, gas and other fuels	Furnishings, household equipment and routine household maintenance	Health	Transport	Information and communication	Recreation, sport and culture	Education services	Restaurants and accommodation services	Insurance and financial services	Personal care, social protection and miscellaneous goods and services
New Weight (%)	100.0	28.2	1.9	10.8	15.1	7.9	2.5	14.1	5.4	1.6	2.0	6.6	2.1	2.1
2021-Jan	101.5	100.6	101.2	103.0	102.3	102.4	101.6	101.0	101.1	102.1	100.4	102.3	100.1	102.0
Feb	102.4	102.4	101.4	103.5	102.9	102.5	102.2	101.7	101.2	102.9	101.1	102.3	100.3	102.3
Mar	103.4	104.0	101.5	104.2	104.0	102.8	102.3	102.9	101.4	102.8	101.2	104.5	100.3	102.4
Apr	104.0	105.2	102.3	104.5	104.5	103.0	102.3	103.0	101.8	102.9	101.3	105.1	100.3	102.6
May	104.2	106.5	102.2	104.5	104.0	102.9	102.3	103.1	101.8	102.9	101.2	105.1	100.3	102.5
Jun	104.3	106.5	102.3	104.5	104.0	103.1	103.0	103.2	101.9	102.9	101.3	105.3	100.2	102.8
Jul	104.3	106.2	102.2	104.6	104.2	103.1	102.9	103.5	102.0	102.9	101.2	105.3	100.3	102.9
Aug	103.8	103.5	102.7	104.9	104.7	103.4	103.1	104.1	102.1	103.0	101.2	105.3	100.3	103.1
Sep	103.7	103.3	102.5	104.8	104.6	103.5	103.2	104.1	102.0	103.0	101.1	105.3	100.3	103.0
Oct	103.6	103.2	102.7	104.8	104.3	103.4	103.3	104.1	102.0	102.4	101.2	105.4	100.3	103.1
Nov	104.1	104.0	102.9	105.5	104.7	103.9	103.4	104.2	102.3	102.6	101.2	105.7	100.4	103.3
Dec	104.9	105.9	102.9	105.7	105.1	104.4	103.4	105.3	102.4	102.7	101.2	105.7	100.4	103.4
2022-Jan	105.6	107.0	103.1	106.2	105.9	105.5	103.5	105.4	102.4	104.0	101.4	106.2	100.4	104.3
Feb	106.2	108.6	103.3	106.4	106.5	105.6	103.5	105.5	102.2	104.0	101.4	106.5	100.5	104.4
Mar	107.1	110.6	103.3	107.0	107.3	105.7	103.6	105.9	102.4	104.0	101.5	107.0	100.5	105.0
Apr	107.9	112.2	103.5	106.9	108.6	105.8	103.7	107.0	102.4	103.9	101.5	107.2	100.5	105.0
May	108.4	112.3	103.5	106.7	108.5	106.3	103.8	110.5	102.5	104.0	101.5	107.2	100.5	105.2
Jun	108.9	112.7	103.4	106.9	108.8	106.8	104.3	112.4	102.4	104.2	101.9	107.2	100.5	105.2
Jul	109.1	113.1	103.4	107.1	108.5	107.1	104.3	112.5	102.5	104.4	101.9	107.3	100.5	105.3
Aug	108.6	111.6	103.4	107.3	108.3	107.1	104.2	112.5	102.5	104.3	101.9	107.3	100.5	105.3
Sep	108.7	111.9	103.5	107.6	108.0	107.2	104.6	112.3	108.2	104.7	101.9	107.2	100.5	105.3
Oct	108.7	112.6	103.6	107.5	108.1	107.7	104.6	110.4	103.3	104.6	101.9	107.9	100.1	105.5
Nov	104.1	104.0	102.9	105.5	104.7	103.9	103.4	104.2	102.3	102.6	101.2	105.7	100.4	103.3
Dec	110.0	116.2	103.7	108.4	107.9	108.2	105.1	110.7	103.7	104.7	101.9	108.6	100.2	106.0
2023-Jan	110.8	117.6	103.7	108.9	108.0	108.7	105.4	111.9	104.1	105.0	104.3	109.2	100.4	106.5
Feb	111.3	119.1	103.8	109.1	108.1	108.6	105.4	111.8	104.0	105.2	104.8	109.4	100.4	106.4
Mar	112.1	121.4	103.8	109.5	108.5	108.8	105.4	112.0	104.1	105.6	104.9	110.3	100.0	106.4
Apr	112.5	122.4	104.3	109.9	108.9	109.1	105.5	111.6	104.2	105.8	104.9	110.7	100.1	106.7
May	112.7	121.8	105.1	110.2	109.4	109.4	105.5	112.0	104.4	105.9	105.2	112.3	100.1	107.0
Jun	112.8	121.5	105.2	110.6	110.0	109.5	105.6	111.9	104.4	106.1	105.2	112.7	100.1	108.0
Jul	112.7	120.0	107.4	110.7	109.8	110.1	106.3	112.9	104.6	106.7	105.2	112.8	100.8	109.3
Aug	112.3	117.8	107.3	110.9	109.8	111.5	106.3	113.2	104.7	107.0	105.3	112.8	100.8	109.5
Sep	112.4	118.2	107.3	110.8	109.4	111.4	106.4	113.4	104.9	107.5	105.5	113.0	100.7	109.5
Oct	112.2	117.6	107.2	110.7	109.2	111.4	106.4	113.8	104.7	107.6	105.5	113.1	100.7	109.3
Nov	112.7	118.1	107.9	111.2	110.7	111.9	106.4	113.7	104.9	108.2	105.5	113.3	100.7	109.5
Dec	112.3	119.5	105.9	110.4	109.5	110.2	105.9	112.7	104.5	106.6	105.1	111.9	100.5	108.2
2024-Jan	114.1	119.4	107.9	111.9	113.3	112.3	107.2	115.6	105.2	109.0	107.2	114.6	101.1	114.1
Feb	114.7	121.3	108.2	112.0	113.4	112.4	107.6	115.0	106.0	109.1	107.7	114.5	101.5	114.0
Mar	115.5	123.1	108.3	112.2	113.7	112.7	107.6	116.8	106.1	109.2	107.7	114.7	101.6	114.2
Apr	116.1	124.1	108.5	112.3	114.6	112.3	107.7	117.3	106.1	109.3	107.8	115.3	101.6	114.7
May	116.2	123.7	108.6	112.4	115.1	113.0	107.7	117.6	106.2	109.6	108.7	115.2	101.7	115.8
Jun	116.3	122.6	108.6	112.6	117.3	113.3	107.7	117.8	106.2	109.6	108.8	115.8	101.8	115.8

Source: National Bureau of Statistics
Notes: Please note that NBS has adjusted CPI figures from Base December 2015=100 to Base 2020 = 100



Bank of Tanzania Annual Report 2023/24



Bank of Tanzania Annual Report 2023/24

A1.0 OUTPUT AND PRICES STATISTICS, TANZANIA MAINLAND

A1.10 (ii) National Consumer Prices Index (Urban and Rural) – Other Selected Groups

Base: 2020 = 100

Period	Core index	Non-core index	Energy, fuel and utilities index	Services index	Goods index	Education services and products ancillary to education index	All items less food and non-alcoholic beverages
New Weight (%)	73.9	26.1	5.7	37.2	62.8	4.1	71.8
2021-Jan	102.3	99.3	98.9	101.4	101.6	102.2	n.a
Feb	102.9	101.2	100.6	102.1	102.7	102.4	102.5
Mar	103.6	103.0	102.5	102.8	103.9	102.7	103.2
Apr	103.9	104.0	103.6	103.2	104.4	103.3	103.5
May	104.3	104.2	102.5	103.2	104.8	103.2	103.4
Jun	104.4	104.1	102.6	103.2	104.9	103.4	103.5
Jul	104.3	104.4	103.7	103.2	105.0	103.3	103.6
Aug	104.5	101.7	105.2	103.5	104.0	103.3	103.9
Sep	104.5	101.5	104.7	103.4	103.9	103.3	103.9
Oct	104.4	101.2	103.9	103.4	103.7	103.1	103.8
Nov	104.8	101.9	104.0	103.7	104.3	103.3	104.1
Dec	105.3	104.0	105.0	104.0	105.5	103.4	104.5
2022-Jan	105.7	105.2	106.1	104.3	106.4	104.5	105.0
Feb	106.0	106.9	106.5	104.6	107.2	104.6	105.3
Mar	106.3	109.2	109.0	104.7	108.5	104.7	105.7
Apr	106.9	110.7	113.9	105.0	109.6	104.7	106.2
May	107.4	111.3	116.4	105.9	109.9	104.7	106.9
Jun	107.9	111.9	115.9	106.8	110.2	104.9	107.4
Jul	107.9	112.2	115.2	106.8	110.4	104.9	107.5
Aug	107.9	110.8	115.3	106.8	109.7	105.0	107.5
Sep	107.9	111.1	113.0	106.9	109.8	105.1	107.5
Oct	107.6	112.0	112.9	106.4	110.1	104.9	107.2
Nov	104.8	101.9	104.0	103.7	104.3	103.3	104.1
Dec	107.9	116.1	113.2	106.6	112.0	104.9	107.6
2023-Jan	108.4	117.6	113.4	107.3	112.9	106.5	108.2
Feb	108.5	119.2	113.3	107.4	113.6	106.8	108.2
Mar	108.7	121.7	114.4	107.6	114.8	106.8	108.5
Apr	109.0	122.6	114.3	107.7	115.4	106.8	108.7
May	109.5	121.7	115.1	108.3	115.4	107.1	109.1
Jun	109.7	121.6	115.9	108.5	115.4	107.2	109.4
Jul	110.2	119.7	114.5	109.0	114.8	108.0	109.8
Aug	110.3	117.9	114.6	109.2	114.1	108.2	110.1
Sep	110.3	118.1	114.0	109.3	114.2	108.3	110.1
Oct	110.3	117.7	113.9	109.3	113.9	108.2	110.1
Nov	110.5	119.2	117.9	109.3	114.8	108.3	110.6
Dec	109.7	119.7	115.0	108.6	114.6	107.6	109.5
2024-Jan	111.9	120.2	120.9	111.0	115.9	109.7	112.0
Feb	112.5	120.9	121.4	110.7	117.0	110.0	112.0
Mar	113.0	122.8	122.0	111.2	118.1	110.0	112.6
Apr	113.2	124.4	124.9	111.3	119.0	110.2	112.9
May	113.5	124.2	126.4	111.5	119.1	110.9	113.2
Jun	113.7	123.7	131.6	111.7	119.0	111.2	113.8

Source: National Bureau of Statistics

Notes: Please note that NBS has adjusted CPI figures from Base December 2015=100 to Base 2020 = 100



Bank of Tanzania Annual Report 2023/24

A1.0 OUTPUT AND PRICES STATISTICS, TANZANIA MAINLAND

A1.10 (iii) National Consumer Price Index (Urban and Rural), Twelve Months Percentage Change – Main Groups

Period	New Weight (%)	Headline	Food and non-alcoholic beverages	Alcoholic beverages and tobacco	Clothing and footwear	Housing, water, electricity, gas and other fuels	Furnishings, household equipment and routine household maintenance	Health	Transport	Information and communication	Recreation, sports and culture	Education services	Restaurants and accommodation services	Insurance and financial services	Personal care, social protection and miscellaneous goods and services
2021-Jan	3.5	28.2	1.8	3.7	7.3	3.1	2.2	0.9	2.4	1.6	0.9	3.0	0.1	2.1	2.4
Feb	3.3	3.6	2.0	4.0	4.4	3.2	2.8	2.1	2.0	2.1	1.1	4.1	0.3	0.3	2.8
Mar	3.2	4.3	1.9	4.5	3.7	3.2	2.9	0.5	2.1	2.2	1.2	4.9	0.3	0.3	2.8
Apr	3.3	4.8	2.7	4.6	4.1	3.1	2.7	0.2	1.8	5.4	1.2	5.4	0.3	0.3	2.7
May	3.3	4.9	2.5	4.4	3.5	2.8	2.6	1.2	1.7	2.3	1.1	5.4	0.3	0.3	2.6
Jun	3.6	4.7	1.9	4.4	3.2	2.9	2.7	3.8	1.9	2.3	1.3	5.6	0.3	0.3	2.0
Jul	3.8	5.1	1.9	4.5	3.5	2.9	2.6	4.3	1.8	2.2	1.1	4.9	0.3	0.3	2.7
Aug	3.8	3.6	2.4	4.7	4.2	3.1	2.8	5.7	1.8	2.3	1.1	5.0	0.3	0.3	2.8
Sep	4.0	4.0	2.4	4.8	4.1	3.2	2.8	5.9	1.8	4.1	1.1	5.0	0.3	0.3	2.8
Oct	4.0	3.9	2.5	4.9	3.8	3.2	2.9	5.6	1.9	3.7	1.1	5.0	0.3	0.3	2.9
Nov	4.1	4.4	2.7	5.5	4.0	3.6	3.0	5.4	1.4	3.8	1.1	5.3	0.3	0.3	3.5
Dec	4.2	4.9	2.2	4.5	3.9	4.1	2.9	5.9	1.5	3.8	1.1	4.9	0.3	0.3	3.5
2022-Jan	4.0	6.3	1.9	3.1	3.5	3.0	1.9	4.4	1.3	1.9	1.0	3.7	0.3	0.3	2.2
Feb	3.7	6.1	1.8	2.8	3.5	3.0	1.3	3.7	1.2	1.4	0.3	2.7	0.2	0.2	2.1
Mar	3.6	6.5	1.8	2.4	3.2	2.8	1.3	2.9	1.0	1.1	0.2	2.4	0.2	0.2	2.4
Apr	3.8	6.6	1.2	2.3	3.9	2.8	1.3	3.9	0.6	1.0	0.2	2.1	0.2	0.2	2.4
May	4.0	5.5	1.2	2.1	4.3	3.3	1.5	7.2	0.7	1.1	0.3	2.0	0.2	0.2	2.6
Jun	4.4	5.9	1.1	2.3	4.6	3.6	1.3	8.9	0.5	1.3	0.5	1.8	0.3	0.3	2.4
Jul	4.5	6.5	1.2	2.4	4.1	3.9	1.4	8.7	0.4	1.4	0.7	1.9	0.2	0.2	2.3
Aug	4.6	7.8	0.7	2.3	3.4	3.6	1.1	8.1	3.6	0.4	1.3	0.7	1.9	0.2	2.2
Sep	4.8	8.3	1.0	2.6	3.2	3.6	1.4	7.9	1.1	1.6	0.7	1.8	0.2	0.2	2.2
Oct	4.9	9.1	0.9	2.5	3.7	4.2	1.3	6.1	1.2	2.2	0.7	2.3	-0.2	-0.2	2.4
Nov	4.9	9.2	0.8	2.1	2.8	4.0	1.5	6.1	1.2	2.0	0.7	2.6	-0.2	-0.2	2.3
Dec	4.8	9.7	0.8	2.6	2.7	3.7	1.7	5.1	1.3	2.0	0.7	2.7	-0.1	-0.1	2.5
2023-Jan	4.9	9.9	0.6	2.5	2.0	3.0	1.8	6.2	1.7	1.0	2.9	2.8	0.0	0.0	2.1
Feb	4.8	9.6	0.4	2.6	1.5	2.8	1.8	6.0	1.6	1.9	3.3	2.7	-0.1	-0.1	1.9
Mar	4.7	9.7	0.5	2.4	1.1	2.9	1.7	5.7	1.6	1.5	3.4	3.1	-0.5	-0.5	1.3
Apr	4.3	9.1	0.8	2.8	0.3	3.1	1.8	4.3	1.7	1.8	3.3	3.2	-0.4	-0.4	1.6
May	4.0	9.7	0.5	2.4	1.1	2.9	1.7	5.7	1.6	1.5	3.4	3.1	-0.5	-0.5	1.3
Jun	3.6	7.8	1.7	3.5	1.1	2.5	1.3	-0.4	1.9	1.9	3.3	5.1	-0.4	-0.4	2.6
Jul	3.3	6.1	3.8	3.4	1.2	3.4	2.2	0.4	2.1	2.2	3.3	5.1	0.2	0.2	3.9
Aug	3.3	5.6	3.7	3.4	1.4	4.1	2.1	0.6	2.1	2.5	3.3	5.1	0.2	0.2	4.0
Sep	3.3	5.6	3.6	3.0	1.3	3.9	1.7	1.0	1.7	2.7	3.5	5.4	0.1	0.1	3.9
Oct	3.2	4.5	3.5	3.0	1.0	3.4	1.7	3.1	1.4	2.8	3.5	4.9	0.6	0.6	3.6
Nov	3.2	3.7	4.1	3.3	2.8	3.6	1.4	2.9	1.3	3.4	3.5	4.5	0.6	0.6	3.5
Dec	3.0	2.3	4.1	3.2	4.0	3.6	1.3	3.3	1.3	3.5	3.5	4.3	0.6	0.6	4.5
2024-Jan	3.0	1.5	4.1	2.8	4.9	3.3	1.8	3.3	1.0	3.8	2.7	5.0	0.7	0.7	7.1
Feb	3.0	1.8	4.2	2.7	5.0	3.5	2.1	2.9	1.9	3.6	2.8	4.6	1.0	1.0	7.1
Mar	3.0	1.4	4.3	2.4	4.8	3.6	2.1	4.4	1.9	3.4	2.8	4.1	1.6	1.6	7.3
Apr	3.1	1.4	4.0	2.1	5.2	3.3	2.0	5.1	1.8	3.3	2.8	4.1	1.5	1.5	7.5
May	3.1	1.6	3.4	2.0	5.2	3.3	2.0	5.0	1.7	3.4	3.3	2.6	1.6	1.6	8.2
Jun	3.1	0.9	3.2	1.8	6.6	3.5	1.9	5.2	1.7	3.3	3.4	2.8	1.7	1.7	7.2

Source: National Bureau of Statistics

Notes: Please note that NBS has adjusted CPI figures from Base December 2015=100 to Base 2020 = 100



Bank of Tanzania Annual Report 2023/24

A1.0 OUTPUT AND PRICES STATISTICS, TANZANIA MAINLAND

A1.10 (iv) National Consumer Price Index (Urban and Rural), Twelve Months Percentage Change – Other Selected Groups

Base:2020= 100

Period	Core	Non-Core	Energy, fuel and utilities	Services index	Goods index	Education services and products ancillary to	All items less food and non-alcoholic beverages
New Weight (%)	73.9	26.1	5.7	37.2	62.8	4.1	71.8
2021-Jan	3.8	1.5	1.6	2.9	3.4	2.5	n.a
Feb	3.6	2.1	1.4	2.3	3.7	2.5	n.a
Mar	3.6	2.5	1.1	1.9	4.1	2.7	2.7
Apr	3.5	3.1	2.3	2.1	4.2	3.2	2.7
May	3.7	2.8	2.1	2.3	4.1	3.2	2.7
Jun	4.0	2.7	3.2	3.0	4.1	3.1	3.2
Jul	4.1	3.4	3.6	3.1	4.3	3.3	3.3
Aug	4.5	1.8	5.1	3.7	3.9	3.3	4.0
Sep	4.6	2.3	4.6	4.0	4.0	3.3	4.1
Oct	4.5	2.3	4.2	3.9	4.0	3.1	4.1
Nov	4.7	2.5	3.4	4.0	4.3	3.3	4.0
Dec	4.6	3.4	4.4	3.8	4.5	3.3	3.9
2022-Jan	3.3	6.0	7.3	2.9	4.7	2.3	3.1
Feb	3.0	5.6	5.8	2.4	4.4	2.2	2.7
Mar	2.7	6.1	6.3	1.9	4.5	2.0	2.4
Apr	2.8	6.5	9.9	1.7	5.0	1.4	2.6
May	3.0	6.8	13.5	2.7	4.8	1.5	3.4
Jun	3.4	7.4	12.9	3.4	5.0	1.5	3.9
Jul	3.5	7.5	11.2	3.5	5.2	1.5	3.8
Aug	3.2	9.0	9.6	3.2	5.5	1.6	3.4
Sep	3.3	9.5	7.9	3.4	5.7	1.7	3.5
Oct	3.0	10.6	8.7	2.8	6.2	1.7	3.3
Nov	2.7	11.3	7.7	2.7	6.1	1.6	3.1
Dec	2.5	11.6	7.9	2.5	6.2	1.5	2.9
2023-Jan	2.5	11.8	6.9	2.9	6.1	1.9	3.0
Feb	2.4	11.5	6.4	2.7	6.0	2.1	2.8
Mar	2.3	11.4	5.0	2.7	5.8	2.0	2.7
Apr	2.0	10.7	0.4	2.6	5.3	2.0	2.3
May	2.0	9.4	-1.1	2.2	5.0	2.3	2.1
Jun	1.7	8.7	0.0	1.6	4.7	2.3	1.8
Jul	2.1	6.6	-0.6	2.1	4.0	3.0	2.2
Aug	2.2	6.4	-0.6	2.2	4.0	3.1	2.4
Sep	2.3	6.3	0.9	2.2	4.0	3.1	2.4
Oct	2.5	5.0	0.8	2.7	3.4	3.1	2.6
Nov	2.6	5.0	5.3	2.6	3.7	3.2	3.0
Dec	3.1	3.2	5.1	3.2	3.1	3.6	3.3
2024-Jan	3.2	2.2	6.6	3.4	2.7	3.0	2.8
Feb	3.7	1.4	7.2	3.0	3.0	2.9	3.5
Mar	3.9	0.9	6.6	3.3	2.8	3.0	3.7
Apr	3.9	1.4	9.3	3.3	3.1	3.1	3.9
May	3.6	2.1	9.8	3.0	3.2	3.5	3.7
Jun	3.6	1.8	13.5	2.9	3.2	3.7	4.0

Source: National Bureau of Statistics

Notes: Please note that NBS has adjusted CPI figures from Base December 2015=100 to Base 2020 = 100



Bank of Tanzania Annual Report 2023/24

2.0 United Republic of Tanzania Government Finance Statistics

Table A2.1: Central Government Operations

	Millions of TZS						
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24 ^P
Total revenue (including LGAs)	17,971,804.9	18,527,293.2	21,051,754.9	20,594,735.2	24,389,523.2	26,241,759.4	29,829,894.6
Total revenue - central government	17,430,305.9	17,868,195.0	20,352,708.1	19,837,680.3	23,500,055.3	25,256,847.8	28,683,341.7
Tax revenue	15,092,571.8	15,387,287.9	17,472,133.5	17,317,613.5	20,029,211.6	21,411,398.9	24,760,798.4
Taxes on imports	5,429,947.9	5,668,220.5	5,994,225.3	6,564,357.6	7,879,144.1	8,325,996.4	9,328,766.1
Taxes on local goods	3,430,883.1	3,709,774.4	3,840,566.2	3,700,549.9	3,422,252.4	4,102,528.0	4,848,916.1
Income taxes	5,157,886.3	5,072,401.5	6,490,239.8	6,015,741.0	7,517,312.4	7,601,040.8	9,077,395.7
Other taxes	1,073,854.5	936,891.5	1,147,102.2	2,264,146.9	1,210,502.6	1,381,833.7	1,505,720.6
Non- tax revenue	2,337,734.0	2,480,907.1	2,880,574.6	2,520,066.8	3,470,843.7	3,845,448.9	3,922,543.3
LGA own sources	541,499.1	659,098.2	699,046.8	757,055.0	889,467.9	984,911.6	1,146,552.9
Total expenditure ¹	20,445,960.2	22,265,372.0	23,502,650.9	26,585,306.7	31,136,330.4	34,431,748.2	36,567,630.8
Recurrent expenditure	12,415,919.9	13,811,190.4	14,201,147.8	14,883,722.6	16,055,989.4	20,475,131.8	21,931,209.5
Wages and salaries	6,327,676.8	6,658,458.2	7,006,311.0	6,141,565.6	8,087,392.4	9,046,205.3	9,978,925.6
Interest payments	1,990,293.1	2,408,680.1	2,299,499.7	2,528,537.9	2,866,272.4	3,680,654.6	4,483,475.1
Domestic ³	1,317,546.0	1,622,507.9	1,458,831.0	1,815,444.5	2,077,767.4	2,633,591.1	2,825,636.8
Foreign	672,747.1	786,172.2	840,668.7	713,093.4	788,505.0	1,047,063.4	1,657,838.3
Other goods, services and transfers	4,097,950.0	4,744,052.1	4,895,337.1	5,026,360.6	5,102,324.6	7,748,271.9	7,468,808.7
Development expenditure and net lending	8,030,040.4	8,454,181.5	9,926,992.6	11,701,584.2	15,080,341.0	13,956,616.5	14,636,421.3
Local	5,811,305.6	6,496,222.3	6,832,823.1	9,251,759.3	11,461,638.2	12,244,992.5	11,182,316.4
Foreign	2,218,734.8	1,957,959.3	3,094,169.5	2,449,824.8	3,618,702.8	1,711,623.9	3,454,104.9
Overall balance before grants	-2,474,155.3	3,738,078.8	3,076,385.5	-5,990,571.5	-6,746,807.2	-8,189,988.8	-6,737,736.2
Grants	930,648.4	461,201.3	927,848.2	702,851.5	708,492.2	596,380.3	634,687.6
Program	247,285.4	0.0	0.0	0.0	103,202.0	0.0	113,796.3
Project	566,197.5	285,340.0	662,509.7	527,487.8	519,323.4	506,327.7	400,988.1
Basket funds	117,165.4	175,861.3	211,972.3	175,363.7	85,966.8	90,052.5	119,903.2
Overall balance after grants	-1,543,506.9	-3,276,877.4	2,148,537.4	-5,287,720.0	-6,038,315.0	-7,593,608.5	-6,103,048.5
Expenditure float	-71,767.9	-10,242.6	-15,750.3	-7,318.0	-2,187.1	-12,956.4	-8,723.3
Adjustments to cash and other items (net)	-757,222.8	-952,123.2	-579,926.5	-722,879.1	-77,073.8	-75,618.9	-108,619.7
Overall balance (cheques cleared)	-2,300,729.7	-4,229,000.6	-2,728,463.9	-6,010,599.1	-6,117,575.8	-7,682,183.8	-6,211,668.2
Financing:	2,300,729.7	4,229,000.6	2,728,463.9	6,010,599.1	6,117,575.8	7,682,183.8	6,211,668.2
Foreign financing (net)	1,702,082.3	1,191,823.2	2,351,539.9	2,651,378.7	3,267,573.3	3,084,660.5	4,036,348.9
Loans	3,009,653.4	2,766,976.2	4,379,847.2	5,078,402.1	5,926,333.0	5,978,206.4	7,048,162.3
Program loans	0.0	125,396.0	126,094.2	210,238.6	1,291,742.6	1,851,237.4	2,013,708.2
Development project loans	2,938,575.6	2,597,299.3	4,195,187.6	4,791,056.7	4,627,830.3	4,126,969.1	5,034,454.1
o/w: Non- concessional borrowing	1,474,281.6	1,144,822.3	1,822,093.1	3,121,190.2	1,809,493.7	3,011,725.4	2,101,240.6
Basket support	71,077.8	44,280.9	58,565.3	77,106.9	6,760.1	0.0	40,312.1
Amortization	-1,307,571.1	-1,575,153.1	-2,028,307.3	-2,427,023.4	-2,658,759.6	-2,893,546.0	-3,011,813.4
Domestic (net) ³	598,647.5	3,037,177.5	376,924.0	3,359,220.4	2,850,002.5	4,597,523.4	2,175,319.3
Bank and non bank financing	598,647.5	3,037,177.5	376,924.0	3,359,220.4	2,850,002.5	4,597,523.4	2,175,319.3
Bank borrowing	-343,325.5	2,383,403.3	-404,856.6	1,808,932.4	1,846,493.2	2,426,063.1	-270,653.6
Non-bank (net of amortization)	941,973.0	653,774.1	781,780.6	1,550,288.0	1,003,509.3	2,171,460.3	2,445,972.9
Domestic and contingent debt amortization	4,835,199.3	3,713,606.8	3,976,811.2	3,262,551.9	3,044,431.8	3,513,913.7	3,257,143.9
Borrowing/Roll over	-4,835,199.3	-3,713,606.8	-3,976,811.2	-3,262,551.9	-3,044,431.8	-3,513,913.7	-3,257,143.9

Source: Ministry of Finance

Note: ¹ Exclude amortization and expenditure float, includes road fund and retention expenditures; ² domestic interest payments and amortization include cash and non-cash;

³ positive value means financing and a negative value means repayment; and p denotes provisional data



Bank of Tanzania Annual Report 2023/24

2.0 United Republic of Tanzania Government Finance Statistics

Table A2.2: Outstanding Treasury Bills by Investor

	Millions of TZS						
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24 ^P
Total revenue (including LGAs)	17,971,804.9	18,527,293.2	21,051,754.9	20,594,735.2	24,389,523.2	26,241,759.4	29,829,894.6
Total revenue - central government	17,430,305.9	17,868,195.0	20,352,708.1	19,837,680.3	23,500,055.3	25,256,847.8	28,683,341.7
Tax revenue	15,092,571.8	15,387,287.9	17,472,133.5	17,317,613.5	20,029,211.6	21,411,398.9	24,760,798.4
Taxes on imports	5,429,947.9	5,668,220.5	5,994,225.3	6,564,357.6	7,879,144.1	8,325,996.4	9,328,766.1
Taxes on local goods	3,430,883.1	3,709,774.4	3,840,566.2	3,700,549.9	3,422,252.4	4,102,528.0	4,848,916.1
Income taxes	5,157,886.3	5,072,401.5	6,490,239.8	6,015,741.0	7,517,312.4	7,601,040.8	9,077,395.7
Other taxes	1,073,854.5	936,891.5	1,147,102.2	2,264,146.9	1,210,502.6	1,381,833.7	1,505,720.6
Non- tax revenue	2,337,734.0	2,480,907.1	2,880,574.6	2,520,066.8	3,470,843.7	3,845,448.9	3,922,543.3
LGA own sources	541,499.1	659,098.2	699,046.8	757,055.0	889,467.9	984,911.6	1,146,552.9
Total expenditure ¹	20,445,960.2	22,265,372.0	23,502,650.9	26,585,306.7	31,136,330.4	34,431,748.2	36,567,630.8
Recurrent expenditure	12,415,919.9	13,811,190.4	14,201,147.8	14,883,722.6	16,055,989.4	20,475,131.8	21,931,209.5
Wages and salaries	6,327,676.8	6,658,458.2	7,006,311.0	6,141,565.6	8,087,392.4	9,046,205.3	9,978,925.6
Interest payments	1,990,293.1	2,408,680.1	2,299,499.7	2,528,537.9	2,866,272.4	3,680,654.6	4,483,475.1
Domestic ³	1,317,546.0	1,622,507.9	1,458,831.0	1,815,444.5	2,077,767.4	2,633,591.1	2,825,636.8
Foreign	672,747.1	786,172.2	840,668.7	713,093.4	788,505.0	1,047,063.4	1,657,838.3
Other goods, services and transfers	4,097,950.0	4,744,052.1	4,895,337.1	5,026,360.6	5,102,324.6	7,748,271.9	7,468,808.7
Development expenditure and net lending	8,030,040.4	8,454,181.5	9,926,992.6	11,701,584.2	15,080,341.0	13,956,616.5	14,636,421.3
Local	5,811,305.6	6,496,222.3	6,832,823.1	9,251,759.3	11,461,638.2	12,244,992.5	11,182,316.4
Foreign	2,218,734.8	1,957,959.3	3,094,169.5	2,449,824.8	3,618,702.8	1,711,623.9	3,454,104.9
Overall balance before grants	-2,474,155.3	3,738,078.8	3,076,385.5	-5,990,571.5	-6,746,807.2	-8,189,988.8	-6,737,736.2
Grants	930,648.4	461,201.3	927,848.2	702,851.5	708,492.2	596,380.3	634,687.6
Program	247,285.4	0.0	0.0	0.0	103,202.0	0.0	113,796.3
Project	566,197.5	285,340.0	662,509.7	527,487.8	519,323.4	506,327.7	400,988.1
Basket funds	117,165.4	175,861.3	211,972.3	175,363.7	85,966.8	90,052.5	119,903.2
Overall balance after grants	-1,543,506.9	-3,276,877.4	2,148,537.4	-5,287,720.0	-6,038,315.0	-7,593,608.5	-6,103,048.5
Expenditure float	-71,767.9	-10,242.6	-15,750.3	-7,318.0	-2,187.1	-12,956.4	-8,723.3
Adjustments to cash and other items (net)	-757,222.8	-952,123.2	-579,926.5	-722,879.1	-77,073.8	-75,618.9	-108,619.7
Overall balance (cheques cleared)	-2,300,729.7	-4,229,000.6	-2,728,463.9	-6,010,599.1	-6,117,575.8	-7,682,183.8	-6,211,668.2
Financing:	2,300,729.7	4,229,000.6	2,728,463.9	6,010,599.1	6,117,575.8	7,682,183.8	6,211,668.2
Foreign financing (net)	1,702,082.3	1,191,823.2	2,351,539.9	2,651,378.7	3,267,573.3	3,084,660.5	4,036,348.9
Loans	3,009,653.4	2,766,976.2	4,379,847.2	5,078,402.1	5,926,333.0	5,978,206.4	7,048,162.3
Program loans	0.0	125,396.0	126,094.2	210,238.6	1,291,742.6	1,851,237.4	2,013,708.2
Development project loans	2,938,575.6	2,597,299.3	4,195,187.6	4,791,056.7	4,627,830.3	4,126,969.1	5,034,454.1
o/w: Non- concessional borrowing	1,474,281.6	1,144,822.3	1,822,093.1	3,121,190.2	1,809,493.7	3,011,725.4	2,101,240.6
Basket support	71,077.8	44,280.9	58,565.3	77,106.9	6,760.1	0.0	40,312.1
Amortization	-1,307,571.1	-1,575,153.1	-2,028,307.3	-2,427,023.4	-2,658,759.6	-2,893,546.0	-3,011,813.4
Domestic (net) ³	598,647.5	3,037,177.5	376,924.0	3,359,220.4	2,850,002.5	4,597,523.4	2,175,319.3
Bank and non bank financing	598,647.5	3,037,177.5	376,924.0	3,359,220.4	2,850,002.5	4,597,523.4	2,175,319.3
Bank borrowing	-343,325.5	2,383,403.3	-404,856.6	1,808,932.4	1,846,493.2	2,426,063.1	-270,653.6
Non-bank (net of amortization)	941,973.0	653,774.1	781,780.6	1,550,288.0	1,003,509.3	2,171,460.3	2,445,972.9
Domestic and contingent debt amortization	4,835,199.3	3,713,606.8	3,976,811.2	3,262,551.9	3,044,431.8	3,513,913.7	3,257,143.9
Borrowing/Roll over	-4,835,199.3	-3,713,606.8	-3,976,811.2	-3,262,551.9	-3,044,431.8	-3,513,913.7	-3,257,143.9

Source: Ministry of Finance

Note: ¹ Exclude amortization and expenditure float, includes road fund and retention expenditures; ² domestic Interest payments and amortization include cash and non-cash;

³ positive value means financing and a negative value means repayment; and p denotes provisional data



Bank of Tanzania Annual Report 2023/24

2.0 United Republic of Tanzania Government Finance Statistics

Table A2.3: Central Government Stocks, Bonds and Notes by Holder

Millions of TZS

End of period	Bank of Tanzania	Of which		Other financial institutions	Other official entities	Private sector	Others	Total
		Commercial banks	Other banks					
2019	1,280,397.7	4,541,583.2	54,444.5	4,711,029.4	182,421.2	605,850.6	113,143.4	11,488,869.9
2020	1,230,397.7	5,615,784.8	88,109.5	5,649,212.1	185,371.6	1,069,036.3	123,931.0	13,961,842.8
2021	1,148,172.2	6,592,487.6	86,862.5	8,197,795.5	345,690.1	1,582,046.6	151,171.8	18,104,226.2
2022	2,178,687.8	7,351,623.4	154,827.1	8,436,446.5	635,842.2	1,919,048.5	241,241.8	20,917,717.3
2023	2,060,078.4	7,916,247.2	562,633.5	9,515,487.8	595,858.1	2,411,586.1	277,304.3	23,339,195.3
2021-Mar	1,235,397.7	5,758,133.9	87,789.5	5,748,333.2	202,804.0	1,170,899.8	145,409.3	14,348,767.2
Jun	1,154,820.2	5,817,281.7	91,547.5	5,975,872.3	253,897.4	1,364,917.9	146,171.8	14,804,508.7
Sep	1,169,370.4	6,117,511.5	87,837.5	6,054,230.4	316,205.5	1,449,630.4	151,171.8	15,345,957.4
Dec	1,148,172.2	6,592,487.6	86,862.5	8,197,795.5	345,690.1	1,582,046.6	151,171.8	18,104,226.2
2022-Mar	1,148,172.2	6,840,589.9	58,362.5	8,214,622.2	426,729.5	1,668,040.3	151,171.8	18,507,688.3
Jun	2,648,172.2	6,784,222.0	63,799.5	8,218,238.0	528,533.9	1,742,491.2	151,171.8	20,136,628.6
Sep	2,648,172.2	6,991,077.6	70,479.5	8,288,900.8	618,584.2	1,822,311.1	206,171.8	20,645,697.2
Dec	2,178,687.8	7,351,623.4	154,827.1	8,436,446.5	635,842.2	1,919,048.5	241,241.8	20,917,717.3
2023-Mar	2,125,724.4	7,397,761.1	251,267.1	8,657,949.9	596,566.9	1,970,234.8	237,304.3	21,236,808.4
Jun	2,125,724.4	7,920,417.3	420,696.2	9,103,178.6	597,166.9	2,108,466.0	277,304.3	22,552,953.6
Sep	2,060,078.4	7,935,768.7	508,263.0	9,292,840.6	596,816.9	2,288,194.4	277,304.3	22,959,266.2
Dec	2,060,078.4	7,916,247.2	562,633.5	9,515,487.8	595,858.1	2,411,586.1	277,304.3	23,339,195.3
2024-Mar	2,060,078.4	7,914,532.8	651,935.5	9,809,944.2	591,510.1	2,583,626.9	277,304.3	23,888,932.1
Jun	1,960,078.4	8,051,647.4	676,271.3	10,379,054.7	685,269.7	2,903,505.5	282,248.3	24,938,075.2

Source: Bank of Tanzania

Note: Before June 1998, Other Banks, Other Financial Institutions, Other Official Entities and Private Sector categories were included in "Others" category

All figures are in face value

3.0 Monetary Statistics

Table A3.1: Depository Corporations Survey

End of Period	Domestic assets (net)												Millions of TZS			
	Domestic credit (net)															
	Claims on other domestic sectors (net)															
	Foreign assets (net)	Claims on government (net)	3	4	5	6	TOTAL sum (2-5) or sum (9-12)	M2, TOTAL sum (9-11)	Broad Money M1, TOTAL sum (9,10)		Narrow Money Currency in circulation outside banks		Transferable deposits	Other deposits*	Foreign currency deposits	TOTAL sum (9,15)
1	2	3	4	5	6	7	8	9	10	11	12	13	14			
2019	12,034,536.6	3,893,881.8	19,695,381.1	-7,310,653.0	28,313,146.6	21,280,259.3	13,325,116.9	4,221,826.9	9,103,290.0	7,955,142.4	7,032,887.3	7,466,359.7	3,244,532.8			
2020	10,722,548.2	5,831,323.6	20,308,274.8	-6,941,580.2	29,920,566.5	23,032,617.2	14,321,657.4	4,500,527.9	9,821,129.5	8,710,959.9	6,887,949.3	7,169,347.6	2,668,819.7			
2021	13,965,973.7	7,686,397.0	22,344,107.1	-9,438,435.3	34,558,042.5	27,088,350.0	17,625,513.4	5,011,990.0	12,613,523.4	9,462,836.6	7,469,692.5	8,407,258.6	3,395,268.6			
2022	9,437,504.3	10,184,777.5	27,372,494.7	-8,414,764.2	38,580,012.2	30,378,873.5	18,948,214.8	5,709,020.4	13,239,194.4	11,430,658.7	8,201,138.7	9,736,273.6	4,027,253.2			
2023	11,302,394.0	11,353,926.4	32,102,006.6	-10,749,695.0	44,008,632.0	34,007,797.9	20,600,169.0	6,484,986.1	14,115,182.9	13,407,628.9	10,000,834.1	10,099,827.9	3,614,841.8			
2023-Jan	8,668,499.1	10,942,436.5	27,521,477.7	-8,329,080.4	38,803,332.8	30,383,836.8	18,832,976.1	5,326,433.7	13,506,542.4	11,550,860.7	8,419,496.1	9,482,244.6	4,155,811.0			
Feb	7,595,121.6	11,549,301.2	27,957,978.3	-8,229,411.0	38,872,990.1	30,479,832.8	18,842,031.7	5,291,148.0	13,550,883.7	11,637,801.1	8,393,157.3	9,390,971.0	4,099,823.1			
Mar	8,697,090.6	10,604,004.8	28,535,695.3	-8,723,631.4	39,113,159.2	30,495,473.4	18,618,658.7	5,371,111.4	13,247,547.2	11,876,814.8	8,617,685.8	9,236,419.8	3,865,308.4			
Apr	8,635,892.3	11,490,914.0	28,702,882.6	-8,868,169.1	39,961,519.9	31,048,846.3	19,248,269.9	5,424,773.7	13,823,496.2	11,800,576.3	8,912,673.6	9,463,277.2	4,038,503.4			
May	7,810,956.3	11,732,464.4	29,161,177.4	-8,525,047.0	40,179,551.2	31,342,685.2	19,286,246.1	5,646,046.7	13,640,199.4	12,056,439.1	8,836,866.0	9,590,126.8	3,944,080.1			
Jun	10,455,137.1	11,750,594.0	29,835,556.8	-9,856,335.8	42,184,952.1	32,593,687.3	20,352,398.9	6,161,493.2	14,190,905.7	12,241,288.5	9,591,264.8	10,850,658.1	4,689,164.9			
Jul	10,769,205.3	11,408,801.0	30,060,018.1	-9,596,244.8	42,641,779.6	32,811,692.0	20,505,082.0	6,347,690.6	14,157,391.4	12,306,610.1	9,830,087.5	10,194,808.5	3,847,117.9			
Aug	10,934,908.6	11,276,186.2	30,608,816.9	-9,681,818.8	43,138,092.9	33,286,596.0	20,771,905.8	6,460,681.7	14,311,224.1	12,514,690.2	9,851,496.8	10,392,843.5	3,932,161.8			
Sep	10,121,593.5	11,795,353.6	30,791,279.7	-9,567,182.7	43,141,044.1	33,425,163.7	20,611,248.9	6,475,902.5	14,135,346.4	12,813,914.8	9,715,880.4	9,943,688.9	3,467,786.4			
Oct	9,677,967.4	12,667,657.0	31,216,402.2	-10,606,106.8	42,955,919.9	33,459,608.2	20,568,592.4	6,316,756.6	14,251,835.8	12,891,015.9	9,496,311.7	9,825,203.7	3,508,447.1			
Nov	9,970,803.4	12,666,359.4	31,875,550.4	-10,927,559.9	43,585,153.4	33,436,682.1	20,286,904.1	6,373,227.2	13,913,676.9	13,149,778.0	10,148,471.3	10,066,517.5	3,693,290.3			
Dec	11,302,394.0	11,353,926.4	32,102,006.6	-10,749,695.0	44,008,632.0	34,007,797.9	20,600,169.0	6,484,986.1	14,115,182.9	13,407,628.9	10,000,834.1	10,099,827.9	3,614,841.8			
2024-Jan	10,376,089.9	12,003,476.3	32,427,258.7	-11,043,080.2	43,763,744.7	33,773,235.7	20,492,745.6	6,106,629.0	14,386,116.7	13,280,490.1	9,990,509.0	10,411,892.7	4,305,263.7			
Feb	10,242,897.9	12,330,952.2	32,668,118.6	-11,272,625.2	43,969,343.5	33,836,720.9	20,546,251.8	6,083,595.3	14,462,656.5	13,290,469.1	10,132,622.6	10,138,065.5	4,054,470.2			
Mar	11,636,493.6	10,876,562.5	33,346,166.0	-11,331,812.6	44,527,409.6	34,130,076.2	20,862,852.0	6,325,533.0	14,537,318.9	13,267,224.2	10,397,333.4	10,185,541.3	3,860,008.2			
Apr	10,089,106.0	11,535,986.5	33,757,647.6	-11,063,754.3	44,318,985.8	33,825,297.9	20,263,255.4	6,146,685.4	14,116,570.0	13,562,042.5	10,493,688.0	10,066,586.7	3,919,901.3			
May	10,975,471.4	12,389,795.7	33,983,942.0	-12,256,304.9	45,092,904.1	34,246,942.4	21,092,973.0	6,521,807.7	14,571,165.3	13,153,969.5	10,845,961.7	11,046,430.8	4,524,623.1			
Jun	12,238,300.5	11,479,940.4	34,980,848.1	-11,937,022.8	46,762,066.3	35,265,988.5	21,995,770.5	7,076,462.7	14,919,307.7	13,270,218.0	11,496,077.8	10,926,298.3	3,849,835.5			

Source: Bank of Tanzania and Banks

Note: * Other deposits include saving and time deposits in national currency



Bank of Tanzania Annual Report 2023/24



Bank of Tanzania Annual Report 2023/24

3.0 Monetary Statistics

Table A3.2: Bank of Tanzania - Assets

Millions of TZS												
End of period	Foreign assets			Claims on government			Lending to banks	Revaluation account	Premises and equipment	Items in process of collection		
	Foreign exchange	SDRs	Quota in the IMF	Advances	Other securities	Total				Other assets	Total	
2019	12,595,955.4	20,651.6	1,258,926.4	1,498,969.4	1,388,641.4	2,887,610.8	246,635.0	-1,306,469.2	1,324,591.3	3.0	1,644,384.6	18,672,289.0
2020	10,773,119.6	20,929.4	1,316,881.1	5,194,989.4	1,287,818.0	6,482,807.4	294,504.9	-1,283,019.6	1,338,649.3	7,530.2	1,801,686.5	20,753,088.8
2021	13,846,300.6	1,249,443.3	1,279,209.7	6,268,882.4	1,138,975.2	7,407,857.6	201,035.4	-1,278,580.8	1,305,325.1	18,665.9	1,482,906.5	25,512,163.2
2022	12,850,288.5	21,077.1	1,222,320.5	7,460,598.2	2,142,188.4	9,602,786.6	160,280.0	-1,544,850.0	1,443,558.3	12,046.0	1,885,454.1	25,652,961.1
2023	13,942,283.9	17,724.7	1,307,389.0	10,358,757.5	2,053,515.5	12,412,273.0	514,668.2	-1,496,204.2	1,452,405.5	58,850.3	1,934,617.4	30,202,756.4
2022-Jan	14,356,022.0	1,241,808.1	1,271,392.5	6,129,331.4	1,150,670.0	7,280,001.4	216,598.8	-1,548,219.2	1,304,750.1	0.0	852,548.4	24,974,902.2
Feb	12,608,229.8	1,244,960.7	1,274,706.2	6,946,077.0	1,160,817.4	8,106,894.4	83,610.8	-1,548,217.1	1,305,730.8	87,140.1	1,784,433.7	24,947,489.4
Mar	12,654,396.0	1,235,316.8	1,264,831.9	7,005,060.3	1,209,484.1	8,214,544.4	61,940.4	-1,548,198.4	1,304,597.6	0.0	1,773,938.5	24,961,367.1
Apr	13,011,218.0	23,155.9	1,225,369.2	7,461,255.7	1,226,458.7	8,687,714.4	63,540.4	-1,548,181.7	1,303,718.6	453.0	1,778,529.2	24,545,517.1
May	12,354,631.7	22,900.1	1,234,833.1	8,415,022.5	1,197,726.2	9,612,748.7	18,851.3	-1,548,182.4	1,313,633.7	2,482.8	1,780,130.2	24,792,029.1
Jun	12,189,771.0	22,906.4	1,235,172.7	5,494,027.4	2,654,925.0	8,148,952.5	330,851.3	-1,548,169.1	1,328,956.9	0.0	1,796,991.2	23,505,432.9
Jul	13,056,625.2	22,388.2	1,207,231.4	6,270,296.9	2,656,925.5	8,927,222.4	333,393.8	-1,553,706.0	1,323,198.3	0.0	1,768,382.3	25,084,735.7
Aug	12,645,867.5	20,736.9	1,195,977.6	7,000,552.5	2,660,232.3	9,660,784.8	333,393.8	-1,553,556.2	1,332,840.8	777.8	1,787,459.2	25,424,282.2
Sep	11,953,267.0	17,001.6	1,171,432.9	7,712,824.5	2,667,097.9	10,379,922.5	143,076.8	-1,553,220.2	1,436,380.8	918.3	1,813,914.8	25,362,694.4
Oct	11,210,445.7	17,130.4	1,180,309.0	9,103,923.1	2,176,152.2	11,280,075.3	148,268.3	-1,553,235.0	1,441,592.7	10,649.7	1,825,441.9	25,560,678.0
Nov	10,961,115.7	20,811.6	1,206,927.1	9,065,141.4	2,113,276.3	11,178,417.8	148,280.0	-1,544,835.1	1,444,293.2	12,043.0	1,884,549.1	25,311,602.3
Dec	12,850,288.5	21,077.1	1,222,320.5	7,460,598.2	2,142,188.4	9,602,786.6	160,280.0	-1,544,850.0	1,443,558.3	12,046.0	1,885,454.1	25,652,961.1
2023-Jan	11,476,143.6	32,160.2	1,238,562.6	7,798,240.7	2,143,675.4	9,941,916.1	160,737.9	-1,358,673.9	1,444,848.2	6,735.9	1,699,944.2	24,642,374.8
Feb	10,918,797.1	11,311.5	1,218,712.4	8,608,584.5	2,150,342.8	10,758,927.2	158,237.9	-1,358,688.6	1,444,831.9	6,071.4	1,831,980.2	24,990,181.1
Mar	11,889,118.4	11,485.0	1,237,412.2	8,072,906.2	2,058,677.2	10,131,583.4	228,280.0	-1,358,435.1	1,445,606.1	5,559.5	1,808,317.0	25,398,926.5
Apr	11,661,311.9	11,541.3	1,243,468.7	8,670,673.2	2,069,127.3	10,739,800.4	238,280.0	-1,404,254.7	1,443,559.6	27,082.5	1,817,652.7	25,778,442.4
May	11,255,771.8	13,261.8	1,228,023.0	10,015,478.9	2,077,123.2	12,092,602.1	228,280.0	-1,404,316.5	1,444,833.8	11,970.2	1,817,648.9	26,688,075.1
Jun	12,969,911.1	14,362.7	1,231,998.5	7,463,226.6	2,081,966.8	9,545,193.4	191,665.3	-1,416,697.8	1,442,345.4	37,031.5	2,106,251.5	26,122,061.5
Jul	13,045,923.3	21,068.9	1,283,464.5	7,424,075.8	2,087,390.2	9,511,466.0	193,280.0	-1,416,747.7	1,438,521.3	36,945.4	1,896,809.1	26,010,730.7
Aug	12,967,796.0	15,493.4	1,293,059.7	7,924,381.3	2,025,285.0	9,949,666.2	223,268.3	-1,416,805.6	1,438,125.2	37,031.4	1,857,982.1	26,365,616.7
Sep	12,351,440.5	15,511.5	1,294,574.7	8,824,307.6	2,033,663.7	10,857,971.3	353,224.1	-1,416,866.4	1,440,309.6	7,996.6	1,882,905.4	26,787,067.3
Oct	11,605,963.4	34,974.2	1,295,083.9	9,870,637.3	2,042,589.9	11,913,227.1	237,224.1	-1,416,932.2	1,445,051.8	3,964.1	1,836,732.0	27,008,784.4
Nov	12,270,067.6	17,717.4	1,306,853.4	10,458,375.4	2,052,543.0	12,510,918.4	217,997.2	-1,421,596.6	1,449,952.3	320.1	1,838,042.6	28,248,295.4
Dec	13,942,283.9	17,724.7	1,307,389.0	10,358,757.5	2,053,515.5	12,412,273.0	514,668.2	-1,496,204.2	1,452,405.5	58,850.3	1,934,617.4	30,202,756.4
2024-Jan	13,075,109.0	38,011.7	1,315,663.3	10,912,798.0	2,060,272.6	12,973,070.5	232,103.3	-1,496,227.0	1,452,673.8	5,330.7	1,911,332.6	29,565,345.1
Feb	12,652,480.7	38,806.4	1,343,170.3	10,934,272.8	2,062,960.1	12,997,232.9	242,649.3	-1,496,249.2	1,458,457.0	5,525.9	1,953,177.0	29,254,523.4
Mar	13,605,912.4	38,989.9	1,349,522.0	9,905,101.4	2,071,993.9	11,977,095.3	351,292.0	-1,496,271.9	1,479,706.2	4,422.1	1,950,521.0	29,325,616.7
Apr	12,532,241.0	38,965.5	1,348,678.9	11,268,111.7	2,081,029.4	13,349,141.1	241,418.3	-1,496,294.4	1,481,033.9	3,046.8	1,926,770.4	29,494,910.8
May	13,627,634.6	3,109.0	1,367,481.4	11,939,413.9	2,091,484.1	14,030,898.0	289,038.3	-1,496,357.9	1,482,137.6	5,269.9	1,916,198.1	31,297,503.4
Jun	14,112,259.9	3,128.2	1,375,920.9	10,186,863.8	1,889,861.2	12,076,725.0	594,830.5	-1,502,245.4	1,487,115.8	5,131.5	1,948,881.3	30,174,248.7

Source: Bank of Tanzania

Note: SDRs denotes special drawing rights; and IMF, International Monetary Fund



Bank of Tanzania Annual Report 2023/24

3.0 Monetary Statistics

Table 3.3 : Bank of Tanzania - Liabilities

Millions of TZS

End of period	Currency in circulation	Central government deposits	Banks' deposits	Other deposits	Foreign liabilities	International Monetary fund	Allocation of SDRs	Other liabilities	Capital and reserves	Total
2019	5,248,193.3	3,530,767.7	2,648,656.9	2,394,581.6	48,471.0	1,161,073.1	602,915.8	3,098,671.5	-61,041.9	18,672,289.0
2020	5,501,995.0	6,112,906.9	2,164,643.4	2,436,613.8	75,480.0	1,095,995.2	630,670.9	2,634,783.6	100,000.0	20,753,088.8
2021	6,013,271.4	6,664,649.5	3,325,942.4	3,235,283.6	208,455.1	1,108,671.5	1,838,694.6	2,859,030.3	258,164.8	25,512,163.2
2022	6,748,333.4	7,369,988.6	3,754,139.8	2,171,627.0	569,485.6	1,034,440.9	1,756,923.9	2,472,256.0	-224,234.1	25,652,961.1
2023	7,655,286.1	10,288,890.6	3,811,652.5	2,192,083.8	320,665.2	1,047,028.2	1,879,198.5	2,907,951.9	99,999.6	30,202,756.4
2022-Jan	5,773,235.7	6,712,900.1	3,185,241.7	3,613,280.2	39,089.3	1,108,671.5	1,827,458.4	2,615,025.4	100,000.0	24,974,902.2
Feb	5,602,053.0	6,960,196.1	3,266,881.6	3,633,355.7	41,824.0	1,108,671.5	1,832,221.4	2,402,286.2	100,000.0	24,947,489.4
Mar	5,649,415.9	7,314,911.3	3,261,723.9	2,447,244.5	649,381.5	1,108,671.5	1,818,028.3	2,611,990.2	100,000.0	24,961,367.1
Apr	5,816,158.5	7,127,030.8	3,577,915.6	2,625,119.5	47,174.2	1,108,671.5	1,761,306.0	2,382,141.0	100,000.0	24,545,517.1
May	5,921,307.2	7,857,589.8	3,333,585.8	2,318,157.2	44,644.3	1,044,785.9	1,774,909.0	2,397,049.9	100,000.0	24,792,029.1
Jun	6,358,408.2	5,929,884.8	3,710,387.4	2,207,603.1	42,745.6	1,044,785.9	1,775,397.2	2,336,220.7	100,000.0	23,505,432.9
Jul	6,420,957.7	7,442,004.7	3,323,900.6	2,326,310.6	284,817.6	1,034,440.9	1,735,235.3	2,697,864.5	-180,796.3	25,084,735.7
Aug	6,585,204.3	6,548,819.7	3,991,662.5	2,249,679.9	500,466.6	1,034,440.9	1,719,059.4	2,967,585.2	-172,636.2	25,424,282.2
Sep	6,860,830.6	7,379,670.1	3,529,596.6	2,401,476.2	75,466.1	1,034,440.9	1,683,779.7	2,807,348.6	-409,914.5	25,362,694.4
Oct	6,767,928.2	7,545,597.9	3,525,692.7	2,522,173.2	105,760.9	1,034,440.9	1,696,537.8	2,774,773.7	-412,227.4	25,560,678.0
Nov	6,735,853.8	7,355,000.0	3,102,061.3	2,476,191.9	134,881.5	1,034,440.9	1,734,798.0	3,227,645.8	-489,270.9	25,311,602.3
Dec	6,748,333.4	7,369,988.6	3,754,139.8	2,171,627.0	569,485.6	1,034,440.9	1,756,923.9	2,472,256.0	-224,234.1	25,652,961.1
2023-Jan	6,420,720.2	6,749,415.5	3,582,633.4	2,130,677.3	118,765.8	1,034,440.9	1,780,269.7	2,963,495.4	-138,043.3	24,642,374.8
Feb	6,299,465.5	7,337,126.6	3,543,545.2	2,148,614.3	65,950.5	1,034,440.9	1,751,737.6	2,947,343.9	-138,043.3	24,990,181.1
Mar	6,343,417.3	7,951,071.1	3,302,896.8	2,038,917.2	73,983.9	1,034,440.9	1,778,616.2	3,013,626.5	-138,043.3	25,398,926.5
Apr	6,435,268.2	7,806,006.0	3,501,808.3	2,505,926.9	93,926.8	1,034,440.9	1,787,321.6	2,513,743.6	100,000.0	25,778,442.4
May	6,644,725.7	8,902,169.8	3,389,569.9	2,209,719.1	164,525.1	1,053,577.0	1,765,120.4	2,458,668.1	100,000.0	26,688,075.1
Jun	7,192,010.8	6,705,276.2	4,232,338.5	2,291,531.1	65,094.6	1,047,028.2	1,770,834.7	2,717,947.3	100,000.0	26,122,061.5
Jul	7,448,848.9	7,358,604.0	3,601,390.0	2,093,266.0	73,992.3	1,047,028.2	1,844,810.3	2,459,151.2	83,639.6	26,010,730.7
Aug	7,515,076.6	7,469,876.9	3,657,657.5	2,161,950.0	82,341.8	1,047,028.2	1,858,602.1	2,483,276.3	89,807.2	26,365,616.7
Sep	7,532,537.5	8,162,825.0	3,311,073.5	2,127,785.0	106,882.8	1,047,028.2	1,860,779.8	2,559,232.2	78,923.3	26,787,067.3
Oct	7,412,066.5	8,505,265.5	3,487,127.5	1,971,982.7	94,781.6	1,047,028.2	1,861,511.6	2,533,178.9	95,841.8	27,008,784.4
Nov	7,422,230.6	9,035,918.6	3,816,567.0	2,024,071.3	82,916.0	1,047,028.2	1,878,428.6	2,803,466.7	137,668.4	28,248,295.4
Dec	7,655,286.1	10,288,890.6	3,811,652.5	2,192,083.8	320,665.2	1,047,028.2	1,879,198.5	2,907,951.9	99,999.6	30,202,756.4
2024-Jan	7,190,783.1	9,966,418.9	4,439,099.0	1,753,554.2	285,059.3	1,047,028.2	1,891,091.7	2,892,310.8	100,000.0	29,565,345.1
Feb	7,101,664.9	10,091,803.3	4,271,374.9	1,709,533.6	90,300.1	1,047,028.2	1,930,629.4	2,912,189.0	100,000.0	29,254,523.4
Mar	7,278,536.6	10,346,016.8	3,674,779.7	1,894,927.7	90,219.6	1,047,028.2	1,939,759.1	2,954,348.9	100,000.0	29,325,616.7
Apr	7,230,876.9	10,653,337.4	3,873,688.0	1,613,002.7	108,261.5	1,047,028.2	1,938,547.4	2,930,168.6	100,000.0	29,494,910.8
May	7,513,234.3	10,821,546.5	4,970,139.5	1,503,508.0	332,180.3	1,047,028.2	1,965,573.4	3,044,293.1	100,000.0	31,297,503.4
Jun	8,039,712.1	10,004,667.1	3,890,897.3	1,749,676.2	83,955.9	1,152,242.8	1,977,704.1	3,175,393.1	100,000.0	30,174,248.7

Source: Bank of Tanzania

Note: SDRs denotes special drawings rights



Bank of Tanzania Annual Report 2023/24

3.0 Monetary Statistics

Table 3.4 : Tanzania Notes in Circulation

End of period	Millions of TZS										Percent of Total							
	10/-	20/-	200/-	500/-	1000/-	2000/-	5000/-	10000/-	Total	10/-	20/-	200/-	500/-	1,000/-	2,000/-	5,000/-	10,000/-	
2019	99.7	497.7	1,967.0	21,262.2	154,346.2	295,019.9	639,417.7	4,041,111.8	5,153,722.2	0.0	0.0	0.0	0.4	3.0	5.7	12.4	78.4	
2020	99.7	497.7	1,967.0	20,051.6	163,516.1	222,092.1	866,440.1	4,240,440.7	5,515,105.0	0.0	0.0	0.0	0.4	3.0	4.0	15.7	76.9	
2021	99.7	497.7	1,967.0	19,886.4	177,284.1	213,327.9	901,367.4	4,808,304.0	6,122,734.1	0.0	0.0	0.0	0.3	2.9	3.5	14.7	78.5	
2022	99.7	497.7	1,967.0	19,750.2	191,801.1	228,493.7	667,054.7	5,486,472.9	6,596,137.0	0.0	0.0	0.0	0.3	2.9	3.5	10.1	83.2	
2023	99.7	497.7	1,967.0	19,596.6	197,506.4	230,842.0	713,681.3	6,346,453.4	7,372,504.8	0.0	0.0	0.0	0.3	2.7	3.1	9.7	86.1	
2023-Jan	99.7	497.7	1,967.0	19,701.2	191,750.9	220,373.1	595,616.8	5,235,984.9	6,265,991.2	0.0	0.0	0.0	0.3	3.1	3.5	9.5	83.6	
Feb	99.7	497.7	1,967.0	19,681.2	188,593.5	214,822.3	568,864.5	5,149,688.4	6,144,214.3	0.0	0.0	0.0	0.3	3.1	3.5	9.3	83.8	
Mar	99.7	497.7	1,967.0	19,665.7	190,096.6	212,930.4	549,566.1	5,204,662.6	6,179,485.8	0.0	0.0	0.0	0.3	3.1	3.4	8.9	84.2	
Apr	99.7	497.7	1,967.0	19,661.1	189,711.4	211,667.7	553,698.1	5,300,488.1	6,277,790.8	0.0	0.0	0.0	0.3	3.0	3.4	8.8	84.4	
May	99.7	497.7	1,967.0	19,653.6	192,728.9	217,480.0	591,642.5	5,463,813.2	6,487,882.7	0.0	0.0	0.0	0.3	3.0	3.4	9.1	84.2	
Jun	99.7	497.7	1,967.0	19,649.6	199,818.8	233,268.4	688,629.7	5,891,307.2	7,035,238.1	0.0	0.0	0.0	0.3	2.8	3.3	9.8	83.7	
Jul	99.7	497.7	1,967.0	19,620.6	203,104.4	241,371.3	745,774.9	6,078,633.4	7,291,069.0	0.0	0.0	0.0	0.3	2.8	3.3	10.2	83.4	
Aug	99.7	497.7	1,967.0	19,613.6	202,056.8	240,233.6	768,605.7	6,123,470.6	7,356,544.6	0.0	0.0	0.0	0.3	2.7	3.3	10.4	83.2	
Sep	99.7	497.7	1,967.0	19,607.7	198,486.1	234,158.7	758,024.1	6,161,294.3	7,374,135.2	0.0	0.0	0.0	0.3	2.7	3.2	10.3	83.6	
Oct	99.7	497.7	1,967.0	19,603.2	196,920.8	230,835.2	728,101.1	6,074,803.4	7,252,828.0	0.0	0.0	0.0	0.3	2.7	3.2	10.0	83.8	
Nov	99.7	497.7	1,967.0	19,602.7	196,950.7	230,233.6	699,608.6	6,113,297.1	7,262,257.1	0.0	0.0	0.0	0.3	2.7	3.2	9.6	84.2	
Dec	99.7	497.7	1,967.0	19,596.6	197,506.4	230,842.0	713,681.3	6,346,453.4	7,372,504.8	0.0	0.0	0.0	0.3	2.7	3.1	9.7	86.1	
2024-Jan	99.7	497.7	1,967.0	19,586.5	193,970.5	225,861.4	624,961.9	5,962,907.0	7,029,851.6	0.0	0.0	0.0	0.3	2.8	3.2	8.9	84.8	
Feb	99.7	497.7	1,967.0	19,583.5	190,991.3	219,565.9	569,177.4	5,941,468.2	6,943,350.7	0.0	0.0	0.0	0.3	2.8	3.2	8.2	85.6	
Mar	99.7	497.7	1,967.0	19,556.2	185,044.7	222,917.8	587,671.3	6,133,184.2	7,150,938.7	0.0	0.0	0.0	0.3	2.6	3.1	8.2	85.8	
Apr	99.7	497.7	1,967.0	19,552.7	184,081.3	224,876.0	577,851.1	6,059,860.0	7,068,785.4	0.0	0.0	0.0	0.3	2.6	3.2	8.2	85.7	
May	99.7	497.7	1,967.0	19,550.6	185,760.2	232,009.0	600,925.0	6,267,572.9	7,308,382.3	0.0	0.0	0.0	0.3	2.5	3.2	8.2	85.8	
Jun	99.7	497.7	1,967.0	19,544.7	189,256.7	248,158.2	658,161.1	6,758,343.9	7,876,028.9	0.0	0.0	0.0	0.2	2.4	3.2	8.4	85.8	

Source: Bank of Tanzania



Bank of Tanzania Annual Report 2023/24

3.0 Monetary Statistics

Table 3.5 :Tanzania Coins in Circulation

End of Period	Millions of TZS												Percent of Total														
	-/05	-/10	-/20	-/50	1/-	5/-	10/-	20/-	25/-	50/=	100/-	200/-	500/-	Total	-/05	-/10	-/20	-/50	1/-	5/-	10/-	20/-	25/-	50/=	100/-	200/-	500/-
2019	8.8	4.4	38.4	46.0	167.5	439.0	813.9	947.7	11.7	12,503.6	30,564.8	43,540.5	38,514.9	127,601.0	0.0	0.0	0.0	0.0	0.1	0.3	0.6	0.7	0.0	9.8	24.0	34.1	30.2
2020	8.8	4.4	38.4	46.0	167.5	438.9	813.7	946.2	11.7	12,901.7	32,253.3	45,535.1	42,752.2	135,917.8	0.0	0.0	0.0	0.0	0.1	0.3	0.6	0.7	0.0	9.5	23.7	33.5	31.5
2021	8.8	4.4	38.4	46.0	167.5	438.9	813.5	945.6	11.7	13,595.5	33,666.9	48,096.4	46,996.9	144,830.4	0.0	0.0	0.0	0.0	0.1	0.3	0.6	0.7	0.0	9.4	23.2	33.2	32.4
2022	8.8	4.4	38.4	46.0	167.5	438.9	813.3	944.8	11.7	14,823.7	34,064.3	49,330.4	51,448.8	152,140.9	0.0	0.0	0.0	0.0	0.1	0.3	0.5	0.6	0.0	9.7	22.4	32.4	33.8
2023	8.8	4.4	38.4	46.0	167.5	438.9	813.2	944.3	11.7	16,238.3	34,082.9	50,158.1	55,618.7	158,571.1	0.0	0.0	0.0	0.0	0.1	0.3	0.5	0.6	0.0	10.2	21.5	31.6	35.1
2023-Jan	8.8	4.4	38.4	46.0	167.5	438.9	813.3	944.7	11.7	14,957.2	34,067.4	49,421.3	51,802.8	152,722.4	0.0	0.0	0.0	0.0	0.1	0.3	0.5	0.6	0.0	9.8	22.3	32.4	33.9
Feb	8.8	4.4	38.4	46.0	167.5	438.9	813.3	944.7	11.7	15,069.2	34,064.8	49,455.5	52,181.3	153,244.5	0.0	0.0	0.0	0.0	0.1	0.3	0.5	0.6	0.0	9.8	22.2	32.3	34.1
Mar	8.8	4.4	38.4	46.0	167.5	438.9	813.2	944.5	11.7	15,211.6	34,065.9	49,492.7	52,569.3	153,812.8	0.0	0.0	0.0	0.0	0.1	0.3	0.5	0.6	0.0	9.9	22.1	32.2	34.2
Apr	8.8	4.4	38.4	46.0	167.5	438.9	813.2	944.5	11.7	15,358.6	34,065.8	49,505.1	53,011.1	154,413.9	0.0	0.0	0.0	0.0	0.1	0.3	0.5	0.6	0.0	9.9	22.1	32.1	34.3
May	8.8	4.4	38.4	46.0	167.5	438.9	813.2	944.5	11.7	15,500.2	34,065.4	49,535.7	53,303.3	154,877.9	0.0	0.0	0.0	0.0	0.1	0.3	0.5	0.6	0.0	10.0	22.0	32.0	34.4
Jun	8.8	4.4	38.4	46.0	167.5	438.9	813.2	944.5	11.7	15,650.0	34,060.6	49,553.5	53,187.3	154,924.8	0.0	0.0	0.0	0.0	0.1	0.3	0.5	0.6	0.0	10.1	22.0	32.0	34.3
Jul	8.8	4.4	38.4	46.0	167.5	438.9	813.2	944.5	11.7	15,835.8	34,065.2	49,607.8	53,765.0	155,747.3	0.0	0.0	0.0	0.0	0.1	0.3	0.5	0.6	0.0	10.2	21.9	31.9	34.5
Aug	8.8	4.4	38.4	46.0	167.5	438.9	813.2	944.5	11.7	15,886.9	34,047.4	49,792.4	54,327.3	156,527.3	0.0	0.0	0.0	0.0	0.1	0.3	0.5	0.6	0.0	10.1	21.8	31.8	34.7
Sep	8.8	4.4	38.4	46.0	167.5	438.9	813.2	944.5	11.7	15,972.2	34,024.0	49,968.4	53,957.8	156,995.8	0.0	0.0	0.0	0.0	0.1	0.3	0.5	0.6	0.0	10.2	21.8	31.9	34.5
Oct	8.8	4.4	38.4	46.0	167.5	438.9	813.2	944.3	11.7	16,080.3	34,055.0	50,121.9	54,501.5	157,231.9	0.0	0.0	0.0	0.0	0.1	0.3	0.5	0.6	0.0	10.2	21.7	31.9	34.7
Nov	8.8	4.4	38.4	46.0	167.5	438.9	813.2	944.3	11.7	16,175.3	34,046.4	50,155.8	55,116.3	157,966.8	0.0	0.0	0.0	0.0	0.1	0.3	0.5	0.6	0.0	10.2	21.6	31.8	34.9
Dec	8.8	4.4	38.4	46.0	167.5	438.9	813.2	944.3	11.7	16,238.3	34,082.9	50,158.1	55,618.7	158,571.1	0.0	0.0	0.0	0.0	0.1	0.3	0.5	0.6	0.0	10.2	21.5	31.6	35.1
2024-Jan	8.8	4.4	38.4	46.0	167.5	438.9	813.1	944.2	11.7	16,234.3	34,040.0	50,142.5	56,035.3	158,924.9	0.0	0.0	0.0	0.0	0.1	0.3	0.5	0.6	0.0	10.2	21.4	31.6	35.3
Feb	8.8	4.4	38.4	46.0	167.5	438.9	813.1	944.1	11.7	16,251.9	34,012.5	50,152.0	56,418.2	159,307.6	0.0	0.0	0.0	0.0	0.1	0.3	0.5	0.6	0.0	10.2	21.4	31.5	35.4
Mar	8.8	4.4	38.4	46.0	167.5	438.9	812.9	944.1	11.7	16,282.5	34,025.1	50,188.4	57,057.6	160,026.4	0.0	0.0	0.0	0.0	0.1	0.3	0.5	0.6	0.0	10.2	21.3	31.4	35.7
Apr	8.8	4.4	38.4	46.0	167.5	438.9	812.9	944.1	11.7	16,303.1	34,039.0	50,222.3	57,456.8	160,494.1	0.0	0.0	0.0	0.0	0.1	0.3	0.5	0.6	0.0	10.2	21.2	31.3	35.8
May	8.8	4.4	38.4	46.0	167.5	438.9	812.9	944.1	11.7	16,319.1	34,067.9	50,267.4	57,929.2	161,056.2	0.0	0.0	0.0	0.0	0.1	0.3	0.5	0.6	0.0	10.1	21.2	31.2	36.0
Jun	8.8	4.4	38.4	46.0	167.5	438.9	812.9	944.1	11.7	16,334.4	34,100.4	50,291.4	58,477.7	161,676.6	0.0	0.0	0.0	0.0	0.1	0.3	0.5	0.6	0.0	10.1	21.1	31.1	36.2

Source: Bank of Tanzania

Note: ¹ Excludes commemorative coins



Bank of Tanzania Annual Report 2023/24

3.0 Monetary Statistics

Table 3.6 :Commercial Banks Assets

Millions of TZS

End of period	Domestic assets						Foreign assets			
	Cash	Deposits with Bank of Tanzania	Treasury securities	Other securities	Loans and bills	Other	Liquid	Others	Fixed assets	Total
2019	1,026,366.4	2,667,139.0	5,169,348.7	100,747.5	20,380,565.8	2,397,788.0	1,938,558.4	501,205.4	2,118,896.2	36,300,615.5
2020	1,001,467.1	2,176,665.5	5,754,023.9	76,926.3	21,128,208.3	2,302,991.4	2,023,855.1	893,245.5	2,429,882.4	37,787,265.5
2021	1,001,281.4	3,264,421.8	6,767,274.9	84,364.7	23,523,534.5	2,505,607.6	2,478,301.8	729,261.4	2,554,952.0	42,909,000.0
2022	1,039,313.0	3,465,992.2	7,949,575.6	205,717.2	29,180,888.5	2,558,805.1	1,772,427.0	627,064.7	2,628,483.9	49,428,267.3
2023	1,170,300.0	3,589,178.4	8,641,460.5	168,590.6	34,038,756.2	2,712,820.0	3,091,549.8	1,066,627.8	2,801,894.9	57,281,178.4
2022-Jan	974,606.5	3,225,367.0	6,933,945.5	96,078.6	23,431,390.7	2,453,944.4	2,156,495.7	522,349.5	2,563,005.5	42,357,183.4
Feb	874,725.6	3,184,129.0	7,149,365.6	92,428.6	23,916,480.0	2,468,772.3	2,110,003.4	687,383.4	2,565,391.4	43,048,679.3
Mar	880,419.4	3,232,697.5	7,162,257.5	87,137.0	24,697,923.3	2,481,132.4	2,105,852.5	410,001.2	2,584,620.9	43,642,041.8
Apr	902,869.8	3,437,287.6	6,981,202.3	88,655.0	24,930,891.3	2,458,453.4	1,721,842.0	437,994.4	2,610,813.6	43,570,009.4
May	940,844.6	3,270,695.5	7,203,120.0	93,368.6	25,338,251.2	2,387,728.4	1,973,349.6	656,877.8	2,611,613.2	44,475,849.0
Jun	1,024,477.1	3,541,680.2	7,173,641.4	91,901.1	25,977,989.2	2,406,749.8	2,283,732.4	642,897.8	2,606,144.2	45,749,213.1
Jul	909,346.3	3,229,938.4	7,216,534.0	92,189.3	26,217,632.8	2,420,742.1	1,852,318.5	661,382.8	2,593,329.7	45,193,413.9
Aug	1,031,720.2	3,859,843.0	7,202,053.0	161,328.0	26,888,462.6	2,397,553.9	2,071,488.7	655,921.4	2,602,811.2	46,871,182.2
Sep	1,011,673.9	3,285,235.3	7,439,931.2	174,828.1	27,280,415.4	2,448,892.5	1,891,874.4	819,423.9	2,602,600.4	46,954,875.2
Oct	1,029,641.6	3,377,884.6	7,712,316.4	175,345.4	28,130,503.7	2,654,256.1	1,674,203.7	542,686.2	2,607,133.7	47,903,971.5
Nov	1,051,732.4	3,033,335.8	7,789,592.8	178,799.3	29,087,238.3	2,587,539.5	1,742,162.4	636,799.9	2,599,621.2	48,706,821.7
Dec	1,039,313.0	3,465,992.2	7,949,575.6	205,717.2	29,180,888.5	2,558,805.1	1,772,427.0	627,064.7	2,628,483.9	49,428,267.3
2023-Jan	1,094,286.5	3,616,284.0	7,905,499.1	209,307.5	29,513,538.7	2,487,940.0	2,287,255.7	726,214.6	2,642,641.4	50,482,967.5
Feb	1,008,317.5	3,464,015.5	8,290,155.3	209,950.2	30,112,824.8	2,536,926.9	1,913,022.9	486,672.5	2,654,229.8	50,676,115.3
Mar	972,305.9	3,184,061.1	8,470,918.8	211,396.5	30,685,084.5	2,454,645.3	1,760,900.1	787,525.8	2,658,914.1	51,185,752.2
Apr	1,010,494.5	3,398,290.7	8,681,393.5	213,705.8	30,572,928.7	2,559,896.7	1,646,714.0	872,599.0	2,681,927.1	51,637,950.1
May	998,679.0	3,528,340.4	8,789,645.7	219,340.2	31,021,315.0	2,421,094.4	1,867,992.2	964,904.7	2,696,302.1	52,507,613.7
Jun	1,030,517.7	3,577,823.3	8,853,488.6	222,720.0	31,589,010.0	2,645,750.0	2,178,347.4	926,088.9	2,720,919.6	53,744,665.3
Jul	1,101,158.3	3,408,084.8	8,980,525.2	222,655.5	31,901,952.6	2,565,186.0	2,705,297.6	1,194,207.2	2,736,354.5	54,815,421.8
Aug	1,054,394.9	3,589,153.5	8,987,974.3	255,068.8	32,356,520.8	2,666,275.5	2,694,753.6	1,493,757.2	2,722,149.6	55,820,048.3
Sep	1,056,635.0	3,051,099.1	9,026,247.8	220,686.3	32,672,326.5	2,677,200.6	2,997,207.2	1,459,434.9	2,731,494.7	55,892,332.2
Oct	1,095,309.9	3,302,574.7	8,979,283.0	228,728.5	33,248,399.1	2,616,690.9	2,601,973.2	1,567,988.7	2,741,905.7	56,382,853.7
Nov	1,049,003.3	3,581,430.9	8,651,521.7	218,270.0	34,043,096.6	2,667,987.3	2,927,185.5	1,144,835.0	2,767,972.3	57,051,302.6
Dec	1,170,300.0	3,589,178.4	8,641,460.5	168,590.6	34,038,756.2	2,712,820.0	3,091,549.8	1,066,627.8	2,801,894.9	57,281,178.4
2024-Jan	1,084,154.2	4,248,433.1	8,412,782.7	168,539.7	34,477,728.6	2,746,795.3	2,837,826.3	1,247,662.7	2,793,094.1	58,017,016.8
Feb	1,018,069.6	4,001,237.4	8,681,634.8	160,711.8	34,805,141.1	2,709,706.6	2,703,322.2	1,552,618.5	2,812,710.6	58,445,152.6
Mar	953,003.6	3,492,280.8	8,513,782.3	175,568.3	35,836,363.1	2,902,002.0	2,780,282.4	1,691,334.2	2,816,510.6	59,161,127.3
Apr	1,084,191.4	3,647,308.1	8,494,155.9	179,244.0	36,214,755.1	3,002,378.5	2,562,609.6	1,407,662.5	2,810,644.6	59,402,949.8
May	991,426.6	4,604,666.3	8,396,795.6	185,449.9	36,626,252.1	2,997,847.3	3,211,649.1	1,493,619.6	2,820,655.4	61,328,361.9
Jun	963,249.4	3,713,014.4	8,613,441.8	223,671.0	37,489,282.8	2,920,743.7	3,947,384.4	1,353,476.8	2,841,916.7	62,066,180.9

Source: Bank of Tanzania and Banks



Bank of Tanzania Annual Report 2023/24

3.0 Monetary Statistics

Table 3.7 : Commercial Banks Liabilities

Millions of TZS

End of period	Domestic assets						Foreign assets			
	Cash	Deposits with Bank of Tanzania	Treasury securities	Other securities	Loans and bills	Other	Liquid	Others	Fixed assets	Total
2019	1,026,366.4	2,667,139.0	5,169,348.7	100,747.5	20,380,565.8	2,397,788.0	1,938,558.4	501,205.4	2,118,896.2	36,300,615.5
2020	1,001,467.1	2,176,665.5	5,754,023.9	76,926.3	21,128,208.3	2,302,991.4	2,023,855.1	893,245.5	2,429,882.4	37,787,265.5
2021	1,001,281.4	3,264,421.8	6,767,274.9	84,364.7	23,523,534.5	2,505,607.6	2,478,301.8	729,261.4	2,554,952.0	42,909,000.0
2022	1,039,313.0	3,465,992.2	7,949,575.6	205,717.2	29,180,888.5	2,558,805.1	1,772,427.0	627,064.7	2,628,483.9	49,428,267.3
2023	1,170,300.0	3,589,178.4	8,641,460.5	168,590.6	34,038,756.2	2,712,820.0	3,091,549.8	1,066,627.8	2,801,894.9	57,281,178.4
2022-Jan	974,606.5	3,225,367.0	6,933,945.5	96,078.6	23,431,390.7	2,453,944.4	2,156,495.7	522,349.5	2,563,005.5	42,357,183.4
Feb	874,725.6	3,184,129.0	7,149,365.6	92,428.6	23,916,480.0	2,468,772.3	2,110,003.4	687,383.4	2,565,391.4	43,048,679.3
Mar	880,419.4	3,232,697.5	7,162,257.5	87,137.0	24,697,923.3	2,481,132.4	2,105,852.5	410,001.2	2,584,620.9	43,642,041.8
Apr	902,869.8	3,437,287.6	6,981,202.3	88,655.0	24,930,891.3	2,458,453.4	1,721,842.0	437,994.4	2,610,813.6	43,570,009.4
May	940,844.6	3,270,695.5	7,203,120.0	93,368.6	25,338,251.2	2,387,728.4	1,973,349.6	656,877.8	2,611,613.2	44,475,849.0
Jun	1,024,477.1	3,541,680.2	7,173,641.4	91,901.1	25,977,989.2	2,406,749.8	2,283,732.4	642,897.8	2,606,144.2	45,749,213.1
Jul	909,346.3	3,229,938.4	7,216,534.0	92,189.3	26,217,632.8	2,420,742.1	1,852,318.5	661,382.8	2,593,329.7	45,193,413.9
Aug	1,031,720.2	3,859,843.0	7,202,053.0	161,328.0	26,888,462.6	2,397,553.9	2,071,488.7	655,921.4	2,602,811.2	46,871,182.2
Sep	1,011,673.9	3,285,235.3	7,439,931.2	174,828.1	27,280,415.4	2,448,892.5	1,891,874.4	819,423.9	2,602,600.4	46,954,875.2
Oct	1,029,641.6	3,377,884.6	7,712,316.4	175,345.4	28,130,503.7	2,654,256.1	1,674,203.7	542,686.2	2,607,133.7	47,903,971.5
Nov	1,051,732.4	3,033,335.8	7,789,592.8	178,799.3	29,087,238.3	2,587,539.5	1,742,162.4	636,799.9	2,599,621.2	48,706,821.7
Dec	1,039,313.0	3,465,992.2	7,949,575.6	205,717.2	29,180,888.5	2,558,805.1	1,772,427.0	627,064.7	2,628,483.9	49,428,267.3
2023-Jan	1,094,286.5	3,616,284.0	7,905,499.1	209,307.5	29,513,538.7	2,487,940.0	2,287,255.7	726,214.6	2,642,641.4	50,482,967.5
Feb	1,008,317.5	3,464,015.5	8,290,155.3	209,950.2	30,112,824.8	2,536,926.9	1,913,022.9	486,672.5	2,654,229.8	50,676,115.3
Mar	972,305.9	3,184,061.1	8,470,918.8	211,396.5	30,685,084.5	2,454,645.3	1,760,900.1	787,525.8	2,658,914.1	51,185,752.2
Apr	1,010,494.5	3,398,290.7	8,681,393.5	213,705.8	30,572,928.7	2,559,896.7	1,646,714.0	872,599.0	2,681,927.1	51,637,950.1
May	998,679.0	3,528,340.4	8,789,645.7	219,340.2	31,021,315.0	2,421,094.4	1,867,992.2	964,904.7	2,696,302.1	52,507,613.7
Jun	1,030,517.7	3,577,823.3	8,853,488.6	222,720.0	31,589,010.0	2,645,750.0	2,178,347.4	926,088.9	2,720,919.6	53,744,665.3
Jul	1,101,158.3	3,408,084.8	8,980,525.2	222,655.5	31,901,952.6	2,565,186.0	2,705,297.6	1,194,207.2	2,736,354.5	54,815,421.8
Aug	1,054,394.9	3,589,153.5	8,987,974.3	255,068.8	32,356,520.8	2,666,275.5	2,694,753.6	1,493,757.2	2,722,149.6	55,820,048.3
Sep	1,056,635.0	3,051,099.1	9,026,247.8	220,686.3	32,672,326.5	2,677,200.6	2,997,207.2	1,459,434.9	2,731,494.7	55,892,332.2
Oct	1,095,309.9	3,302,574.7	8,979,283.0	228,728.5	33,248,399.1	2,616,690.9	2,601,973.2	1,567,988.7	2,741,905.7	56,382,853.7
Nov	1,049,003.3	3,581,430.9	8,651,521.7	218,270.0	34,043,096.6	2,667,987.3	2,927,185.5	1,144,835.0	2,767,972.3	57,051,302.6
Dec	1,170,300.0	3,589,178.4	8,641,460.5	168,590.6	34,038,756.2	2,712,820.0	3,091,549.8	1,066,627.8	2,801,894.9	57,281,178.4
2024-Jan	1,084,154.2	4,248,433.1	8,412,782.7	168,539.7	34,477,728.6	2,746,795.3	2,837,826.3	1,247,662.7	2,793,094.1	58,017,016.8
Feb	1,018,069.6	4,001,237.4	8,681,634.8	160,711.8	34,805,141.1	2,709,706.6	2,703,322.2	1,552,618.5	2,812,710.6	58,445,152.6
Mar	953,003.6	3,492,280.8	8,513,782.3	175,568.3	35,836,363.1	2,902,002.0	2,780,282.4	1,691,334.2	2,816,510.6	59,161,127.3
Apr	1,084,191.4	3,647,308.1	8,494,155.9	179,244.0	36,214,755.1	3,002,378.5	2,562,609.6	1,407,662.5	2,810,644.6	59,402,949.8
May	991,426.6	4,604,666.3	8,396,795.6	185,449.9	36,626,252.1	2,997,847.3	3,211,649.1	1,493,619.6	2,820,655.4	61,328,361.9
Jun	963,249.4	3,713,014.4	8,613,441.8	223,671.0	37,489,282.8	2,920,743.7	3,947,384.4	1,353,476.8	2,841,916.7	62,066,180.9

Source: Bank of Tanzania and Banks



Bank of Tanzania Annual Report 2023/24

3.0 Monetary Statistics

Table 3.8 : Commercial Banks Domestic Assets

Millions of TZS

End of period	Bank of Tanzania	Other financial corporations	Central Government	Public non-financial corporations	State and local Government	Private sector	Other assets	Total
2018	3,799,708.2	654,653.9	5,089,523.4	594,853.4	84,941.3	16,300,873.2	4,118,744.9	30,643,298.3
2019	3,693,505.5	729,369.6	5,520,352.8	1,236,331.7	77,716.7	17,510,696.4	5,092,879.0	33,860,851.7
2020	3,178,132.6	708,478.0	6,116,261.4	667,741.1	79,768.4	18,729,896.0	5,389,887.4	34,870,164.9
2021	4,265,703.2	813,522.6	7,367,494.5	410,004.2	48,868.1	20,960,219.2	5,835,624.9	39,701,436.9
2022	4,505,305.3	570,315.4	8,658,168.6	297,824.1	58,186.3	26,344,253.0	6,594,722.9	47,028,775.6
2023	4,759,478.4	759,002.2	10,386,857.2	428,225.7	52,544.6	30,747,328.1	5,989,564.5	53,123,000.7
2022-Jan	4,199,973.5	830,156.4	7,540,494.0	379,713.0	46,129.9	20,989,623.0	5,692,248.4	39,678,338.1
Feb	4,058,854.5	463,604.2	7,743,494.6	412,663.4	45,778.6	21,782,263.4	5,744,633.7	40,251,292.5
Mar	4,113,116.9	447,837.4	7,763,937.7	400,277.1	45,946.5	22,218,236.9	6,136,835.6	41,126,188.1
Apr	4,340,157.5	451,854.2	7,587,241.2	409,055.5	44,703.1	22,408,148.8	6,169,012.8	41,410,173.0
May	4,211,540.2	465,500.9	7,792,464.2	372,158.0	46,435.2	22,811,758.3	6,145,764.9	41,845,621.6
Jun	4,566,157.3	573,051.1	7,747,911.4	363,904.9	45,855.4	23,504,095.3	6,021,607.5	42,822,582.9
Jul	4,139,284.7	562,841.8	7,795,476.8	383,982.7	44,476.3	23,799,412.8	5,954,237.5	42,679,712.6
Aug	4,891,563.3	565,768.4	7,770,097.3	354,178.1	44,621.8	24,241,337.1	6,276,206.2	44,143,772.1
Sep	4,296,909.2	574,922.4	8,009,242.1	348,198.0	44,658.7	24,705,748.1	6,263,898.4	44,243,576.9
Oct	4,407,526.2	579,637.6	8,343,405.5	321,119.3	43,781.0	25,428,502.3	6,563,109.7	45,687,081.6
Nov	4,085,068.3	590,069.7	8,513,758.4	313,243.6	59,443.7	25,878,680.4	6,887,595.3	46,327,859.4
Dec	4,505,305.3	570,315.4	8,658,168.6	297,824.1	58,186.3	26,344,253.0	6,594,722.9	47,028,775.6
2023-Jan	4,710,570.5	571,239.2	8,622,140.0	281,110.6	57,177.2	26,509,062.2	6,718,197.5	47,469,497.2
Feb	4,472,333.0	651,134.9	9,005,398.7	261,763.2	57,370.2	26,887,148.2	6,941,271.6	48,276,419.9
Mar	4,156,367.0	657,906.4	9,193,503.2	269,881.6	57,162.3	27,450,766.3	6,851,739.6	48,637,326.3
Apr	4,408,785.2	703,060.9	9,401,946.1	335,434.3	54,841.1	27,511,385.3	6,703,184.2	49,118,637.1
May	4,527,019.4	679,444.6	9,492,494.0	268,494.7	53,894.2	28,058,127.0	6,595,242.9	49,674,716.8
Jun	4,608,340.9	661,774.8	9,668,346.0	257,902.8	55,117.8	28,726,153.3	6,662,593.5	50,640,229.1
Jul	4,509,243.1	637,891.1	9,913,258.0	532,720.2	53,938.7	28,742,867.3	6,525,998.8	50,915,917.0
Aug	4,643,548.4	678,915.9	10,099,076.1	590,422.0	53,944.2	29,191,440.9	6,374,190.1	51,631,537.5
Sep	4,107,734.0	682,264.1	10,418,816.1	426,818.3	53,997.2	29,533,614.9	6,212,445.4	51,435,690.0
Oct	4,397,884.6	696,445.7	10,529,846.1	430,296.6	53,049.7	29,943,053.7	6,162,315.4	52,212,891.8
Nov	4,630,434.3	739,393.0	10,378,764.7	427,010.8	52,991.1	30,548,751.7	6,201,936.6	52,979,282.1
Dec	4,759,478.4	759,002.2	10,386,857.2	428,225.7	52,544.6	30,747,328.1	5,989,564.5	53,123,000.7
2024-Jan	5,332,587.3	752,836.4	10,152,283.4	415,060.1	51,919.3	31,093,278.7	6,133,562.7	53,931,527.8
Feb	5,019,307.0	777,594.9	10,443,702.0	412,436.4	51,715.2	31,278,975.1	6,205,481.2	54,189,211.9
Mar	4,445,284.3	763,155.6	10,351,586.1	460,331.7	51,479.5	31,947,482.3	6,670,191.0	54,689,510.7
Apr	4,731,499.6	789,948.0	10,103,368.2	394,092.0	50,949.6	32,398,649.4	6,964,170.8	55,432,677.7
May	5,596,093.0	921,997.2	10,380,431.7	405,178.2	51,643.7	32,481,038.1	6,786,711.5	56,623,093.3
Jun	4,676,263.7	1,044,748.4	10,678,532.8	404,490.8	34,279.8	33,372,764.6	6,554,239.5	56,765,319.7

Source: Bank of Tanzania and Banks



Bank of Tanzania Annual Report 2023/24

3.0 Monetary Statistics

Table 3.9 :Commercial Banks Lending and Holdings of Securities

Millions of TZS

End of Period	Domestic lending									Lending to deposit ratio	Securities
	Loans to banks	Loans to other financial corporations	Loans central government	Loans state and local government	Loans public non-financial corporations	Loans other non-financial corporations	Loans to other resident sectors	Loans to non-residents	Total		
2019	854,568.9	473,492.0	351,004.1	77,716.7	1,236,328.7	9,069,779.6	8,317,675.7	486,697.2	20,867,263.0	87.8	5,160,470.1
2020	904,506.0	496,087.7	362,237.5	79,768.4	667,741.1	9,755,959.6	8,861,908.0	873,371.5	22,001,579.8	89.3	5,748,828.8
2021	1,098,184.6	581,294.3	559,335.6	48,868.1	410,004.2	9,818,147.9	11,007,699.8	708,631.3	24,232,165.8	87.3	6,764,805.3
2022	1,741,707.9	309,102.1	667,709.0	58,186.3	297,824.1	13,398,312.7	12,708,046.4	605,420.8	29,786,309.3	92.9	7,949,575.6
2023	898,235.1	393,198.6	1,704,512.6	52,544.6	426,185.5	15,940,142.7	14,623,937.1	1,043,720.7	35,082,476.9	92.6	8,641,460.5
2022-Jan	1,010,666.1	578,521.8	565,664.4	46,129.9	379,713.0	9,724,103.7	11,126,591.7	501,698.4	23,933,089.1	87.3	6,931,469.5
Feb	1,047,767.3	211,025.6	553,245.0	45,778.6	412,663.4	10,678,657.7	10,967,342.3	666,709.1	24,583,189.1	87.6	7,146,884.2
Mar	1,396,352.2	207,742.1	560,796.2	45,946.5	400,277.1	11,127,481.3	10,959,327.9	389,145.3	25,087,068.7	89.4	7,159,771.8
Apr	1,433,167.4	204,024.6	565,154.9	44,703.1	409,055.5	10,927,493.8	11,347,292.0	417,120.3	25,348,011.6	89.8	6,978,711.2
May	1,476,580.8	220,938.4	548,460.2	46,435.2	372,158.0	11,320,807.5	11,352,871.1	635,981.7	25,974,232.9	92.5	7,201,457.1
Jun	1,378,026.4	288,779.4	533,386.0	45,855.4	363,904.9	11,793,787.7	11,574,249.3	621,278.7	26,599,267.8	93.4	7,171,975.6
Jul	1,308,487.6	275,396.4	538,058.7	44,476.3	383,982.7	11,993,390.4	11,673,840.7	639,767.1	26,857,399.9	90.5	7,216,534.0
Aug	1,635,985.4	287,960.9	527,160.2	44,621.8	354,178.1	12,393,272.2	11,645,283.9	634,305.5	27,522,768.2	94.7	7,202,053.0
Sep	1,576,608.5	292,040.2	528,426.8	44,658.7	348,198.0	12,568,523.6	11,921,959.6	797,809.8	28,078,225.2	91.4	7,439,931.2
Oct	1,661,957.9	295,924.0	590,205.1	43,781.0	321,119.3	12,998,476.4	12,219,040.1	521,070.7	28,651,574.4	92.3	7,712,316.4
Nov	2,047,339.7	317,666.8	683,281.6	59,443.7	313,243.6	13,286,810.1	12,379,452.9	615,169.0	29,702,407.3	93.8	7,789,592.8
Dec	1,741,707.9	309,102.1	667,709.0	58,186.3	297,824.1	13,398,312.7	12,708,046.4	605,420.8	29,786,309.3	92.9	7,949,575.6
2023-Jan	1,938,631.2	290,967.2	675,756.9	57,177.2	281,110.6	13,336,523.6	12,933,372.1	704,541.2	30,218,079.9	90.3	7,905,499.1
Feb	2,102,812.6	368,801.3	674,359.4	57,370.2	261,763.2	13,592,590.0	13,055,128.1	464,981.7	30,577,806.5	91.0	8,290,155.3
Mar	2,112,293.9	353,097.2	681,700.3	57,162.3	269,881.6	14,192,875.6	13,018,073.7	765,978.6	31,451,063.1	93.3	8,470,918.8
Apr	1,845,467.4	389,877.4	679,668.6	54,841.1	335,434.3	13,815,933.1	13,451,706.9	850,993.8	31,423,922.5	92.8	8,681,393.5
May	1,871,699.8	350,701.2	661,964.3	53,894.2	268,494.7	14,448,751.9	13,365,809.0	943,206.6	31,964,521.6	92.3	8,789,645.7
Jun	1,713,346.1	329,223.2	773,973.4	55,117.8	257,902.8	14,318,682.9	14,140,763.8	904,042.2	32,493,052.1	90.9	8,853,434.5
Jul	1,580,003.3	350,623.8	891,848.7	53,938.7	532,720.2	14,626,038.8	13,866,779.2	1,171,895.6	33,073,848.2	91.5	8,980,525.2
Aug	1,386,920.0	346,594.7	1,070,217.7	53,944.2	590,422.0	14,844,487.8	14,063,934.6	1,471,161.6	33,827,682.5	91.1	8,987,974.3
Sep	1,202,195.0	350,331.7	1,351,684.2	53,997.2	426,818.3	15,053,104.8	14,234,195.3	1,436,822.2	34,109,148.7	91.9	9,026,247.8
Oct	1,195,099.7	370,064.8	1,509,679.1	53,049.7	430,296.6	15,256,958.0	14,433,251.3	1,545,397.3	34,793,796.4	93.2	8,979,283.0
Nov	1,198,962.4	368,678.5	1,686,359.0	52,991.1	424,970.6	15,897,396.8	14,413,738.3	1,122,181.3	35,165,277.9	93.5	8,651,521.7
Dec	898,235.1	393,198.6	1,704,512.6	52,544.6	426,185.5	15,940,142.7	14,623,937.1	1,043,720.7	35,082,476.9	92.6	8,641,460.5
2024-Jan	1,031,377.7	376,505.2	1,698,616.6	51,919.3	413,019.9	16,096,386.3	14,809,903.6	1,224,568.8	35,702,297.4	93.1	8,412,782.7
Feb	1,121,725.8	400,029.5	1,721,183.1	51,715.2	410,396.2	16,125,042.9	14,975,048.3	1,529,516.9	36,334,658.0	94.4	8,681,562.4
Mar	1,393,118.9	381,682.5	1,797,462.5	51,479.5	458,291.5	16,752,445.2	15,001,882.8	1,668,166.5	37,504,529.5	96.9	8,513,782.3
Apr	1,612,809.8	378,006.4	1,568,871.1	50,949.6	394,092.0	15,896,692.3	16,313,333.8	1,384,304.3	37,599,059.4	96.2	8,494,155.9
May	1,448,654.1	485,968.3	1,946,636.1	51,643.7	405,178.2	16,638,613.5	15,649,558.1	1,470,190.7	38,096,442.7	95.8	8,396,685.9
Jun	1,327,448.0	555,654.6	2,028,091.1	34,279.8	404,490.8	17,259,497.6	15,879,820.9	1,329,751.9	38,819,034.7	95.5	8,613,441.8

Source: Bank of Tanzania and Banks

3.0 Monetary Statistics

Table 3.10 Commercial Banks Domestic Lending by Economic Activity

End of Period	Millions of TZS																	Personal and Other services			
	Agriculture	Fishing	Financial intermediaries	Mining and quarrying	Manufacturing	Construction	Real estate	Mortgage	Leasing	Transport and communication	Trade	Tourism	Hotels and restaurants	Warehousing and storage	Electricity	Gas	Water	Education	Health	Total	
2019	1,842,312.3	55,827.5	201,715.5	424,546.9	2,086,800.7	1,129,855.1	807,661.1	417,122.7	5,368.5	1,059,576.3	3,379,539.7	150,550.6	554,950.5	12,635.1	225,270.3	355,656.3	30,019.2	253,376.8	75,340.7	5,966,385.5	19,034,511.1
2020	1,730,331.0	39,104.4	219,904.2	423,376.9	1,878,406.4	1,072,304.1	761,650.5	369,541.7	6,047.3	1,142,417.2	3,054,881.7	266,486.6	549,474.9	17,123.4	114,729.0	510,030.4	19,285.6	245,172.4	78,046.2	7,302,752.2	19,807,066.3
2021	1,596,353.6	37,084.9	269,802.2	474,043.1	2,111,115.9	998,386.1	701,836.6	408,926.0	4,270.0	1,053,870.3	3,657,331.7	259,304.6	542,718.1	33,910.1	143,881.0	392,046.0	18,424.0	236,849.6	101,307.5	8,810,368.1	21,851,829.5
2022	2,329,522.4	55,421.9	438,517.0	575,930.9	2,709,518.7	1,200,622.5	748,504.0	450,054.1	5,935.9	1,207,009.3	4,556,403.3	243,796.3	511,274.5	8,315.2	130,251.1	619,353.2	28,769.7	270,543.2	132,844.1	10,894,255.7	27,116,843.1
2023	3,351,487.1	58,587.8	483,415.9	785,402.9	3,131,985.6	1,483,149.7	807,280.2	536,716.5	6,869.1	1,420,264.4	4,473,369.7	617,475.2	533,952.3	13,502.1	291,296.0	799,195.3	26,311.1	318,200.5	189,918.0	13,546,243.4	32,874,822.8
2022-Jan	1,606,978.3	30,975.4	276,567.3	473,597.8	2,061,295.8	1,061,173.8	726,613.1	466,641.1	3,595.8	1,118,455.2	3,623,862.3	249,220.8	524,703.3	36,731.3	98,345.6	364,435.5	18,605.0	228,966.1	92,755.0	8,874,495.2	21,938,013.86
Feb	1,697,204.9	36,033.5	256,501.4	531,502.2	2,266,487.3	1,052,391.4	723,296.3	407,238.7	3,952.7	1,057,398.4	3,591,743.5	260,616.5	525,912.4	33,765.9	116,374.9	441,425.1	19,410.4	233,298.4	100,110.8	9,012,482.4	22,367,147.06
Mar	1,735,953.4	31,590.1	297,585.0	560,019.3	2,366,866.6	1,067,701.2	738,658.6	399,838.3	3,914.5	1,099,692.5	3,794,234.8	254,703.3	531,122.7	42,782.3	110,970.8	456,963.5	20,068.8	245,819.9	106,377.5	9,084,182.3	22,949,655.30
Apr	1,829,632.3	33,450.5	291,065.5	558,705.5	2,419,530.4	1,045,381.4	727,866.7	395,224.7	3,853.9	1,004,990.2	3,947,968.1	249,478.5	519,532.3	43,392.6	117,898.9	477,362.1	21,072.8	238,313.5	102,241.1	9,261,483.8	23,106,138.34
May	1,869,888.7	34,302.1	295,237.1	599,181.4	2,437,833.9	1,087,584.8	708,890.8	399,350.9	3,754.2	994,865.7	3,948,858.2	239,967.5	528,539.2	42,654.2	121,351.3	419,763.7	21,621.5	243,696.8	111,166.6	9,320,188.3	23,410,393.46
Jun	1,996,031.5	33,725.3	364,738.2	591,598.8	2,499,358.5	1,110,551.8	724,693.0	417,165.7	3,789.2	1,081,479.3	3,965,091.1	246,178.3	537,412.3	36,663.1	150,025.3	593,545.9	20,484.1	239,945.3	120,141.8	9,399,248.0	24,131,866.40
Jul	2,002,917.4	46,684.5	362,876.1	639,854.9	2,622,883.8	1,118,926.8	730,471.5	418,023.3	11,847.6	1,109,967.8	3,905,070.8	240,129.4	525,902.1	37,645.1	136,585.4	562,052.2	20,885.9	242,437.4	133,778.2	9,561,838.0	24,430,778.07
Aug	2,028,677.1	46,130.9	382,641.4	612,745.2	2,760,123.1	1,072,938.1	747,274.6	430,570.3	7,998.8	1,190,991.1	3,983,933.6	241,292.6	524,447.0	35,990.7	131,171.7	446,520.1	20,593.8	246,993.6	141,325.9	9,822,095.1	24,774,364.13
Sep	2,083,411.3	49,792.8	393,756.5	571,072.3	2,868,453.3	1,162,913.0	769,490.2	425,649.6	7,780.5	1,181,231.5	3,981,055.6	241,209.6	534,822.2	21,989.4	123,749.1	465,564.4	20,656.7	249,775.2	135,577.9	10,116,393.3	25,406,434.47
Oct	2,313,053.2	50,314.6	444,494.8	648,047.2	2,729,416.6	1,085,311.3	808,953.9	427,003.3	7,544.4	1,214,219.8	4,165,243.0	238,924.9	532,804.0	6,609.0	123,281.6	527,766.1	20,497.1	257,067.3	139,719.5	10,300,495.1	26,040,786.60
Nov	2,321,675.3	53,818.1	453,102.9	654,361.7	2,682,923.9	1,194,217.3	788,537.1	434,377.4	7,456.8	1,179,219.9	4,443,699.2	241,380.2	531,516.8	6,591.4	130,717.5	575,342.2	21,628.5	273,531.0	144,064.4	10,445,764.4	26,583,926.12
Dec	2,329,522.4	55,421.9	438,517.0	575,930.9	2,709,518.7	1,200,622.5	748,504.0	450,054.1	5,935.9	1,207,009.3	4,556,403.3	243,796.3	511,274.5	8,315.2	130,251.1	619,353.2	28,769.7	270,543.2	132,844.1	10,894,255.7	27,116,843.12
2023-Jan	2,367,381.7	55,006.8	424,812.7	590,812.4	2,651,513.2	1,227,482.6	724,517.2	447,943.4	4,333.1	1,196,913.0	4,366,685.5	244,221.0	518,989.5	10,951.7	120,793.2	735,291.2	28,903.0	258,356.3	133,950.5	11,112,662.9	27,221,521.02
Feb	2,405,084.7	55,356.5	501,131.1	605,954.2	2,731,650.4	1,208,007.5	713,292.9	461,112.9	4,272.2	1,234,802.7	4,422,359.3	246,769.8	513,700.8	10,493.2	117,925.7	630,843.3	28,247.0	259,999.8	132,849.3	11,366,907.9	27,650,760.97
Mar	2,461,850.2	53,828.7	482,089.2	605,471.1	2,769,498.0	1,251,162.3	702,048.4	458,271.1	5,468.5	1,267,454.7	4,483,175.4	245,545.1	521,265.1	10,188.4	127,503.2	912,611.5	28,627.5	263,335.1	137,040.0	11,461,921.4	28,248,373.13
Apr	2,491,084.9	54,504.9	470,898.1	651,959.7	2,722,850.6	1,241,094.6	705,667.9	469,766.9	6,148.1	1,280,244.5	4,606,721.9	250,213.3	520,091.0	10,047.6	125,914.2	811,611.7	28,779.1	235,488.7	133,685.7	11,550,335.9	28,367,129.34
May	2,637,096.3	49,950.4	486,962.5	632,326.1	2,696,029.9	1,244,506.2	646,304.7	526,763.8	8,258.1	1,280,778.8	4,597,229.2	254,426.6	516,355.5	9,055.8	139,285.8	794,296.3	28,514.2	304,628.9	127,993.4	11,831,963.3	28,792,725.70
Jun	2,810,161.7	51,618.1	531,058.1	630,437.0	2,850,998.5	1,344,509.5	677,900.1	511,282.6	33,481.4	1,320,502.0	4,816,674.9	290,857.1	522,228.8	8,453.9	126,787.5	799,386.6	20,385.1	302,904.8	150,190.3	11,768,050.1	29,567,869.09
Jul	2,936,841.7	52,921.9	538,971.2	654,263.2	2,828,946.7	1,410,971.2	661,092.8	542,205.7	8,013.8	1,356,398.5	4,633,640.9	559,214.9	533,051.2	18,189.4	121,335.6	754,039.0	27,177.6	302,760.2	146,398.8	11,915,937.5	30,002,371.73
Aug	3,100,129.6	52,930.7	456,700.1	760,042.2	2,824,379.8	1,400,135.6	689,502.5	545,185.2	7,828.3	1,322,530.1	4,774,797.2	564,028.5	532,811.6	16,597.9	143,688.2	728,036.0	26,947.6	311,101.1	139,783.9	12,176,850.3	30,574,607.37
Sep	3,247,255.3	54,855.4	459,154.7	761,718.5	2,849,394.5	1,425,428.7	701,447.0	550,209.3	7,645.4	1,358,293.1	4,775,691.3	573,214.5	517,146.7	16,043.7	160,060.8	536,491.4	26,763.7	315,406.2	174,976.6	12,550,660.4	31,061,857.28
Oct	3,120,091.7	55,078.5	490,359.3	740,706.2	3,057,692.5	1,490,595.9	734,820.1	527,828.0	7,577.3	1,388,164.8	4,459,129.3	582,442.9	510,163.6	28,825.9	159,037.6	643,758.4	26,326.6	314,207.9	181,005.4	13,126,107.6	31,643,919.50
Nov	3,231,148.6	55,305.9	458,689.9	769,550.6	3,092,562.2	1,472,480.3	811,299.9	536,370.9	31,636.4	1,477,110.3	4,423,742.1	586,886.8	526,690.6	12,749.9	243,410.0	689,565.7	26,143.2	310,873.8	177,335.9	13,398,522.4	32,332,075.39
Dec	3,351,487.1	58,587.8	483,415.9	785,402.9	3,131,985.6	1,483,149.7	807,280.2	536,716.5	6,869.1	1,420,264.4	4,473,369.7	617,475.2	533,952.3	13,502.1	291,296.0	799,195.3	26,311.1	318,200.5	189,918.0	13,546,243.4	32,874,822.83
2024-Jan	3,400,038.2	56,978.1	478,206.6	767,394.2	3,140,679.7	1,428,684.6	830,640.0	544,381.4	8,441.3	1,449,095.9	4,426,060.3	622,453.5	537,540.9	7,978.9	298,565.7	775,573.0	26,806.1	306,909.2	198,969.0	13,703,857.0	33,009,253.58
Feb	3,605,579.0	64,369.3	449,666.9	728,954.1	3,191,838.6	1,419,998.3	824,877.3	552,808.7	8,431.4	1,454,233.0	4,440,849.8	632,562.1	535,505.2	18,991.2	322,135.5	705,485.2	26,457.0	316,949.3	199,992.5	13,815,577.4	33,315,261.82
Mar	3,737,337.3	65,229.3	443,947.7	762,711.9	3,433,676.9	1,407,649.2	864,082.6	557,152.8	8,990.2	1,436,902.4	4,405,895.4	635,232.2	541,909.2	19,145.4	302,465.5	670,857.6	26,613.6	320,826.6	185,777.6	14,243,699.7	34,089,663.02
Apr	4,006,596.9	62,809.7	455,142.4	770,207.5	3,515,746.6	1,400,499.8	879,144.4	536,645.0	34,895.8	1,453,832.3	4,415,774.2	613,515.0	537,914.1	15,369.8	331,139.0	595,717.3	26,122.8	331,257.7	176,511.6	14,406,178.7	34,565,020.56
May	4,107,231.5	57,532.2	476,055.4	743,599.8	3,488,781.8	1,501,600.0	908,210.0	572,616.3	8,502.3	1,465,396.7	4,488,242.8	592,017.3	526,281.5	13,657.0	325,222.4	596,707.2	24,694.6	336,265.3	180,223.9	14,441,089.1	34,833,927.03
Jun	4,305,632.5	77,591.7	634,742.6	761,680.5	3,495,773.6	1,536,023.8	876,046.3	574,086.1	8,924.2	1,535,683.5	4,668,527.6	592,948.4	518,900.8	13,907.0	314,149.3	689,281.8	19,902.7	337,194.2	188,834.0	15,025,055.4	36,174,785.86

Source: Bank of Tanzania



Bank of Tanzania Annual Report 2023/24



Bank of Tanzania Annual Report 2023/24

3.0 Monetary Statistics

Table 3.11 :Commercial Banks Deposits

												Millions of TZS
End of period	Central government	State and local government	Other financial corporations	Public non-financial corporation	Other non-financial corporation	Other residents	Other depository corporation	Deposits of non-residents	Total	of which		
										Transferrable deposits in national currency	Other deposits in national currency*	Foreign currency deposits
2019	952,302.2	203,880.0	1,456,892.8	706,711.0	294,180.4	19,115,864.9	619,905.5	414,747.7	23,764,484.6	8,575,824.7	8,415,445.8	6,773,214.1
2020	652,818.2	203,338.5	1,558,019.3	644,191.4	283,837.4	20,378,496.6	574,069.9	350,628.7	24,645,400.0	8,795,011.5	8,867,086.7	6,983,301.8
2021	422,416.9	617,454.1	1,474,375.4	1,452,656.5	1,256,693.6	21,589,560.1	566,499.8	367,315.3	27,746,971.7	10,609,080.9	9,366,653.2	7,771,237.1
2022	703,533.6	416,636.6	2,464,930.2	2,099,659.7	423,421.6	25,320,280.2	780,076.0	378,532.0	32,587,069.9	13,033,371.9	11,267,198.7	8,286,499.3
2023	1,155,076.6	474,703.3	2,607,721.6	2,026,317.3	477,097.9	29,766,694.2	586,889.3	783,089.4	37,877,589.6	14,317,506.5	13,087,532.2	10,472,550.8
2022-Jan	386,984.1	549,681.6	1,583,535.0	1,864,564.8	306,016.6	21,760,582.6	541,377.3	420,762.8	27,413,504.8	10,529,763.3	9,301,765.6	7,581,975.9
Feb	393,066.9	506,324.0	1,819,278.8	2,082,344.8	321,313.5	21,857,165.7	965,258.1	114,119.0	28,058,870.9	10,751,973.1	9,673,206.5	7,633,691.3
Mar	439,464.7	540,666.5	1,953,932.3	2,112,288.3	298,913.7	21,710,684.3	1,015,707.4	146,775.4	28,218,432.6	10,858,615.9	9,814,000.3	7,545,816.4
Apr	383,491.5	451,812.4	1,722,800.1	2,335,700.1	1,109,774.1	21,006,980.3	709,751.5	366,208.8	28,086,518.8	10,713,645.2	9,897,570.3	7,475,303.3
May	472,460.6	405,571.2	1,718,451.7	2,036,749.5	325,797.7	22,480,498.5	689,859.1	358,257.9	28,487,646.2	10,709,286.0	10,002,588.0	7,775,772.2
Jun	505,387.1	389,371.2	2,047,896.0	2,040,563.2	376,501.8	23,183,933.5	768,690.7	354,412.6	29,666,756.0	11,103,084.0	10,509,759.8	8,053,912.3
Jul	557,459.4	386,122.7	1,952,698.2	1,517,692.7	399,903.3	23,131,421.7	765,767.8	366,460.7	29,077,526.5	11,024,603.7	10,514,672.7	7,538,250.2
Aug	539,196.8	379,603.2	2,287,177.9	1,609,460.4	389,490.1	24,368,138.8	767,039.6	377,138.2	30,717,245.2	12,034,960.7	10,535,851.8	8,146,432.7
Sep	726,624.3	456,953.5	2,322,755.7	1,713,182.9	832,082.5	24,132,388.0	557,768.2	316,842.2	31,058,597.3	11,927,446.7	10,915,594.5	8,215,556.1
Oct	803,346.5	527,713.8	2,312,042.4	2,005,353.6	814,855.0	24,333,586.7	537,912.8	315,621.0	31,650,431.9	12,430,786.3	11,120,644.8	8,099,000.7
Nov	869,809.3	439,713.1	2,266,149.0	2,160,292.7	410,529.0	24,923,527.1	711,805.5	287,869.0	32,069,694.9	12,681,273.8	11,226,176.9	8,162,244.1
Dec	703,533.6	416,636.6	2,464,930.2	2,099,659.7	423,421.6	25,320,280.2	780,076.0	378,532.0	32,587,069.9	13,033,371.9	11,267,198.7	8,286,499.3
2023-Jan	869,490.9	461,928.3	2,401,972.4	2,072,335.6	473,287.8	25,953,435.5	836,708.7	386,559.1	33,455,718.2	13,295,216.5	11,410,838.3	8,749,663.4
Feb	875,207.5	445,156.2	2,394,064.6	2,139,354.1	497,207.7	25,975,069.6	857,525.1	406,658.4	33,590,243.1	13,419,218.8	11,524,535.2	8,646,489.1
Mar	767,322.1	411,293.0	2,407,373.4	2,128,706.5	476,035.3	26,299,276.1	768,078.5	453,242.0	33,711,326.9	13,161,287.4	11,754,811.5	8,795,227.9
Apr	842,137.5	667,909.6	3,479,979.6	1,583,232.1	1,491,270.0	24,830,489.8	538,671.0	430,060.4	33,863,750.0	13,461,039.2	11,710,117.9	8,692,592.9
May	949,521.6	668,048.3	3,661,821.2	1,471,242.4	469,635.4	26,075,901.1	708,003.5	645,474.8	34,649,648.5	13,696,818.3	11,907,850.0	9,044,980.2
Jun	756,568.0	731,727.9	2,602,915.1	1,959,666.2	455,779.6	27,994,464.4	632,725.6	601,250.5	35,735,097.2	13,886,320.4	12,058,118.1	9,790,658.7
Jul	656,348.4	628,472.0	2,688,177.2	1,845,673.9	508,312.9	28,543,996.9	658,308.4	603,358.0	36,132,647.6	13,779,430.2	12,231,042.9	10,122,174.5
Aug	1,301,700.7	583,564.0	2,593,869.2	1,974,030.3	487,052.3	28,891,984.3	611,118.8	686,879.2	37,130,198.7	14,267,610.3	12,418,235.9	10,444,352.5
Sep	1,317,614.8	513,423.8	2,322,854.8	2,014,496.2	478,327.1	29,224,407.6	494,127.4	764,168.5	37,129,420.3	14,101,031.8	12,707,405.9	10,320,982.6
Oct	1,269,173.6	500,333.6	2,294,743.9	2,244,631.8	472,833.3	29,172,096.0	668,128.9	693,335.1	37,315,276.2	14,371,046.3	12,826,812.9	10,117,417.0
Nov	1,186,168.1	438,087.3	2,524,266.4	2,524,144.5	489,169.0	29,231,268.0	482,232.2	753,301.4	37,628,636.9	13,953,643.0	13,046,152.1	10,628,841.9
Dec	1,155,076.6	474,703.3	2,607,721.6	2,026,317.3	477,097.9	29,766,694.2	586,889.3	783,089.4	37,877,589.6	14,317,506.5	13,087,532.2	10,472,550.8
2024-Jan	1,154,234.0	587,424.6	2,689,368.4	2,045,393.1	497,067.8	30,106,809.7	385,237.9	887,644.1	38,353,179.7	14,583,649.8	13,223,370.4	10,546,159.5
Feb	1,015,892.9	606,609.8	2,607,979.0	2,079,065.1	508,725.3	30,397,417.3	389,035.3	901,063.1	38,505,787.9	14,713,362.2	13,192,763.0	10,599,662.7
Mar	1,103,747.5	612,949.9	2,593,059.9	2,080,102.5	511,065.8	30,534,707.1	441,279.4	838,753.5	38,715,665.7	14,482,829.9	13,192,325.0	11,040,510.8
Apr	1,260,838.9	646,222.7	2,701,115.8	2,264,474.4	596,753.3	30,376,785.7	439,177.9	808,357.4	39,093,726.2	14,478,238.6	13,509,479.3	11,106,008.2
May	1,197,895.1	956,548.5	2,994,326.4	2,012,372.8	560,482.7	30,571,667.0	573,373.0	918,780.1	39,785,445.6	15,126,462.7	13,043,167.0	11,615,815.9
Jun	1,270,531.6	962,107.7	3,086,252.8	1,778,242.1	618,045.5	31,506,454.1	437,934.2	972,327.6	40,631,895.5	15,356,092.2	13,123,641.4	12,152,161.8

Source: Bank of Tanzania and Banks
Note: Other deposits include time and saving deposits



Bank of Tanzania Annual Report 2023/24

3.0 Monetary Statistics

Table 3.12: Interest Rate Structure

	2019	2020	2021	2022	2023	2024						Percent
						Jan	Feb	Mar	Apr	May	Jun	
Domestic Currency												
1 Interbank Cash Market Rates												
Overnight	4.73	3.89	3.80	3.10	4.29	6.75	6.35	6.20	6.51	7.02	6.92	
2 to 7 days	5.27	4.56	4.42	4.58	5.41	7.29	7.20	7.17	7.04	7.35	7.40	
8 to 14 days	5.66	5.01	4.68	4.72	5.34	7.22	7.21	7.03	7.25	7.26	7.42	
15 to 30 days	5.99	4.83	4.45	5.10	5.76	7.45	7.58	7.03	7.70	7.35	7.88	
31 to 60 days	6.24	5.90	4.80	5.40	6.27	6.28	7.23	7.85	7.85	7.88	7.17	
61 to 90 days	7.88	5.65	5.95	6.31	6.05	6.52	6.52	6.52	6.75	8.50	11.50	
91 to 180 days	13.01	6.48	5.95	6.85	7.54	9.97	9.29	8.50	9.73	9.29	10.35	
181 and above	11.28	7.92	8.93	8.65	9.76	11.00	11.76	11.76	9.00	9.00	9.00	
Overall Interbank cash market rate	5.13	4.50	4.44	4.53	5.37	7.27	7.20	7.10	7.02	7.34	7.36	
2 Lombard Rate	7.35	5.98	5.70	4.65	6.44	7.50	7.50	7.50	8.00	8.00	8.00	
3 REPO Rate	4.50	4.50	4.50	4.02	2.73	2.43	2.43	5.30	5.30	5.30	5.30	
4 Reverse Repo Rate	5.29	5.95	5.68	6.21	6.29	6.29	5.81	5.74	6.57	6.57	6.57	
5 Treasury Bills Rates												
35 days	3.47	2.37	2.60	2.25	4.20	6.29	6.29	5.93	5.93	5.93	5.93	
91 days	4.17	2.88	2.74	2.80	5.36	8.50	8.43	8.17	8.07	8.07	8.07	
182 days	5.07	3.32	3.20	3.47	6.37	9.30	8.93	8.61	8.45	8.22	6.57	
364 days	8.04	4.68	4.85	4.79	7.69	11.81	12.25	11.82	10.38	7.83	6.75	
Overall Treasury bills rate	7.71	4.42	4.78	4.64	7.32	11.76	12.21	11.65	10.33	7.86	6.75	
5 Treasury Bonds Rates												
2 years	11.45	8.14	7.67	6.56	9.75	11.64	11.64	11.64	11.64	11.64	11.64	
5 years	12.56	11.24	9.19	9.04	9.89	10.09	10.09	10.09	10.09	10.09	10.09	
7 years	13.09	11.48	10.09	9.58	9.71	9.71	9.71	9.71	9.71	9.71	9.71	
10 years	15.04	12.51	11.59	10.63	11.35	12.03	12.03	12.03	12.30	12.30	12.30	
15 years	15.52	14.06	13.59	11.70	11.95	12.75	13.66	13.66	13.66	15.16	15.16	
20 years	17.35	15.79	15.27	12.22	12.96	13.51	15.83	15.51	15.24	15.24	15.13	
25 years						14.39	14.39	16.79	16.13	16.13	15.38	
6 Discount Rate	7.00	5.67	5.00	5.00	5.00	8.00	8.00	8.00	8.50	8.50	8.50	
7 Savings Deposit Rate	2.44	2.34	1.96	1.69	1.86	2.69	2.54	2.70	2.79	2.87	2.86	
8 Overall Time Deposits Rate	7.24	6.70	6.82	7.11	7.07	7.40	7.39	7.55	7.44	7.65	7.66	
1 month	8.51	8.13	7.55	7.16	7.34	7.48	7.83	8.36	8.94	9.18	8.70	
2 months	7.24	6.41	7.26	7.70	7.95	9.00	8.52	9.16	8.58	9.01	8.47	
3 months	7.10	6.69	6.94	7.56	8.10	8.63	8.85	8.81	8.52	8.65	9.38	
6 months	7.81	7.48	7.59	7.90	8.10	9.13	9.07	9.15	9.12	9.37	9.25	
12 months	8.80	8.28	8.27	8.53	8.65	9.15	9.06	8.94	8.21	8.97	9.09	
24 months	9.81	8.66	8.61	8.88	7.91	6.06	6.04	6.05	6.28	6.02	6.25	
9 Negotiated Deposit Rate	8.92	9.26	9.47	9.59	9.21	9.56	9.52	9.59	9.33	9.72	9.86	
10 Overall Lending rate	16.97	16.66	16.59	16.18	15.76	15.39	15.44	15.51	15.42	15.47	15.30	
Short-term (up to 1 year)	16.68	15.73	16.43	16.79	16.53	15.82	16.10	16.17	15.93	15.98	15.57	
Medium-term (1-2 years)	18.22	18.28	18.05	17.48	17.00	15.82	15.71	15.74	15.77	15.82	15.69	
Medium-term (2-3 years)	17.72	17.41	16.73	16.24	15.49	15.92	15.80	16.05	15.87	15.88	15.78	
Long-term (3-5 years)	16.65	16.21	16.01	15.66	15.55	15.39	15.51	15.42	15.44	15.50	15.37	
Term Loans (over 5 years)	15.58	15.68	15.73	14.74	14.22	13.97	14.08	14.15	14.09	14.18	14.11	
11 Negotiated Lending Rate	14.46	13.71	13.87	14.02	13.43	13.44	13.40	13.46	13.95	12.69	12.82	
Foreign Currency												
1 Deposits Rates												
Savings Deposits Rate	2.29	1.58	0.49	0.32	0.13	0.04	0.04	0.91	0.79	0.90	0.97	
Overall Time Deposits Rate	2.57	2.26	3.11	3.27	3.43	3.40	3.73	3.82	3.77	3.65	3.91	
1-months	2.01	1.22	2.93	2.61	3.28	2.25	3.92	3.77	2.94	3.76	2.96	
2-months	2.86	2.31	3.23	3.24	3.20	2.64	3.41	2.61	4.20	2.73	3.37	
3-months	2.73	2.61	2.80	3.42	3.28	4.09	3.20	4.21	2.80	2.88	4.42	
6-months	2.48	2.52	3.15	3.50	3.56	3.41	3.65	3.88	4.39	4.46	4.38	
12-months	2.75	2.63	3.43	3.57	3.83	4.58	4.47	4.64	4.49	4.40	4.44	
2 Overall Lending Rate	7.65	6.50	7.90	8.17	7.84	7.72	8.13	8.17	8.10	8.19	7.23	
Short-term (up to 1 year)	7.59	7.94	8.70	8.57	9.13	9.46	9.11	9.60	8.74	8.77	6.58	
Medium-term (1-2 years)	7.92	4.74	7.92	8.80	7.21	6.90	7.71	7.77	7.94	7.89	7.10	
Medium-term (2-3 years)	7.94	6.03	6.70	7.06	7.66	8.14	8.44	8.35	8.47	8.27	7.63	
Long-term (3-5 years)	7.85	7.90	8.74	8.87	7.48	6.67	7.09	6.49	6.94	6.94	6.56	
Term Loans (over 5 years)	6.93	5.92	7.43	7.54	7.72	7.42	8.29	8.63	8.40	9.08	8.26	

Source: Bank of Tanzania and Banks



Bank of Tanzania Annual Report 2023/24

A4.0 Balance of Payments and Foreign Trade Statistics

A4.1 Balance of Payments in USD

Millions of USD					
Item	2019/20	2020/21	2021/22	2022/23	2023/24 ^p
A. Current account	-1,317.1	-1,809.1	-3,450.4	-4,955.6	-2,469.5
Goods: exports f.o.b.	5,868.7	6,446.8	7,097.4	7,351.8	7,869.5
Traditional	995.9	578.4	737.8	752.2	1,066.3
Non-traditional	4,574.9	5,557.4	5,959.1	6,195.7	6,371.6
o/w: Gold	2,591.3	3,025.0	2,692.0	2,909.2	3,121.8
Unrecorded trade	297.9	311.1	400.5	403.9	431.6
Goods: imports f.o.b.	-8,334.7	-8,546.6	-11,713.4	-14,445.9	-13,785.4
Balance on goods	-2,466.0	-2,099.8	-4,616.0	-7,094.2	-5,915.9
Services: credit	3,478.7	2,364.5	3,906.7	5,428.7	6,794.4
Transport	1,313.8	1,330.6	1,840.7	2,052.1	2,598.0
Travel	1,899.4	834.1	1,777.5	2,944.9	3,642.5
Other	265.5	199.8	288.5	431.7	553.9
Services: debit	-1,681.1	-1,294.9	-2,002.4	-2,534.5	-2,241.6
Transport	-661.5	-631.4	-1,058.1	-1,447.3	-1,252.2
Travel	-485.0	-135.6	-286.8	-398.1	-405.9
Other	-534.5	-527.8	-657.4	-689.1	-583.5
Balance on services	1,797.6	1,069.7	1,904.4	2,894.2	4,552.8
Balance on goods and services	-668.4	-1,030.1	-2,711.6	-4,200.0	-1,363.1
Primary income: credit	194.4	67.4	153.6	187.5	196.9
Investment income	152.5	57.4	103.8	128.7	110.3
Compensation of employees	41.9	10.0	49.8	58.9	86.6
Primary income: debit	-1,307.4	-1,298.5	-1,466.6	-1,590.5	-1,862.1
Investment income	-1,268.3	-1,267.1	-1,423.5	-1,553.6	-1,842.4
o/w: Interest payments	-392.2	-311.9	-380.7	-463.7	-772.6
Compensation of employees	-39.2	-31.4	-43.0	-37.0	-19.7
Balance on primary income	-1,113.0	-1,231.1	-1,313.0	-1,403.0	-1,665.2
Balance on goods, services and primary income	-1,781.5	-2,261.2	-4,024.6	-5,603.0	-3,028.3
Secondary income: credit	518.0	513.5	684.8	761.1	748.1
Government	203.0	76.7	92.4	96.1	72.2
Financial corporations, nonfinancial corporations, households and NPISHs	315.0	436.8	592.4	665.0	675.9
o/w: Personal transfers	315.0	436.8	592.4	665.0	675.9
Secondary income: debit	-53.6	-61.4	-110.5	-113.7	-189.3
Balance on secondary income	464.4	452.1	574.2	647.4	558.8
B. Capital account	361.9	397.9	328.7	284.5	224.0
Capital transfers: credit	361.9	397.9	328.7	284.5	224.0
General Government	289.4	331.5	263.4	219.2	158.7
Other capital transfer (Investment grant)	289.4	305.8	263.4	219.2	158.7
Debt forgiveness (including MDRI)	0.0	25.7	0.0	0.0	0.0
Financial corporations, nonfinancial corporations, households and NPISHs	72.5	66.3	65.3	65.3	65.3
Capital transfers: debit	0.0	0.0	0.0	0.0	0.0
Total, Groups A plus B	-955.2	-1,411.2	-3,121.6	-4,671.1	-2,245.5
C. Financial account, excl. reserves and related items	2,217.7	2,582.7	2,970.2	4,079.1	3,634.6
Direct investments	-1,080.5	-1,067.1	-1,314.0	-1,532.3	-1,672.3
Direct investment abroad	0.0	0.0	0.0	0.0	0.0
Direct investment in Tanzania	1,080.5	1,067.1	1,314.0	1,532.3	1,672.3
Portfolio investment	-2.4	4.9	39.6	-16.2	4.3
Other investment	1,139.6	1,510.7	1,616.6	2,562.9	1,958.0
Assets	-11.0	155.6	-647.0	98.8	-447.0
Loans (Deposit-taking corporations, except the central bank)	108.6	-124.9	85.9	-118.7	-117.3
Currency and deposits	-119.8	278.0	-733.2	217.4	-329.2
Deposit-taking corporations, except the central bank	62.0	-159.1	-120.0	57.7	-566.9
Other sectors	-181.8	437.1	-613.3	159.7	237.7
Other assets	0.2	2.5	0.4	0.1	-0.4
Liabilities	1,150.5	1,355.0	2,263.5	2,464.1	2,405.0
Trade credits	-6.8	13.4	19.3	-12.3	-4.5
Loans	1,188.9	1,378.8	2,228.2	2,362.2	2,298.2
Monetary authority	0.0	0.0	543.0	0.0	0.0
SDR allocation	0.0	0.0	543.0	0.0	0.0
General government	1,198.8	1,095.8	1,403.8	1,446.4	1,514.3
Drawings	2,084.5	2,177.6	2,629.2	2,698.2	2,712.1
Repayments	-885.7	-1,081.8	-1,225.4	-1,251.8	-1,197.8
o/w: Debt forgiveness	0.0	-25.7	0.0	0.0	0.0
Deposit-taking corporations, except the central bank	36.1	131.9	187.9	331.8	234.7
Other sectors	-46.0	151.0	93.5	584.1	549.2
Drawings	329.0	427.0	348.6	733.1	894.2
Repayments	-375.0	-276.0	-255.1	-149.0	-345.0
Currency and deposits	-31.6	-37.2	16.0	114.3	111.3
Total, Groups A through C	1,262.5	1,171.5	-151.5	-592.0	1,389.1
D. Net errors and omissions	-507.5	-970.7	150.4	865.5	-1,593.3
Overall balance (Total, Groups A through D)	755.0	200.9	-1.1	273.5	-204.2
E. Reserves and related items	-755.0	-200.9	1.1	-273.5	204.2
Reserve assets	-723.4	-175.2	1.1	-273.5	204.2
Use of Fund credit and loans	-31.5	-25.6	0.0	0.0	0.0
GDP(mp) billions of TZS	139,962.3	150,775.7	163,493.6	179,704.0	198,081.4
GDP(mp) millions of USD	61,122.6	65,608.4	71,142.4	77,786.6	79,076.9
CAB/GDP	-2.2	-2.8	-4.8	-6.4	-3.1
Gross official reserves	5,184.7	5,290.4	5,110.3	5,446.1	5,345.5
Months of imports(Excluding FDI related imports)	6.0	6.1	4.6	4.9	4.4
Exchange rate (end of period)	2,297.5	2,299.0	2,304.4	2,328.5	2,630.3
Exchange rate (annual average)	2,289.9	2,298.1	2,298.1	2,310.2	2,504.9

Source: Bank of Tanzania, Tanzania Revenue Authority and Bank of Tanzania computations

Note: p denotes provisional data; o/w, of which; NPISHs, non-profit institution serving households; MDRI, multilateral debt relief initiative; CAB, current account balance; and FDI, foreign direct investment



Bank of Tanzania Annual Report 2023/24

A4.0 Balance of Payments and Foreign Trade Statistics

A4.2 Balance of Payments in TZS

Item	Millions of TZS				
	2019/20	2020/21	2021/22	2022/23	2023/24 ^p
A. Current account	-3,015,994.9	-4,157,756.7	-7,929,642.9	-11,442,602.2	-6,247,276.6
Goods: exports f.o.b.	13,438,287.7	14,815,293.5	16,310,409.0	16,983,214.1	19,664,859.0
Traditional	2,279,812.5	1,329,058.5	1,694,930.0	1,736,700.6	2,655,607.1
Non-traditional	10,476,271.5	12,771,364.6	13,695,131.6	14,313,594.5	15,931,878.6
o/w: Gold	5,934,046.3	6,951,719.2	6,186,587.4	6,721,104.9	7,813,753.3
Unrecorded trade	682,203.8	714,870.4	920,347.4	932,919.0	1,077,373.2
Goods: imports f.o.b.	-19,083,990.9	-19,641,239.0	-26,918,883.6	-33,367,750.0	-34,520,212.3
Balance on goods	-5,645,703.2	-4,825,945.5	-10,608,474.6	-16,384,535.9	-14,855,353.3
Services: credit	7,964,118.8	5,434,120.2	8,978,281.7	12,541,554.4	16,998,982.7
Transport	3,008,188.4	3,057,928.9	4,229,898.5	4,741,431.5	6,509,530.0
Travel	4,348,077.7	1,917,023.8	4,085,251.1	6,802,763.7	9,099,354.8
Other	607,852.8	459,167.5	663,132.1	997,359.2	1,390,097.8
Services: debit	-3,848,917.7	-2,975,758.4	-4,601,837.8	-5,854,113.1	-5,610,514.7
Transport	-1,514,745.1	-1,451,134.9	-2,431,768.5	-3,342,845.9	-3,135,029.2
Travel	-1,110,359.3	-311,659.0	-659,259.4	-919,763.7	-1,015,889.4
Other	-1,223,813.3	-1,212,964.5	-1,510,809.9	-1,591,503.5	-1,459,596.1
Balance on services	4,115,201.1	2,458,361.7	4,376,444.0	6,687,441.3	11,388,468.0
Balance on goods and services	-1,530,502.1	-2,367,583.7	-6,232,030.6	-9,697,094.5	-3,466,885.3
Primary income: credit	445,047.0	154,912.7	353,066.9	433,250.9	493,863.9
Investment income	349,092.5	131,973.5	238,511.8	297,251.7	276,008.4
Compensation of employees	95,954.5	22,939.2	114,555.1	135,999.2	217,855.5
Primary income: debit	-2,993,849.0	-2,984,171.7	-3,370,419.3	-3,674,968.1	-4,673,085.7
Investment income	-2,904,184.9	-2,911,916.6	-3,271,496.3	-3,589,549.3	-4,623,883.8
o/w: Interest payments	-898,126.2	-716,669.7	-874,745.1	-1,071,785.4	-1,942,832.4
Compensation of employees	-89,664.1	-72,255.1	-98,923.0	-85,418.9	-49,201.9
Balance on primary income	-2,548,802.0	-2,829,259.0	-3,017,352.4	-3,241,717.2	-4,179,221.8
Balance on goods, services and primary income	-4,079,304.1	-5,196,842.7	-9,249,383.0	-12,938,811.8	-7,646,107.1
Secondary income: credit	1,186,124.4	1,180,105.9	1,573,784.1	1,758,791.1	1,872,502.2
Government	464,917.9	176,194.8	212,363.3	222,504.5	180,322.5
Financial corporations, nonfinancial corporations, households and NPISHs	721,206.6	1,003,911.1	1,361,420.8	1,536,286.6	1,692,179.8
o/w: Personal transfers	721,206.6	1,003,911.1	1,361,420.8	1,536,286.6	1,692,179.8
Secondary income: debit	-122,815.2	-141,019.9	-254,044.0	-262,581.6	-473,871.7
Balance on secondary income	1,063,309.2	1,039,086.0	1,319,740.1	1,496,209.6	1,398,630.5
B. Capital account	828,461.8	914,292.3	755,389.3	657,217.2	564,594.5
Capital transfers: credit	828,461.8	914,292.3	755,389.3	657,217.2	564,594.5
General Government	662,509.7	702,851.5	605,290.3	506,327.7	400,988.1
Other capital transfer (Investment grant)	662,509.7	702,851.5	605,290.3	506,327.7	400,988.1
Debt forgiveness (including MDRI)	0.0	59,060.1	0.0	0.0	0.0
Financial corporations, nonfinancial corporations, households and NPISHs	165,952.1	152,380.7	150,099.0	150,889.5	163,606.4
Capital transfers: debit	0.0	0.0	0.0	0.0	0.0
Total, Groups A plus B	-2,187,533.1	-3,243,464.4	-7,174,253.6	-10,785,384.9	-5,682,682.1
C. Financial account, excl. reserves and related items	5,077,084.2	5,936,006.7	6,825,303.0	9,419,372.6	9,088,888.7
Direct investments	-2,474,094.0	-2,452,456.9	-3,019,961.2	-3,540,276.0	-4,191,450.6
Direct investment abroad	0.0	0.0	0.0	0.0	0.0
Direct investment in Tanzania	2,474,094.0	2,452,456.9	3,019,961.2	3,540,276.0	4,191,450.6
Portfolio investment	-5,399.9	11,314.3	90,944.3	-37,334.7	9,942.7
Other investment	2,608,390.1	3,472,235.5	3,714,397.5	5,916,431.3	4,887,495.4
Assets	-25,661.9	357,656.0	-1,487,571.2	222,659.5	-1,107,661.6
Loans (Deposit-taking corporations, except the central bank)	248,535.4	-286,961.1	197,085.7	-274,168.3	-264,234.4
Currency and deposits	-274,635.1	638,770.3	-1,685,513.3	496,625.5	-842,336.7
Deposit-taking corporations, except the central bank	142,134.9	-365,571.6	-275,751.3	130,324.1	-1,429,715.6
Other sectors	-416,770.0	1,004,341.9	-1,409,762.0	366,301.4	587,378.8
Other assets	437.8	5,846.8	856.4	202.3	-1,090.5
Liabilities	2,634,052.0	3,114,579.5	5,201,968.7	5,693,771.8	5,995,157.0
Trade credits	-15,472.1	30,903.0	44,349.9	-28,426.7	-12,196.4
Loans	2,721,838.2	3,169,065.9	5,120,831.6	5,458,284.8	5,727,601.6
Monetary authority	0.0	0.0	1,248,558.1	0.0	0.0
SDR allocation	0.0	0.0	1,248,558.1	0.0	0.0
General government	2,744,572.4	2,518,997.8	3,225,364.3	3,346,378.3	3,794,291.3
Drawings	4,772,879.6	5,005,081.3	6,041,421.6	6,239,924.3	6,806,104.7
Repayments	-2,028,307.2	-2,486,083.5	-2,816,057.3	-2,893,546.0	-3,011,813.4
o/w: Debt forgiveness	0.0	-59,060.1	0.0	0.0	0.0
Deposit-taking corporations, except the central bank	82,558.4	303,048.9	431,670.0	763,406.7	565,984.3
Other sectors	-105,292.7	347,019.2	215,239.1	1,348,499.8	1,367,325.9
Drawings	753,092.4	981,295.2	801,227.3	1,693,578.4	2,213,930.9
Repayments	-858,385.0	-634,276.0	-585,988.2	-345,078.6	-846,605.0
Currency and deposits	-72,314.1	-85,389.4	36,787.2	263,913.7	279,751.8
Total, Groups A through C	2,891,157.2	2,692,424.7	-349,105.5	-1,366,196.8	3,426,725.7
D. Net errors and omissions	-1,163,554.9	-2,230,445.6	348,611.9	2,006,454.6	-3,811,418.9
Overall balance (Total, Groups A through D)	1,727,602.4	461,979.1	-493.6	640,257.8	-384,693.3
E. Reserves and related items	-1,727,602.4	-461,979.1	493.6	-640,257.8	384,693.3
Reserve assets	-1,655,411.3	-403,107.0	493.6	-640,257.8	384,693.3
Use of Fund credit and loans	-72,191.0	-58,872.1	0.0	0.0	0.0
GDP(mp) billions of TZS	139,962.3	150,775.7	163,493.6	179,704.0	198,081.4
GDP(mp) millions of USD	61,122.6	65,608.4	71,142.4	77,786.6	79,076.9
CAB/GDP	-2.2	-2.8	-4.9	-6.4	-3.1
Gross official reserves	5,184.7	5,290.4	5,110.3	5,446.1	5,345.5
Months of imports(Excluding FDI related imports)	6.0	6.1	4.6	4.9	4.9
Exchange rate (end of period)	2,297.5	2,299.0	2,304.4	2,328.5	2,630.3
Exchange rate (annual average)	2,289.9	2,298.1	2,298.1	2,310.2	2,504.9

Source: Bank of Tanzania, Tanzania Revenue Authority and Bank of Tanzania computations

Note: p denotes provisional data; o/w, of which; NPISHs, non-profit institution serving households; MDRI, multilateral debt relief initiative; CAB, current account balance; and FDI, foreign direct investment



Bank of Tanzania Annual Report 2023/24

A4.0 Balance of Payments and Foreign Trade Statistics

Table A4.3: Exports (f.o.b) by Type of Commodity

	Millions of USD				
Item	2019/20	2020/21	2021/22	2022/23	2023/24 ^p
A. Current account	-3,015,994.9	-4,157,756.7	-7,929,642.9	-11,442,602.2	-6,247,276.6
Goods: exports f.o.b.	13,438,287.7	14,815,293.5	16,310,409.0	16,983,214.1	19,664,859.0
Traditional	2,279,812.5	1,329,058.5	1,694,930.0	1,736,700.6	2,655,607.1
Non-traditional	10,476,271.5	12,771,364.6	13,695,131.6	14,313,594.5	15,931,878.6
o/w: Gold	5,934,046.3	6,951,719.2	6,186,587.4	6,721,104.9	7,813,753.3
Unrecorded trade	682,203.8	714,870.4	920,347.4	932,919.0	1,077,373.2
Goods: imports f.o.b.	-19,083,990.9	-19,641,239.0	-26,918,883.6	-33,367,750.0	-34,520,212.3
Balance on goods	-5,645,703.2	-4,825,945.5	-10,608,474.6	-16,384,535.9	-14,855,353.3
Services: credit	7,964,118.8	5,434,120.2	8,978,281.7	12,541,554.4	16,998,982.7
Transport	3,008,188.4	3,057,928.9	4,229,898.5	4,741,431.5	6,509,530.0
Travel	4,348,077.7	1,917,023.8	4,085,251.1	6,802,763.7	9,099,354.8
Other	607,852.8	459,167.5	663,132.1	997,359.2	1,390,097.8
Services: debit	-3,848,917.7	-2,975,758.4	-4,601,837.8	-5,854,113.1	-5,610,514.7
Transport	-1,514,745.1	-1,451,134.9	-2,431,768.5	-3,342,845.9	-3,135,029.2
Travel	-1,110,359.3	-311,659.0	-659,259.4	-919,763.7	-1,015,889.4
Other	-1,223,813.3	-1,212,964.5	-1,510,809.9	-1,591,503.5	-1,459,596.1
Balance on services	4,115,201.1	2,458,361.7	4,376,444.0	6,687,441.3	11,388,468.0
Balance on goods and services	-1,530,502.1	-2,367,583.7	-6,232,030.6	-9,697,094.5	-3,466,885.3
Primary income: credit	445,047.0	154,912.7	353,066.9	433,250.9	499,863.9
Investment income	349,092.5	131,973.5	238,511.8	297,251.7	276,008.4
Compensation of employees	95,954.5	22,939.2	114,555.1	135,999.2	217,855.5
Primary income: debit	-2,993,849.0	-2,984,171.7	-3,370,419.3	-3,674,968.1	-4,673,085.7
Investment income	-2,904,184.9	-2,911,916.6	-3,271,496.3	-3,589,549.3	-4,623,883.8
o/w: Interest payments	-898,126.2	-716,669.7	-874,745.1	-1,071,785.4	-1,942,832.4
Compensation of employees	-89,664.1	-72,255.1	-98,923.0	-85,418.9	-49,201.9
Balance on primary income	-2,548,802.0	-2,829,259.0	-3,017,352.4	-3,241,717.2	-4,179,221.8
Balance on goods, services and primary income	-4,079,304.1	-5,196,842.7	-9,249,383.0	-12,938,811.8	-7,646,107.1
Secondary income: credit	1,186,124.4	1,180,105.9	1,573,784.1	1,758,791.1	1,872,502.2
Government	464,917.9	176,194.8	212,363.3	222,504.5	180,322.5
Financial corporations, nonfinancial corporations, households and NPISHs	721,206.6	1,003,911.1	1,361,420.8	1,536,286.6	1,692,179.8
o/w: Personal transfers	721,206.6	1,003,911.1	1,361,420.8	1,536,286.6	1,692,179.8
Secondary income: debit	-122,815.2	-141,019.9	-254,044.0	-262,581.6	-473,671.7
Balance on secondary income	1,063,309.2	1,039,086.0	1,319,740.1	1,496,209.6	1,398,830.5
B. Capital account	828,461.8	914,292.3	755,389.3	657,217.2	564,594.5
Capital transfers: credit	828,461.8	914,292.3	755,389.3	657,217.2	564,594.5
General Government	662,509.7	702,851.5	605,290.3	506,327.7	400,988.1
Other capital transfer (Investment grant)	662,509.7	702,851.5	605,290.3	506,327.7	400,988.1
Debt forgiveness (including MDRI)	0.0	59,060.1	0.0	0.0	0.0
Financial corporations, nonfinancial corporations, households and NPISHs	165,952.1	152,380.7	150,099.0	150,889.5	163,606.4
Capital transfers: debit	0.0	0.0	0.0	0.0	0.0
Total, Groups A plus B	-2,187,533.1	-3,243,464.4	-7,174,253.6	-10,785,384.9	-5,682,682.1
C. Financial account, excl. reserves and related items	5,077,084.2	5,936,006.7	6,825,303.0	9,419,372.6	9,088,888.7
Direct investments	-2,474,094.0	-2,452,456.9	-3,019,961.2	-3,540,276.0	-4,191,450.6
Direct investment abroad	0.0	0.0	0.0	0.0	0.0
Direct investment in Tanzania	2,474,094.0	2,452,456.9	3,019,961.2	3,540,276.0	4,191,450.6
Portfolio investment	-5,399.9	11,314.3	90,944.3	-37,334.7	9,942.7
Other investment	2,608,390.1	3,472,235.5	3,714,397.5	5,916,431.3	4,887,495.4
Assets	-25,661.9	357,656.0	-1,487,571.2	222,659.5	-1,107,661.6
Loans (Deposit-taking corporations, except the central bank)	248,535.4	-286,961.1	197,085.7	-274,168.3	-264,234.4
Currency and deposits	-274,635.1	638,770.3	-1,685,513.3	496,625.5	-842,336.7
Deposit-taking corporations, except the central bank	142,134.9	-365,571.6	-275,751.3	130,324.1	-1,429,715.6
Other sectors	-416,770.0	1,004,341.9	-1,409,762.0	366,301.4	587,378.8
Other assets	437.8	5,846.8	856.4	202.3	-1,090.5
Liabilities	2,634,052.0	3,114,579.5	5,201,968.7	5,693,771.8	5,995,157.0
Trade credits	-15,472.1	30,903.0	44,349.9	-28,426.7	-12,196.4
Loans	2,721,838.2	3,169,065.9	5,120,831.6	5,458,284.8	5,727,601.6
Monetary authority	0.0	0.0	1,248,558.1	0.0	0.0
SDR allocation	0.0	0.0	1,248,558.1	0.0	0.0
General government	2,744,572.4	2,518,997.8	3,225,364.3	3,346,378.3	3,794,291.3
Drawings	4,772,879.6	5,005,081.3	6,041,421.6	6,239,924.3	6,806,104.7
Repayments	-2,028,307.2	-2,486,083.5	-2,816,057.3	-2,893,546.0	-3,011,813.4
o/w: Debt forgiveness	0.0	-59,060.1	0.0	0.0	0.0
Deposit-taking corporations, except the central bank	82,558.4	303,048.9	431,670.0	763,406.7	565,984.3
Other sectors	-105,292.7	347,019.2	215,239.1	1,348,499.8	1,367,325.9
Drawings	753,092.4	981,295.2	801,227.3	1,693,578.4	2,213,930.9
Repayments	-858,385.0	-634,276.0	-585,988.2	-345,078.6	-846,605.0
Currency and deposits	-72,314.1	-85,389.4	36,787.2	263,913.7	279,751.8
Total, Groups A through C	2,891,157.2	2,692,424.7	-349,105.5	-1,366,196.8	3,426,725.7
D. Net errors and omissions	-1,163,554.9	-2,230,445.6	348,611.9	2,006,454.6	-3,811,418.9
Overall balance (Total, Groups A through D)	1,727,602.4	461,979.1	-493.6	640,257.8	-384,693.3
E. Reserves and related items	-1,727,602.4	-461,979.1	493.6	-640,257.8	384,693.3
Reserve assets	-1,655,411.3	-403,107.0	493.6	-640,257.8	384,693.3
Use of Fund credit and loans	-72,191.0	-58,872.1	0.0	0.0	0.0
GDP(mp) billions of TZS	139,962.3	150,775.7	163,493.6	179,704.0	198,081.4
GDP(mp) millions of USD	61,122.6	65,608.4	71,142.4	77,786.6	79,076.9
CAB/GDP	-2.2	-2.8	-4.9	-6.4	-3.1
Gross official reserves	5,184.7	5,290.4	5,110.3	5,446.1	5,345.5
Months of imports(Excluding FDI related imports)	6.0	6.1	4.6	4.9	4.9
Exchange rate (end of period)	2,297.5	2,299.0	2,304.4	2,328.5	2,630.3
Exchange rate (annual average)	2,289.9	2,298.1	2,298.1	2,310.2	2,504.9

Source: Bank of Tanzania, Tanzania Revenue Authority and Bank of Tanzania computations

Note: p denotes provisional data; o/w, of which; NPISHs, non-profit institution serving households; MDRI, multilateral debt relief initiative; CAB, current account balance; and FDI, foreign direct investment



Bank of Tanzania Annual Report 2023/24

A4.0 Balance of Payments and Foreign Trade Statistics

Table A4.4: Exports (f.o.b) by Type of Commodity

					Millions of TZS
Commodity	2019/20	2020/21	2021/22	2022/23	2023/24 ^p
Traditional exports	2,279,812.5	1,329,058.5	1,694,930.0	1,736,700.6	2,655,607.1
Cashewnuts	1,144,749.5	536,649.0	528,225.6	379,308.4	563,464.4
Cloves	53,318.9	3,717.3	143,085.4	87,696.7	81,582.6
Coffee	285,687.4	317,072.6	377,535.9	466,031.7	525,658.2
Cotton	272,057.7	124,892.0	189,909.4	250,414.0	285,770.1
Sisal	40,114.0	43,897.6	46,126.4	60,317.2	51,365.3
Tea	74,104.4	73,405.1	73,716.6	71,135.1	57,824.7
Tobacco	409,780.5	229,424.9	336,330.7	421,797.4	1,089,941.8
Non-traditional exports	10,476,282.3	12,771,364.6	13,695,131.6	14,313,594.5	15,931,878.6
Minerals	6,650,080.4	7,484,713.0	7,346,233.6	8,230,012.6	9,041,471.1
Gold	5,934,046.3	6,951,719.2	6,186,587.4	6,721,104.9	7,813,753.3
Diamond	100,102.0	14,612.1	67,936.4	108,247.5	108,157.1
Tanzanite	56,299.5	75,113.8	53,778.0	58,055.3	56,048.1
Other minerals (incl. concentrates)	559,632.7	443,267.8	1,037,931.8	1,342,604.9	1,063,512.6
Horticultural products	463,994.3	778,650.3	848,181.3	679,198.2	1,031,158.5
Edible vegetables	335,284.0	614,287.6	678,877.2	463,983.7	767,637.7
Floriculture	56,903.0	57,929.5	60,129.1	55,229.5	69,194.7
Fruits	19,356.1	34,827.8	44,622.9	84,890.3	111,717.4
Others	52,451.2	71,605.3	64,552.0	75,094.8	82,608.7
Manufactured goods	1,820,385.3	2,476,282.9	3,037,392.2	3,202,337.5	3,318,440.5
o/w: Cement	87,740.4	119,422.4	113,835.1	144,945.1	96,044.5
Ceramic products	54,968.2	92,586.8	112,767.8	91,215.1	54,545.3
Cosmetics	45,630.0	193,200.1	92,467.4	109,949.3	94,643.1
Edible oil	33,171.9	29,650.3	43,495.3	41,524.7	61,208.5
Fertilizers	96,229.5	196,195.6	178,206.8	268,539.4	95,573.4
Glassware	82,908.8	102,863.6	96,670.8	118,635.3	183,004.0
Iron and steel	132,724.3	174,206.5	239,648.6	208,391.1	193,147.5
Paper and paper products	96,696.1	102,681.4	159,051.5	89,569.0	48,962.1
Plastic items	58,411.7	136,495.8	89,536.3	90,861.9	98,760.6
Textiles	183,322.3	188,292.2	266,378.0	228,526.9	191,485.5
Cereals	192,855.1	652,110.0	908,530.4	510,165.7	386,796.4
Maize	82,131.6	55,272.2	271,824.3	133,074.3	89,480.3
Rice	106,688.2	575,745.1	617,636.6	344,121.6	274,665.3
Other cereals	4,035.4	21,092.7	19,069.6	32,969.8	22,650.8
Fish and fish products	331,043.7	327,562.2	418,713.6	373,796.3	435,374.3
Oil seeds	428,297.0	428,840.8	352,409.6	540,400.6	726,190.9
Other exports	242,354.3	415,943.3	529,263.0	438,964.7	549,769.8
o/w: Beans	3,700.9	90,360.0	124,530.3	94,378.0	73,016.4
Wood and wood products	97,194.0	152,932.5	260,867.0	184,716.0	211,033.9
Cocoa	47,617.1	62,029.6	61,439.7	64,309.3	178,533.5
Plants	4,868.7	11,822.1	8,538.3	28,691.9	20,073.7
Hides and skins	12,372.7	14,207.1	12,036.5	9,115.4	11,262.7
Domestic exports	12,756,094.8	14,100,423.1	15,390,061.6	16,050,295.1	18,587,485.7
Re-exports	347,272.2	207,262.2	254,407.8	338,719.0	442,677.1
Unrecorded trade	682,204.9	714,870.4	920,347.4	932,919.0	1,077,373.2
Total exports	13,438,299.6	14,815,293.5	16,310,409.0	16,983,214.1	19,664,859.0

Source: Tanzania Revenue Authority and Bank of Tanzania computations

Note: Data from 2018 to 2020 have been revised; p denotes provisional data; and o/w, of which



Bank of Tanzania Annual Report 2023/24

A4.0 Balance of Payments and Foreign Trade Statistics

Table A4.5: Imports (f.o.b) by Major Commodity Groups

Commodity	Millions of USD				
	2019/20	2020/21	2021/22	2022/23	2023/24 ^p
Capital	1,465.0	1,542.2	1,942.1	2,969.3	2,781.3
Machinery and mechanical appliances	581.1	672.5	859.7	1,325.8	1,086.7
Industrial transport equipment	394.1	375.4	537.6	988.8	942.7
Electrical machinery and equipment	287.9	254.1	303.9	340.5	422.1
Other capital goods	201.9	240.3	240.9	314.2	329.7
Intermediate	5,865.5	5,846.8	8,476.1	10,064.1	9,616.7
Industrial supplies	2,879.7	2,852.4	4,064.0	4,576.0	4,418.0
o/w: Iron and steel and articles thereof	791.8	711.1	1,028.7	986.6	1,226.3
Plastic and articles thereof	431.6	476.1	729.1	656.6	642.4
Fertilisers	163.7	154.2	236.8	605.3	328.6
Fuel and lubricants	1,502.7	1,547.3	2,550.9	3,347.7	3,041.4
o/w: Petroleum products	1,422.1	1,458.5	2,447.3	3,120.8	2,802.2
Parts and accessories	766.4	778.6	959.5	1,001.8	954.3
Food and beverages for industrial use	530.3	466.8	672.4	818.3	879.7
Wheat grain	230.1	153.1	291.0	392.7	342.2
Edible oil and its fractions not refined	152.4	168.2	169.1	151.0	150.9
Sugar for industrial use	61.3	82.4	121.4	126.9	153.3
Motor cars for household	186.3	201.4	223.6	315.3	322.6
Consumer	1,002.0	1,155.3	1,293.0	1,410.3	1,385.3
Food and beverages mainly for household consumption	123.3	146.6	183.7	236.7	160.7
Non-industrial transport equipment	81.4	96.2	130.0	150.4	157.3
Motocycles and cycles fitted with an auxiliary motor	70.4	85.3	114.5	131.1	140.3
Other consumer goods	797.3	912.5	979.2	1,023.2	1,067.2
Pharmaceutical products	291.0	362.2	325.3	316.5	280.9
Insecticides, rodenticides and similar products	90.3	101.5	125.9	160.5	207.0
Soap and detergents	52.5	56.7	68.9	67.6	57.7
Textiles apparels	58.5	41.7	56.6	58.5	46.7
Footwear and other products	33.2	41.6	48.9	50.6	55.7
Paper and paper products	24.8	24.8	30.2	26.4	30.2
Total	8,334.7	8,546.6	11,713.4	14,445.9	13,785.4

Source: Tanzania Revenue Authority and Bank of Tanzania computations

Note: p denotes provisional data; and o/w, of which



Bank of Tanzania Annual Report 2023/24

A4.0 Balance of Payments and Foreign Trade Statistics

Table A4.6: Imports (f.o.b) by Major Commodity Groups

Millions of TZS					
Commodity	2019/20	2020/21	2021/22	2022/23	2023/24
Capital	3,354,689.6	3,544,250.5	4,463,282.8	6,859,714.4	6,957,904.5
Machinery and mechanical appliances	1,330,716.3	1,545,421.4	1,975,643.7	3,063,190.5	2,718,977.9
Industrial transport equipment	902,370.2	862,679.9	1,235,490.6	2,284,124.2	2,357,100.9
Electrical machinery and equipment	659,319.9	583,901.9	698,448.2	786,709.3	1,054,413.6
Other capital goods	462,283.2	552,247.4	553,700.3	725,690.5	827,412.1
Intermediate	13,429,935.6	13,436,913.6	19,479,121.3	23,244,351.9	24,089,296.1
Industrial supplies	6,593,825.9	6,555,286.0	9,339,390.9	10,569,124.9	11,062,258.2
o/w: Iron and steel and articles thereof	1,812,887.8	1,634,323.4	2,363,982.0	2,278,906.4	3,069,290.9
Plastic and articles thereof	988,341.0	1,094,170.9	1,675,607.2	1,516,560.4	1,610,061.0
Fertilisers	374,774.0	354,241.6	544,163.3	1,397,455.8	821,607.2
Fuel and lubricants	3,440,246.3	3,555,993.4	5,862,545.0	7,730,105.5	7,622,515.8
o/w: Petroleum products	3,255,842.2	3,351,851.1	5,624,486.9	7,206,047.1	7,020,138.2
Parts and accessories	1,754,795.6	1,789,220.3	2,205,073.9	2,314,526.6	2,389,877.1
Food and beverages for industrial use	1,214,345.0	1,072,897.9	1,545,317.1	1,890,614.4	2,204,280.9
Wheat grain	526,886.7	351,907.6	668,907.5	907,400.7	853,460.2
Edible oil and its fractions not refined	348,945.6	386,640.0	388,575.4	348,859.8	376,310.0
Sugar for industrial use	140,411.8	189,402.8	278,823.4	292,971.3	386,103.6
Motor cars for household	426,564.2	462,832.0	513,744.9	728,658.8	808,497.9
Consumer	2,294,364.6	2,655,055.9	2,971,460.4	3,258,638.2	3,467,541.0
Food and beverages mainly for household consumption	282,421.1	337,003.4	422,239.3	546,980.1	402,735.7
Non-industrial transport equipment	186,426.8	221,117.2	298,869.0	347,414.3	394,434.6
Motocycles and cycles fitted with an auxiliary motor	161,276.7	196,045.2	263,172.7	302,920.4	351,843.5
Other consumer goods	1,825,516.7	2,096,935.3	2,250,352.1	2,364,243.9	2,670,370.6
Pharmaceutical products	666,274.2	832,473.5	747,518.4	731,226.3	701,725.9
Insecticides, rodenticides and similar products	206,765.7	233,154.1	289,420.1	370,975.8	518,775.4
Soap and detergents	120,182.6	130,238.2	158,396.3	156,192.8	144,381.0
Textiles apparels	133,875.2	96,658.4	130,983.4	135,159.1	116,848.3
Footwear and other products	76,120.1	95,642.7	112,343.9	116,839.8	139,713.5
Paper and paper products	56,702.8	53,955.4	65,160.4	61,031.2	75,213.8
Total	19,083,990.9	19,641,239.0	26,918,883.6	33,367,750.0	34,520,212.3

Source: Tanzania Revenue Authority and Bank of Tanzania computations

Note: p denotes provisional data; and o/w, of which



Bank of Tanzania Annual Report 2023/24

A4.0 Balance of Payments and Foreign Trade Statistics

Table A4.7: Imports (c.i.f) by Major Commodity Groups

Commodity	Millions of TZS				
	2019/20	2020/21	2021/22	2022/23	2023/24 ^P
Capital	3,619,371.1	3,822,902.9	4,884,109.1	7,583,980.1	7,627,951.1
Machinery and mechanical appliances	1,435,844.1	1,666,642.7	2,162,045.6	3,383,119.4	2,980,183.5
Industrial transport equipment	973,288.7	930,399.8	1,351,947.0	2,526,348.2	2,584,115.5
Electrical machinery and equipment	711,315.6	629,893.6	764,218.5	870,741.1	1,156,244.0
Other capital goods	498,922.7	595,966.7	605,898.0	803,771.3	907,408.1
Intermediate	14,485,312.5	14,494,044.7	21,310,560.6	25,718,762.0	26,408,908.0
Industrial supplies	7,111,856.1	7,071,920.4	10,218,852.2	11,694,089.8	12,124,573.7
o/w: Iron and steel and articles thereof	1,955,065.0	1,763,445.3	2,586,111.5	2,518,912.2	3,363,337.6
Plastic and articles thereof	1,066,236.0	1,180,382.1	1,833,291.5	1,677,516.3	1,764,917.0
Fertilisers	403,913.6	381,843.1	594,526.0	1,549,768.4	900,734.4
Fuel and lubricants	3,708,998.2	3,834,413.8	6,412,372.0	8,553,199.9	8,359,369.8
o/w: Petroleum products	3,509,709.4	3,614,081.5	6,152,077.1	7,971,866.2	7,699,012.6
Parts and accessories	1,892,612.5	1,930,582.1	2,411,475.8	2,558,543.5	2,619,965.6
Food and beverages for industrial use	1,311,598.4	1,157,370.7	1,691,520.4	2,094,462.0	2,416,572.8
Wheat grain	569,386.4	380,356.1	733,207.9	1,004,337.7	935,986.1
Edible oil and its fractions not refined	376,755.5	416,491.7	424,782.9	387,742.6	412,161.7
Sugar for industrial use	151,543.1	204,314.6	304,834.2	323,637.8	423,726.2
Motor cars for household	460,075.2	499,019.1	562,092.5	805,876.4	886,390.8
Consumer	2,474,994.8	2,864,427.9	3,250,455.0	3,600,526.9	3,802,053.6
Food and beverages mainly for household consumption	304,654.9	363,533.4	462,187.1	604,417.4	441,624.1
Non-industrial transport equipment	201,118.2	238,559.5	326,943.9	384,432.7	432,838.8
Motocycles and cycles fitted with an auxiliary motor	173,995.2	211,506.9	287,905.3	335,138.1	386,168.1
Other consumer goods	1,969,221.7	2,262,335.0	2,461,324.1	2,611,676.8	2,927,590.7
Pharmaceutical products	718,914.1	897,813.9	817,246.4	807,102.8	769,328.1
Insecticides, rodenticides and similar products	223,140.4	251,654.4	316,696.4	409,657.7	568,679.8
Soap and detergents	129,664.3	140,488.2	173,252.3	172,792.4	158,264.9
Textiles apparels	144,442.3	103,410.5	143,355.9	149,054.8	128,095.4
Footwear and other products	82,050.2	103,222.5	122,892.3	129,204.0	153,214.0
Paper and paper products	61,120.9	61,610.3	71,233.4	67,547.0	82,554.3
Total	20,579,678.5	21,181,375.4	29,445,124.7	36,903,269.0	37,838,912.8

Source: Tanzania Revenue Authority and Bank of Tanzania computations
Note: p denotes provisional data; and o/w, of which



Bank of Tanzania Annual Report 2023/24

A4.0 Balance of Payments and Foreign Trade Statistics

Table A4.8: Tanzania's Exports by Country of Destination

Country	Millions of TZS				
	2019/20	2020/21	2021/22	2022/23	2023/24 ^P
Australia	6,807.9	10,264.7	11,513.2	8,717.4	11,028.3
Belgium	396,936.8	190,363.1	277,659.5	356,492.1	607,860.8
Burundi	258,203.7	440,862.2	467,813.8	466,829.3	204,053.1
Canada	6,018.2	6,486.0	14,375.2	9,133.0	31,782.0
China	577,829.0	569,816.8	652,111.9	768,645.5	1,115,702.8
Democratic Republic of Congo	312,771.4	362,838.5	571,971.3	705,219.3	768,241.1
Denmark	9,866.8	7,476.8	9,070.5	14,323.1	12,928.3
France	41,211.9	32,769.7	48,934.9	97,564.5	72,244.8
Germany	109,385.8	100,018.9	86,399.0	126,787.1	174,908.0
Hong Kong	228,027.0	187,766.8	407,089.8	139,866.1	92,241.6
India	1,656,186.6	1,380,295.6	2,498,738.8	2,876,231.3	4,085,475.8
Indonesia	32,408.4	26,740.6	34,871.0	83,249.0	123,785.8
Ireland	443.5	570.3	377.6	8,267.3	256.3
Italy	45,399.5	54,689.2	77,113.2	103,839.9	109,911.8
Japan	112,374.8	147,587.7	199,274.0	164,763.4	178,959.5
Kenya	484,810.3	659,221.4	1,027,296.1	663,029.6	440,591.2
Malaysia	12,610.3	32,022.4	18,950.0	23,879.5	83,213.0
Mozambique	52,204.1	40,598.3	46,371.4	75,716.7	62,942.4
Netherlands	154,071.4	164,067.5	272,374.8	188,915.6	313,476.4
New Zealand	1,211.2	1,645.6	1,428.6	1,441.5	3,202.0
Norway	872.4	230.8	1,637.0	46.9	52.1
Pakistan	191,503.1	119,448.2	143,721.7	201,289.3	246,827.6
Portugal	24,532.3	20,327.4	23,575.8	33,463.7	46,563.9
Russia	16,302.4	13,503.5	16,502.3	16,645.4	18,546.0
Singapore	114,907.2	64,689.6	456,555.0	423,737.6	159,607.0
Somalia	3,825.0	2,836.1	2,127.2	2,226.5	3,190.9
South Africa	2,479,895.6	2,440,645.7	1,879,145.0	2,369,484.5	4,016,187.5
Spain	259,361.0	211,865.9	75,620.0	52,040.2	45,095.7
Sri Lanka	2,078.8	18,045.9	12,713.3	7,075.0	7,455.7
Sweden	6,258.4	4,476.0	5,324.6	15,650.9	2,072.2
Switzerland	1,222,066.2	1,865,486.8	1,064,689.0	1,032,627.3	653,514.0
Taiwan	2,150.8	5,671.5	1,614.6	2,759.5	4,724.9
Thailand	51,860.4	12,271.0	12,274.3	10,529.3	12,086.9
Uganda	273,071.2	558,322.3	649,239.3	659,106.1	724,658.2
United Arab Emirates	1,387,935.1	2,147,222.6	2,161,720.1	1,720,541.2	1,467,709.2
United Kingdom	32,435.6	43,172.2	39,810.8	50,704.4	38,999.2
United States	92,495.5	101,740.6	145,284.4	175,577.2	255,666.2
Zambia	102,690.7	148,292.9	164,778.4	212,234.3	240,919.4
Others	1,930,029.5	1,619,951.0	1,733,750.3	2,094,742.4	2,062,032.4
Grand Total	12,693,049.7	13,814,301.9	15,313,817.7	15,963,393.0	18,498,713.6

Source: Tanzania Revenue Authority and Bank of Tanzania computations

Note: p denotes provisional data



Bank of Tanzania Annual Report 2023/24

A4.0 Balance of Payments and Foreign Trade Statistics

Table A4.9: Imports (c.i.f) by Major Country of Origin

					Millions of TZS
Country	2019/20	2020/21	2021/22	2022/23	2023/24 ^P
Argentina	90,887.9	41,993.7	222,843.7	25,951.5	62,027.5
Australia	145,658.2	200,073.1	240,783.5	169,377.1	175,311.4
Belgium	157,713.7	145,854.0	288,807.6	446,846.8	195,050.6
Brazil	44,930.7	36,577.2	100,088.6	112,775.2	506,030.5
Burundi	468.5	1,438.7	2,157.9	8,237.1	4,790.3
Canada	85,620.4	95,634.5	78,280.2	192,932.2	202,764.5
China	4,561,832.6	5,403,021.5	7,557,607.7	9,479,981.3	10,911,619.9
Democratic Republic of Congo	3,618.0	5,484.3	6,967.9	6,346.7	13,963.7
Denmark	80,302.4	66,650.6	42,297.0	54,179.6	96,369.5
Finland	109,041.5	130,132.4	169,246.5	380,010.5	237,621.7
France	217,976.7	149,735.2	150,239.0	181,495.5	173,141.4
Germany	554,554.7	562,903.4	518,612.0	609,984.6	586,985.1
Hong Kong	121,705.8	112,511.6	159,040.9	167,286.1	199,966.4
India	3,022,410.3	2,523,355.6	3,756,744.3	4,109,825.9	5,562,650.4
Indonesia	336,405.9	438,305.4	294,634.0	198,336.9	140,745.9
Iran	20,335.0	24,511.1	26,887.8	23,493.7	14,855.9
Ireland	60,654.4	67,550.6	67,811.4	176,419.6	83,109.3
Italy	447,953.9	312,746.2	241,415.0	268,123.4	344,715.6
Japan	906,151.4	843,352.9	1,179,838.5	1,418,411.6	1,475,128.8
Kenya	556,686.5	676,561.8	939,852.0	982,384.7	979,362.7
Malaysia	307,264.3	180,225.6	373,772.1	538,689.1	556,049.0
Mexico	18,919.7	16,478.0	21,029.8	51,504.4	57,277.4
Mozambique	8,858.5	6,347.4	25,954.9	40,614.2	8,383.6
Netherlands	235,780.4	307,517.5	268,792.8	395,641.1	249,865.9
New Zealand	3,631.5	5,059.1	8,429.6	10,487.7	6,364.6
Norway	37,491.9	27,326.1	29,131.6	42,881.8	36,872.0
Pakistan	65,379.9	70,067.5	97,559.9	216,325.3	144,976.8
Portugal	9,736.7	7,577.0	9,916.0	4,471.0	4,842.8
Russia	431,198.4	305,092.9	303,081.2	778,457.4	699,306.0
Saudi Arabia	613,852.3	1,075,043.5	1,599,669.6	1,888,496.7	1,388,639.1
Singapore	72,409.3	106,356.3	215,893.9	318,420.6	258,927.1
South Africa	977,683.1	853,088.2	1,101,339.3	1,324,198.5	1,409,135.6
South Korea	289,396.8	266,191.0	398,868.5	754,166.8	625,652.2
Spain	154,562.3	101,573.7	181,054.9	162,518.9	248,899.6
Sri Lanka	6,271.9	6,934.5	12,212.1	13,692.4	13,627.8
Eswatini	86,491.9	78,794.1	92,992.8	79,407.6	110,415.7
Sweden	91,441.1	121,914.8	144,097.3	233,694.6	184,782.6
Switzerland	235,874.2	184,575.0	161,375.6	436,281.0	446,640.5
Taiwan	62,978.3	72,894.2	53,380.3	70,410.0	52,372.5
Thailand	250,794.4	184,246.1	334,313.8	515,112.6	238,931.8
Turkey	519,151.8	502,203.1	539,473.5	614,485.8	730,820.2
Uganda	189,086.5	187,177.4	327,563.8	264,393.4	253,797.4
United Arab Emirates	2,072,665.4	2,443,525.5	4,319,813.6	4,620,544.7	4,005,906.0
United Kingdom	281,380.4	281,126.5	282,084.9	366,047.8	405,462.5
United States	613,317.5	537,273.8	705,887.2	807,678.9	950,257.9
Zambia	103,314.3	136,196.5	199,460.7	197,452.9	281,563.7
Zimbabwe	5,559.3	15,834.1	18,198.7	28,268.9	21,375.0
Others	1,412,269.3	1,230,443.0	1,668,796.0	3,297,637.5	2,663,720.6
Grand Total	20,681,669.8	21,149,476.3	29,538,299.7	37,084,381.5	38,021,077.0

Source: Tanzania Revenue Authority and Bank of Tanzania computations
Note: p denotes provisional data



Bank of Tanzania Annual Report 2023/24

A4.0 Balance of Payments and Foreign Trade Statistics

Table A4.10: Tanzania's Exports to COMESA countries

Millions of TZS					
Country	2019/20	2020/21	2021/22	2022/23	2023/24 ^P
Burundi	258,203.7	440,862.2	467,813.8	466,829.3	204,053.1
Comoros	10,310.0	10,687.8	26,855.1	102,785.4	114,417.9
Democratic Republic of Congo	312,771.4	362,838.5	571,971.3	705,219.3	768,241.1
Djibouti	188.8	639.8	44.7	1,199.8	1,609.5
Egypt	7,493.7	9,380.9	8,490.3	13,154.0	62,696.1
Swaziland	2,082.0	344.3	230.5	827.8	804.3
Eritrea	0.0	0.0	135.0	3.2	53.6
Ethiopia	13,656.4	1,925.6	2,674.1	2,113.1	11,149.6
Kenya	484,810.3	659,221.4	1,027,296.1	663,029.6	440,591.2
Libya	224.6	874.2	831.1	1,696.9	1,876.5
Madagascar	9,100.6	8,240.6	5,599.8	15,208.4	21,588.7
Malawi	121,616.2	111,151.8	150,859.1	149,091.5	182,214.4
Mauritius	4,453.3	288.4	918.0	10,585.5	9,494.0
Rwanda	418,213.3	501,489.7	566,496.6	486,893.8	419,915.9
Seychelles	347.5	1,025.1	4.7	1,292.2	434.6
Somalia	3,825.0	2,836.1	2,127.2	2,226.5	3,190.9
Sudan	4,383.2	17,048.4	14,382.3	1,816.8	3,594.8
Tunisia	0.0	410.1	463.9	119.4	63.5
Uganda	273,071.2	558,322.3	649,239.3	659,106.1	724,658.2
Zambia	102,690.7	148,292.9	164,778.4	212,234.3	240,919.4
Zimbabwe	67,093.7	32,317.4	37,904.2	51,208.1	88,673.9
Total	2,094,535.4	2,868,197.4	3,699,115.7	3,546,641.0	3,300,241.2

Source: Tanzania Revenue Authority and Bank of Tanzania computations
Note: p denotes provisional data

Table A4.11: Tanzania's Imports from COMESA Countries

Millions of TZS					
Country	2019/20	2020/21	2021/22	2022/23	2023/24 ^P
Burundi	468.5	1,438.7	2,157.9	8,237.1	4,790.3
Comoros	16.2	135.0	66.1	21.0	29.7
Democratic Republic of Congo	3,618.0	5,484.3	6,967.9	6,346.7	13,963.7
Djibouti	0.3	5,469.5	1.1	866.0	5,342.6
Egypt	70,243.1	90,035.3	169,000.2	133,045.8	133,428.9
Swaziland	86,491.9	78,794.1	92,992.8	79,407.6	110,415.7
Eritrea	0.0	1.8	0.0	2.2	0.0
Ethiopia	5,116.1	6,324.2	2,684.0	275.7	461.7
Kenya	556,686.5	676,561.8	939,852.0	982,384.7	979,362.7
Libya	0.0	0.0	0.0	0.0	0.5
Madagascar	20,428.5	1,082.1	34,823.7	19,529.3	12,852.1
Malawi	68,652.4	61,465.2	39,343.3	64,879.1	57,763.3
Mauritius	14,199.6	43,903.1	19,170.3	54,027.4	44,781.3
Rwanda	4,780.5	4,868.5	7,552.3	3,908.5	6,244.2
Seychelles	3.9	3.4	20.4	3,691.8	151.5
Somalia	0.0	7.6	29.3	168.8	26.7
Sudan	3.2	70.2	24.7	0.6	696.2
Tunisia	4,536.1	3,935.4	1,585.2	1,879.6	4,343.4
Uganda	189,086.5	187,177.4	327,563.8	264,393.4	253,797.4
Zambia	103,314.3	136,196.5	199,460.7	197,452.9	281,563.7
Zimbabwe	5,559.3	15,834.1	18,198.7	28,268.9	21,375.0
Total	1,133,205.0	1,318,788.1	1,861,494.4	1,848,786.8	1,931,390.7

Source: Tanzania Revenue Authority and Bank of Tanzania computations
Note: p denotes provisional data



Bank of Tanzania Annual Report 2023/24

A4.0 Balance of Payments and Foreign Trade Statistics

Table A4.12: Trade with SADC Members States

Millions of USD					
Country	2019/20	2020/21	2021/22	2022/23	2023/24 ^P
South Africa					
Exports	1,088.3	1,067.2	821.8	1,030.8	1,601.0
Imports	424.9	369.4	476.9	570.4	559.3
Trade balance	663.4	697.8	344.9	460.5	1,041.7
DRC					
Exports	137.3	158.6	250.5	306.8	308.9
Imports	1.6	2.4	3.0	2.7	5.5
Trade balance	135.7	156.2	247.5	304.1	303.3
Zambia					
Exports	45.1	64.5	72.1	92.3	96.9
Imports	44.9	59.0	86.4	85.1	112.8
Trade balance	0.2	5.6	-14.3	7.2	-15.9
Malawi					
Exports	53.4	48.5	66.0	64.9	73.2
Imports	29.8	26.6	17.0	27.9	23.0
Trade balance	23.5	21.9	48.9	36.9	50.2
Mozambique					
Exports	22.9	17.7	20.3	33.0	25.0
Imports	3.9	2.7	11.2	17.5	3.3
Trade balance	19.1	15.0	9.0	15.4	21.7
Swaziland					
Exports	0.9	0.2	0.1	0.4	0.3
Imports	37.6	34.1	40.3	34.2	43.9
Trade balance	-36.7	-34.0	-40.2	-33.9	-43.6
Comoros					
Exports	4.5	4.6	11.7	44.7	46.1
Imports	0.0	0.1	0.0	0.0	0.0
Trade balance	4.5	4.6	11.7	44.7	46.1
Zimbabwe					
Exports	29.5	13.8	16.6	22.3	35.9
Imports	2.4	6.9	7.9	12.2	8.4
Trade balance	27.0	6.9	8.7	10.1	27.4
Madagascar					
Exports	4.0	3.6	2.4	6.6	8.7
Imports	8.9	0.5	15.1	8.4	5.1
Trade balance	-4.9	3.1	-12.6	-1.8	3.5
Mauritius					
Exports	2.0	0.1	0.4	4.6	3.9
Imports	6.2	19.0	8.3	23.3	17.8
Trade balance	-4.2	-18.9	-7.9	-18.7	-13.9
Namibia					
Exports	0.8	2.0	0.9	0.5	1.4
Imports	7.4	3.8	6.3	7.6	4.3
Trade balance	-6.6	-1.9	-5.4	-7.0	-2.9
Angola					
Exports	2.8	1.6	4.5	2.6	3.4
Imports	0.4	0.1	0.3	0.0	0.0
Trade balance	2.4	1.6	4.2	2.6	3.4
Botswana					
Exports	0.0	0.4	0.8	0.5	0.6
Imports	0.9	0.8	0.5	0.4	0.3
Trade balance	-0.9	-0.4	0.3	0.1	0.3
Seychelles					
Exports	0.2	0.4	0.0	0.6	0.2
Imports	0.0	0.0	0.0	1.6	0.1
Trade balance	0.2	0.4	0.0	-1.0	0.1
Lesotho					
Exports	0.0	0.0	0.0	0.1	0.0
Imports	0.9	0.6	0.4	0.2	0.2
Trade balance	-0.9	-0.6	-0.4	-0.1	-0.2
Exports to SADC	1,391.5	1,383.3	1,268.1	1,610.6	2,205.6
Imports from SADC	569.8	525.9	673.6	791.5	784.2
Trade balance	821.8	857.3	594.5	819.1	1,421.4

Source: Tanzania Revenue Authority and Bank of Tanzania computations
Note: p denotes provisional data



Bank of Tanzania Annual Report 2023/24

A4.0 Balance of Payments and Foreign Trade Statistics

Table A4.13: Tanzania's Share of Trade with SADC Members States

	Percent				
	2019/20	2020/21	2021/22	2022/23	2023/24 ^p
Exports:					
South Africa	78.2	77.1	64.8	64.0	72.6
Democratic Republic of Congo	9.9	11.5	19.8	19.0	14.0
Zambia	3.2	4.7	5.7	5.7	4.4
Malawi	3.8	3.5	5.2	4.0	3.3
Mozambique	1.6	1.3	1.6	2.0	1.1
Comoros	0.3	0.3	0.9	2.8	2.1
Zimbabwe	2.1	1.0	1.3	1.4	1.6
Madagascar	0.3	0.3	0.2	0.4	0.4
Mauritius	0.1	0.0	0.0	0.3	0.2
Angola	0.2	0.1	0.4	0.2	0.2
Botswana	0.0	0.0	0.1	0.0	0.0
Namibia	0.1	0.1	0.1	0.0	0.1
Seychelles	0.0	0.0	0.0	0.0	0.0
Swaziland	0.1	0.0	0.0	0.0	0.0
Lesotho	0.0	0.0	0.0	0.0	0.0
Imports:					
South Africa	74.6	70.2	70.8	72.1	71.3
Zambia	7.9	11.2	12.8	10.7	14.4
Swaziland	6.6	6.5	6.0	4.3	5.6
Malawi	5.2	5.1	2.5	3.5	2.9
Mozambique	0.7	0.5	1.7	2.2	0.4
Madagascar	1.6	0.1	2.2	1.1	0.7
Mauritius	1.1	3.6	1.2	2.9	2.3
Zimbabwe	0.4	1.3	1.2	1.5	1.1
Namibia	1.3	0.7	0.9	1.0	0.6
Democratic Republic of Congo	0.3	0.5	0.4	0.3	0.7
Lesotho	0.2	0.1	0.1	0.0	0.0
Botswana	0.2	0.2	0.1	0.0	0.0
Seychelles	0.0	0.0	0.0	0.2	0.0
Comoros	0.0	0.0	0.0	0.0	0.0
Angola	0.1	0.0	0.0	0.0	0.0

Source: Tanzania Revenue Authority and Bank of Tanzania computations

Note: p denotes provisional data



Bank of Tanzania Annual Report 2023/24

A5.0: National Debt Statistics

Table A5.1: Debt Developments

	Millions of USD						
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23 ^r	2023/24 ^p
1. Overall total external debt committed ²	28,063.1	29,573.9	33,072.9	35,993.4	37,309.8	43,171.6	34,800.4
Disbursed outstanding external debt	18,765.1	20,029.3	20,958.4	23,250.9	25,392.9	27,889.3	30,416.1
Undisbursed external debt	9,298.0	9,544.6	12,114.5	12,742.5	11,916.9	15,282.3	4,384.3
2. Disbursed external debt by creditor category ²	18,765.1	20,029.3	20,958.4	23,250.9	25,392.8	27,889.3	30,416.1
Bilateral debt	981.7	1,057.1	1,113.4	1,168.0	1,165.8	1,114.5	1,108.4
Multilateral debt	9,509.2	9,966.4	10,703.3	11,775.8	12,707.0	14,663.3	17,052.9
Commercial debt	6,498.5	6,922.8	7,051.8	8,056.5	7,406.0	8,053.4	10,944.2
Export credits	1,775.7	2,083.0	2,089.9	2,250.6	4,114.0	4,058.1	1,310.5
3. Disbursed external debt by borrower category ²	18,765.1	20,029.3	20,958.4	23,250.9	25,392.9	27,889.3	30,416.1
Central government	14,978.8	15,727.2	16,764.6	18,640.1	19,330.0	21,676.0	24,317.5
Public corporations	180.4	95.0	49.2	37.2	23.7	23.7	3.8
Private sector	3,605.9	4,207.1	4,144.6	4,573.6	6,039.2	6,189.6	6,094.8
4. Disbursed external debt by use of funds ²	18,765.1	20,029.3	20,958.4	23,250.9	25,392.9	27,889.3	30,416.1
BOP and budget support	2,723.7	2,836.4	2,705.4	3,395.8	3,002.2	2,954.0	5,358.1
Transport and telecommunication	4,077.0	4,634.0	5,733.3	5,944.0	5,594.7	5,604.2	6,470.5
Agriculture	1,207.0	1,256.0	1,300.0	1,369.0	1,312.0	1,482.0	1,561.1
Energy and mining	2,970.0	3,105.0	3,083.0	3,217.0	4,160.0	4,225.6	4,625.1
Industries	605.0	666.0	749.0	805.0	1,309.0	1,443.2	1,224.0
Social welfare and education	2,999.0	3,254.0	3,705.0	4,134.0	4,155.0	4,534.1	6,181.3
Finance and insurance	1,049.0	1,186.0	1,071.0	1,217.0	916.0	978.0	1,197.2
Tourism	68.0	171.0	182.0	185.0	229.0	409.3	508.4
Real estate and construction	1,096.0	1,109.0	1,012.0	1,744.0	1,801.2	2,218.3	1,521.5
Other	1,970.4	1,811.9	1,417.7	1,240.1	2,913.8	4,040.6	1,768.8
5. External debt disbursements ¹	1,599.3	1,469.5	2,212.1	2,300.4	2,844.0	3,866.7	463.7
Central government	1,394.7	1,351.1	1,883.2	2,219.4	2,531.1	3,589.0	350.8
Public corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Private Sector	204.6	118.4	328.9	81.0	312.9	277.7	113.0
6. Actual external debt service ¹	1,072.3	990.5	2,005.9	1,431.2	1,661.5	1,654.9	200.7
Principal	760.7	693.2	1,710.9	977.1	1,321.5	1,227.9	121.5
Interest	311.6	297.2	295.0	454.1	340.0	427.0	79.2
Other payments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7. Net flows on external debt ¹	838.6	776.3	501.2	1,323.3	1,522.5	2,638.9	342.2
8. Net transfers on external debt ¹	526.9	479.1	206.2	869.2	1,182.5	2,211.9	263.0
9. External debt arrears by creditors category ²	4,279.5	4,789.3	4,979.7	5,622.4	5,146.7	5,359.4	3,878.0
Principal	2,541.6	2,897.6	2,985.4	3,354.0	2,707.0	2,996.0	2,343.2
Bilateral debt	326.0	320.7	329.7	372.5	371.0	230.2	234.2
Multilateral debt	100.7	117.2	137.1	166.1	240.6	84.9	139.6
Commercial debt	807.3	1,281.5	1,246.9	1,619.6	1,035.5	1,733.6	1,387.3
Export credits	1,307.6	1,178.2	1,271.7	1,195.8	1,059.9	947.3	582.1
Interest	1,737.9	1,891.7	1,994.3	2,268.4	2,439.7	2,363.4	1,534.8
Bilateral debt	840.9	901.4	969.9	1,063.0	1,098.9	1,118.3	251.9
Multilateral debt	29.4	25.2	38.5	59.5	63.7	60.7	95.6
Commercial debt	359.9	536.2	521.6	632.4	724.4	763.9	797.9
Export credits	507.7	428.9	464.3	513.5	552.7	420.5	389.5
10. Total debt stock	26,971.0	28,412.8	29,708.9	33,755.4	38,265.6	42,681.0	44,113.8
External debt stock	20,503.0	21,921.0	22,952.7	25,519.3	27,832.5	30,252.7	31,950.9
Domestic debt stock	6,468.0	6,491.8	6,756.2	8,236.1	10,433.1	12,428.3	12,163.0
Memorandum items:							3.4%
GDP at market (current) prices	51,630.6	54,113.7	56,657.6	61,122.6	65,608.4	71,142.4	77,786.6
External debt stock as percent of GDP	39.7	40.5	40.5	41.8	42.4	42.5	41.1
Total debt stock as percent of GDP	52.2	52.5	52.4	55.2	58.3	60.0	56.7
External debt service as percent of exports	12.5	11.9	22.2	16.8	15.0	12.9	13.5
External debt as percent of exports	238.7	264.2	253.6	298.9	250.8	236.7	206.2
Domestic debt stock as percent of GDP	12.5	12.0	11.9	13.5	15.9	17.5	15.6
End of period exchange rate (TZS/USD)	2,277.7	2,289.5	2,296.5	2,298.9	2,304.2	2,327.5	2,626.9
Period Average exchange rate (TZS/USD)	2,242.9	2,281.6	2,289.9	2,298.1	2,298.1	2,310.2	2,505.5

Source: Bank of Tanzania

Note: Multilateral arrears are those owed by the private sector; ¹ denotes debt flows during the period; ² stock position at the end of period; r, revised data; p, provisional data; BOP, balance of payments; and GDP, gross domestic product



Bank of Tanzania Annual Report 2023/24

A6.0 Output, Prices and Government Finance Statistics, Zanzibar

Table A6.1: Gross Domestic Products by Activity at Current Prices

Activity	Billion of TZS					
	2018	2019	2020	2021	2022 ^r	2023 ^p
Agriculture, forestry and fishing	777.9	875.2	959.4	1,140.0	1,396.2	1,501.6
Crops	315.5	306.8	369.7	380.5	393.7	417.5
Livestock	224.0	320.4	331.3	464.2	699.2	775.6
Forestry	48.4	50.0	52.0	58.5	60.3	61.7
Fishing	190.0	198.0	206.4	236.8	243.0	246.7
Industry	652.9	756.3	826.2	898.1	1,048.6	1,256.0
Mining and quarrying	42.7	43.6	42.9	47.7	44.9	49.6
Manufacturing	217.8	281.9	324.9	338.2	438.8	482.3
Electricity and gas	31.1	48.5	59.0	59.5	61.7	63.5
Water supply and sewerage	22.1	24.6	24.0	25.9	29.2	30.2
Construction	339.2	357.7	375.4	426.8	473.9	630.5
Services	1,940.0	2,137.0	2,059.2	2,180.7	2,501.2	2,814.8
Trade and repairs	200.0	205.7	211.7	250.2	348.5	337.6
Transport and storage	115.7	129.8	141.8	144.2	150.1	158.3
Accommodation and food services	721.7	833.4	666.5	724.2	860.0	922.1
Accommodation	601.9	698.1	571.1	611.1	729.6	775.1
Food and beverage services	119.7	135.3	95.5	113.1	130.5	147.0
Information and communication	36.7	56.8	70.8	74.8	76.1	83.4
Financial and insurance activities	139.7	145.7	144.8	160.9	152.2	373.3
Real estate activities	300.6	320.1	348.9	379.5	407.4	437.5
Professional, scientific and technical	4.8	4.9	5.2	5.7	5.8	6.0
Administrative and support services	29.5	33.5	27.9	29.7	31.0	34.1
Public administration	213.9	216.4	229.7	230.4	271.3	271.6
Education	85.3	92.8	99.8	114.0	129.0	134.9
Human health and social work	37.5	39.9	43.5	46.4	39.8	52.9
Arts, entertainment and recreation	3.1	3.1	3.2	3.3	2.1	2.8
Other service activities	45.7	48.3	58.5	65.1	76.3	83.4
Domestic services	5.7	6.7	7.0	7.2	7.5	7.7
Less: FISIM	-41.8	-45.9	-49.1	-54.9	-55.9	-90.8
GDP at basic prices	3,329.0	3,722.6	3,795.6	4,218.7	4,946.0	5,572.3
Add: Taxes on products	387.4	409.3	413.2	414.1	454.3	469.0
GDP at market prices	3,716.4	4,132.0	4,208.9	4,632.8	5,400.3	6,041.3
Population in '000'	1,577.0	1,621.0	1,666.0	1,713.0	1,889.0	1,941.9
GDP per capita in TZS '000'	2,356.7	2,549.0	2,526.0	2,790.0	2,859.0	3,111.0
Exchange rate TZS/USD, period average	2,264.0	2,289.0	2,298.0	2,310.0	2,315.0	2,506.0

Source: Office of the Chief Government Statistician

Note: r denotes revised data; and p, provisional data and FISIM stands for Financial Intermediation Services Indirectly Measured



Bank of Tanzania Annual Report 2023/24

A6.0 Output, Prices and Government Finance Statistics, Zanzibar

Table A6.2: Gross Domestic Product by Activity at Current Prices, Percentage Share in Total GDP

	Percent					
Activity	2018	2019	2020	2021	2022 ^r	2023 ^p
Agriculture, forestry and fishing	20.9	21.2	22.8	27.1	25.9	24.9
Crops	8.5	7.4	8.8	8.0	7.3	6.9
Livestock	6.0	7.8	7.9	12.9	12.9	12.8
Forestry and hunting	1.3	1.2	1.2	1.2	1.1	1.0
Fishing	5.1	4.8	4.9	5.0	4.5	4.1
Industry	17.6	18.3	19.6	19.0	19.4	20.8
Mining and quarrying	1.1	1.1	1.0	0.9	0.8	0.8
Manufacturing	5.9	6.8	7.7	7.0	8.1	8.0
Electricity and gas	0.8	1.2	1.4	1.2	1.1	1.1
Water supply and sewerage	0.6	0.6	0.6	0.5	0.5	0.5
Construction	9.1	8.7	8.9	9.3	8.8	10.4
Services	52.2	51.7	8.4	45.3	46.3	46.6
Trade and repairs	5.4	5.0	5.0	4.7	6.5	5.6
Transport and storage	3.1	3.1	3.4	3.0	2.8	2.6
Accommodation and food services	19.4	20.2	15.8	15.8	15.9	15.3
Accommodation	16.2	16.9	13.6	13.3	13.5	12.8
Food and beverage services	3.2	3.3	2.3	2.5	2.4	2.4
Information and communication	1.0	1.4	1.7	1.6	1.4	1.4
Financial and insurance activities	3.8	3.5	3.4	3.2	2.8	6.2
Real estate activities	8.1	7.7	8.3	7.9	7.5	7.2
Professional, scientific and technical	0.1	0.1	0.1	0.1	0.1	0.1
Administrative and support services	0.8	0.8	0.7	0.6	0.6	0.6
Public administration	5.8	5.2	5.5	4.8	5.0	4.5
Education	2.3	2.2	2.4	2.4	2.4	2.2
Human health and social work	1.0	1.0	1.0	0.8	0.7	0.9
Arts, entertainment and recreation	0.1	0.1	0.1	0.0	0.0	0.0
Other service activities	1.2	1.2	1.4	1.4	1.4	1.4
Domestic services	0.2	0.2	0.2	0.2	0.1	0.1
Less: FISIM	-1.1	-1.1	-1.2	-1.1	-1.0	-1.5
GDP at basic prices	89.6	90.1	90.2	91.3	91.6	92.2
Taxes on products	10.4	9.9	9.8	8.7	8.4	7.8
GDP at market prices	100.0	100.0	100.0	100.0	100.0	100.0

Source: Office of the Chief Government Statistician

Note: r denotes revised data; and p, provisional data and FISIM stands for Financial Intermediation Services Indirectly Measured



Bank of Tanzania Annual Report 2023/24

A6.0 Output, Prices and Government Finance Statistics, Zanzibar

Table A6.3: Gross Domestic Product by Activity at Constant 2015 Prices

	Billions of TZS					
Activity	2018	2019	2020	2021	2022 ^r	2023 ^p
Agriculture, forestry and fishing	603.8	619.4	639.8	656.4	682.9	698.4
Crops	270.6	254.9	258.1	263.8	279.8	287.8
Livestock	146.7	171.7	185.7	191.4	195.8	187.3
Forestry and hunting	44.2	45.9	43.8	45.6	46.9	50.0
Fishing	142.2	147.0	152.1	155.6	160.3	173.4
Industry	511.8	565.8	595.4	626.4	663.8	707.5
Mining and quarrying	37.1	36.4	34.2	37.6	39.9	44.1
Manufacturing	215.7	259.9	276.8	279.8	303.7	324.7
Electricity and gas	13.8	14.5	14.1	15.2	15.4	17.3
Water supply and sewerage	23.1	26.0	26.5	28.3	30.5	31.9
Construction	222.1	228.9	243.8	265.5	274.3	289.5
Services	1,498.2	1,626.7	1,613.6	1,693.3	1,847.4	2,030.1
Trade and repairs	194.7	212.5	228.2	262.2	276.4	311.3
Transport and storage	121.8	127.5	119.1	130.2	135.2	147.6
Accommodation and food services	504.7	562.7	491.0	523.4	609.1	658.8
Accommodation	409.5	457.9	405.9	432.3	505.8	545.4
Food and beverage services	95.3	104.8	85.0	91.4	103.2	113.3
Information and communication	53.4	56.3	54.5	45.6	46.7	41.7
Financial and insurance activities	95.6	98.3	100.4	110.3	115.8	179.0
Real estate activities	154.0	164.2	175.4	187.7	200.9	215.4
Professional, scientific and technical	4.0	3.9	3.9	4.1	4.2	4.3
Administrative and support services	25.6	27.4	26.1	27.8	23.4	27.4
Public administration	185.6	207.3	234.7	247.1	267.4	273.0
Education	78.5	84.4	92.5	92.2	101.3	105.0
Human health and social work	32.0	32.8	33.2	34.0	37.0	42.9
Arts, entertainment and recreation	3.3	3.4	3.2	3.2	2.5	3.4
Other service activities	39.3	40.1	45.3	48.4	52.2	56.8
Domestic services	5.7	5.9	6.1	6.3	6.5	6.7
Less FISIM	-24.8	-25.5	-28.5	-29.3	-31.2	-43.1
GDP at basic prices	2,588.9	2,786.2	2,820.3	2,976.0	3,194.1	3,436.0
Add: Taxes on products	286.6	291.3	296.0	299.6	304.8	322.7
GDP at market prices	2,875.5	3,077.5	3,116.3	3,275.3	3,498.8	3,758.6

Source: Office of the Chief Government Statistician

Note: r denotes revised data; and p, provisional data and FISIM stands for Financial Intermediation Services Indirectly Measured



Bank of Tanzania Annual Report 2023/24

A6.0 Output, Prices and Government Finance Statistics, Zanzibar

Table A6.4: Gross Domestic Product by Activity at Constant 2015 Prices, Percentage Annual Growth Rates

Economic Activity	Percent					
	2018	2019	2020	2021	2022 ^r	2023 ^p
Agriculture, forestry and fishing	3.7	2.6	3.3	2.6	4.0	2.3
Crops	3.7	-5.8	1.3	2.2	6.1	2.8
Livestock	7.7	17.0	8.2	3.0	2.3	-4.3
Forestry and hunting	0.3	3.8	-4.4	4.0	2.9	6.4
Fishing	1.0	3.3	3.5	2.3	3.0	8.1
Industry	3.8	10.6	5.2	5.1	9.3	6.6
Mining and quarrying	13.3	-1.7	-6.0	9.9	9.1	10.4
Manufacturing	2.1	20.5	6.5	1.1	8.1	6.9
Electricity and gas	5.1	5.2	-3.2	8.0	22.3	12.4
Water supply and sewerage	2.8	12.6	2.0	6.9	7.0	4.6
Construction	4.1	3.1	6.5	8.9	10.2	5.5
Services	10.2	8.6	-1.0	6.9	7.7	9.9
Trade and repairs	8.0	9.2	7.4	14.9	4.2	12.6
Transport and storage	9.4	4.7	-6.6	9.3	3.8	9.2
Accommodation and food services	17.6	11.5	-12.7	6.6	11.7	8.2
Accommodation	17.0	11.8	-11.3	6.5	12.3	7.8
Food and beverage services	20.3	10.0	-18.9	7.5	9.0	9.8
Information and communication	3.4	5.5	-3.2	-16.3	2.5	-10.8
Financial and insurance activities	4.4	2.8	2.2	9.9	3.7	54.6
Real estate activities	6.4	6.6	6.8	7.0	7.1	7.2
Professional, scientific and technical	5.2	-2.9	1.1	5.0	1.4	3.5
Administrative and support services	4.9	6.9	-4.6	6.6	-1.5	17.0
Public administration	5.5	11.7	13.2	5.3	8.2	2.1
Education	7.0	7.5	9.7	-0.3	9.8	3.7
Human health and social work	2.3	2.5	1.4	2.4	8.9	15.8
Arts, entertainment and recreation	19.3	3.3	-4.9	1.1	1.9	33.8
Other service activities	14.2	2.0	12.9	6.9	6.2	8.8
Domestic services	3.2	3.2	3.2	3.2	2.9	2.6
Less FISM	-10.2	2.6	11.7	2.8	6.5	38.1
Taxes on products	3.8	1.7	1.6	1.2	3.0	5.9
GDP at market prices	7.1	7.0	1.3	5.1	6.8	7.4

Source: Office of the Chief Government Statistician

Note: r denotes revised data; and p, provisional data and FISM stands for Financial Intermediation Services Indirectly Measured



Bank of Tanzania Annual Report 2023/24

A6.0 Output, Prices and Government Finance Statistics, Zanzibar

Table A6.5: Production of Major Cash Crops

Crop	Tonnes					
	2018	2019	2020	2021	2022 ^r	2023 ^p
Cloves	675.2	1,691.0	3,072.1	7,840.8	4,734.1	2,654.7
Clove stem	172.8	150.8	542.3	1,664.6	768.8	554.4
Seaweed	10,424.9	9,663.2	5,387.1	10,530.8	12,593.7	16,652.8
Rubber	0.0	0.0	0.0	0.0	0.0	0.0

Source: Zanzibar State Trading Corporation (ZSTC), Ministry of Agriculture, Natural Resources, Livestock and Fishing; and AGROTEX Company

Note: Note: r denotes revised data; and p, provisional data

Table A6.6: Production of Selected Commodities

Commodity	Units	2018	2019	2020	2021	2022 ^p	2023 ^p
Beverages*	Liters "000"	20,166.0	22,031.0	22,291.0	22,269.0	22,616.0	23,014.0
	Mill. of TZS	7,362.0	8,043.0	8,204.0	8,130.0	8,324.0	8,470.0
Bread	No. "000"	209,439.0	231,540.0	237,918.0	239,242.0	240,814.0	247,750.0
	Mill. of TZS	24,923.2	34,731.0	35,688.0	35,886.0	38,530.0	42,188.0
Wheat flour	Tons	26,963.0	30,230.0	35,513.0	36,843.0	45,704.0	50,565.0
	Mill. of TZS	24,711.8	29,156.0	33,717.0	37,980.0	66,322.0	62,204.0
Diary products	Liters "000"	7,709.3	7,874.0	8,041.0	2,242.0	0.0	0.0
	TZS Mil	8,702.2	8,888.0	9,077.0	4,925.0	0.0	0.0
Noodles	Kgs	295,701.0	373,053.0	387,414.0	380,182.0	282,353.0	288,847.0
	Mill. of TZS	532.3	728.0	774.0	760.0	705.0	721.0
Door UPVC	Pcs	239.0	222.0	40.5	0.0	0.0	0.0
	Mill. of TZS	33.9	31.0	11.0	0.0	0.0	0.0
Window UPVC	Pcs	121.0	111.0	150.0	0.0	0.0	0.0
	Mill. of TZS	21.7	21.0	17.0	0.0	0.0	0.0
Sugar	Tons	3,339.0	6,467.0	0.0	7,262.0	4,760.0	27,000.0
	Mill. of TZS	5,969.5	10,994.0	0.0	12,684.0	11,823.0	67,063.0
Gaments dash dash	Pcs	2,973.0	2,971.0	1,392.0	4,125.0	5,913.0	5,122.0
	Mill. of TZS	103.6	91.0	29.0	126.0	167.9	169.0
Jewellery (gold/silver)	Gms	5,684.0	5,282.0	8,315.0	20,369.0	20,037.0	26,966.0
	Mill. of TZS	12.1	18.0	39.0	90.0	91.0	105.0
Essential oil products	Liters	224,045.0	230,318.0	234,924.0	289.9	1,540.0	12,823.0
	TZS "000"	800,955.0	850.0	955.0	10.0	100.0	777.0

Source: Office of the Chief Government Statistician

Note: p denoted provisional data; and * includes mineral water, soft drinks and juice; and essenrial products, clove stem oil, lemongrass oil, cinnamon, leaf oil, eucalyptus citriodora oil, eucalyptus camaldulensis oil and sweet basi oil



Bank of Tanzania Annual Report 2023/24

A6.0 Output, Prices and Government Finance Statistics, Zanzibar

Table A6.7: Consumer Price Index

Base: Jan 2017=100

Period	All items	Food	Non-food	Alcoholic beverages, tobacco and narcotics	Clothing and footwear	Housing, water, electricity, gas and other fuels	Furnishing, household equipment and routine household maintenance	Health	Transport	Communication	Recreation and culture	Education	Restaurants and hotels	Insurance And Financial Services	Personal Care, Social Protection and Miscellaneous Goods and Services
New weights (%)	100.0	41.9	58.6	0.2	6.3	25.8	4.8	1.3	9.1	4.2	1.1	1.6	1.4	0.5	1.7
2019	110.2	108.1	111.9	121.5	106.7	113.5	117.6	111.7	113.7	112.2	109.1	109.7	106.3		107.1
2020	114.0	114.3	113.7	135.2	108.1	115.7	120.3	124.0	111.1	114.8	113.3	113.2	107.1		109.8
2021	116.0	115.1	121.6	135.1	109.2	118.5	124.5	129.0	114.8	115.6	113.5	125.3	107.3		115.0
2022	112.3	112.6	112.1	120.8	106.7	112.8	119.9	118.3	113.3	109.9	106.9	114.5	104.9	100.0	113.3
2023	106.2	111.2	102.8	101.4	102.5	101.5	106.3	109.1	106.2	101.4	98.6	104.4	100.7	100.0	101.9
2023 - Jan	103.7	106.2	101.9	100.0	101.9	100.8	103.3	104.7	105.1	100.6	99.2	103.4	101.7	100.0	100.5
Feb	104.2	107.3	102.1	100.0	100.7	100.9	105.6	109.4	105.7	100.8	94.9	103.4	101.7	100.0	99.4
Mar	104.3	108.1	101.8	100.0	100.7	100.3	105.7	109.4	105.2	100.8	94.9	103.4	101.7	100.0	99.3
Apr	106.2	111.8	102.4	100.0	103.3	100.8	106.3	109.7	104.8	101.1	98.7	103.4	101.7	100.0	101.7
May	105.9	111.1	102.3	100.0	103.3	100.4	106.1	110.5	104.8	101.1	98.7	103.4	101.9	100.0	102.2
Jun	106.1	110.2	103.2	100.7	103.0	102.6	107.1	110.4	104.7	101.1	98.7	103.4	101.2	100.0	102.2
Jul	106.7	111.84	103.2	100.74	103.08	101.43	107.49	110.25	105.45	101.03	99.21	114.53	101.33	100.0	102.2
Aug	107.15	113.16	103.06	112.79	100.74	103.14	101.43	107.91	110.25	106.19	101.03	99.21	103.67	100.0	102.2
Sep	108.18	115.63	103.1	100.74	103.18	101.69	107.85	109.43	106.39	101.03	99.21	103.67	97.8	100.0	102.2
Oct	107.25	112.93	103.39	100.74	103.44	101.73	108.27	109.1	107.26	101.03	99.39	105.11	97.8	100.0	103.6
Nov	107.49	113.32	103.51	100.74	103.15	101.71	108.22	109.44	108.33	101.03	99.39	105.11	97.8	100.0	103.6
Dec	107.5	113.06	103.7	100.74	103.07	102.36	108.87	109.44	106.6	101.52	100.45	105.11	99.51	100.0	103.5
2024 - Jan	109.11	116.02	104.4	100.74	103.63	102.27	108.81	109.44	108.39	101.55	103.03	105.55	112.92	100.0	104.1
Feb	109.53	116.83	104.56	123.84	103.93	102.32	108.87	109.78	108.45	101.66	103.03	105.59	113.18	100.0	104.1
Mar	109.44	116.22	104.82	123.84	104.28	102.62	109.28	108.03	108.88	101.87	103.03	105.59	113.18	100.0	104.5
Apr	111.42	120.76	105.06	120.2	123.84	104.55	102.94	109.38	108.03	109.01	102.42	103.03	105.77	100.0	104.6
May	111.44	121.03	104.92	123.84	103.47	103.04	108.85	106.78	108.99	102.52	103.03	105.77	113.18	100.0	103.8
Jun	112.07	121.3	105.37	126.3	103.73	104.02	109.09	106.78	108.77	102.59	103.16	105.77	113.18	100.0	103.9

Source: Office of the Chief Government Statistician



Bank of Tanzania Annual Report 2023/24

A6.0 Output, Prices and Government Finance Statistics, Zanzibar
Table A6.8: Consumer Price Index, Twelve Months Percentage Change

Base: Jan 2017=100

Period	All items	Food	Non-food	Alcoholic beverages, tobacco and narcotics	Clothing and footwear	Housing, water, electricity, gas and other fuels	Furnishing, household equipment and routine household maintenance	Health	Transport	Communication	Recreation and culture	Education	Restaurants and hotels	Insurance And Financial Services	Personal Care, Social	Protection and Miscellaneous Goods and Services
New weights (%)	100.0	41.9	58.6	0.2	6.3	25.8	4.8	1.3	9.1	4.2	1.1	1.6	1.4	0.5	1.7	1.7
2019	2.7	2.9	2.4	14.3	1.2	0.3	3.0	5.5	1.8	12.6	3.5	4.0	5.1			4.3
2020	3.4	5.7	1.6	11.3	1.3	2.0	2.3	11.0	-2.3	2.4	3.9	3.2	0.8			2.5
2021	1.7	0.6	2.5	0.0	1.0	2.3	3.4	4.1	3.5	0.6	0.2	10.7	0.1			
2022	5.1	6.1	4.5	0.0	2.4	3.7	9.1	2.3	8.9	1.3	-0.3	0.0	1.2	-1.1		4.1
2023	6.9	11.1	4.0	1.3	2.7	2.7	7.4	9.6	9.6	1.3	1.4	5.1	0.6	0.0		2.5
2023 - Jan	8.4	11.6	6.1	0.0	3.9	4.9	12.1	7.2	14.6	0.6	0.9	3.4	2.3	0.0		2.5
Feb	7.8	10.5	6.0	0.0	2.6	3.5	14.1	11.9	16.2	0.8	-3.5	3.4	2.3	0.0		1.4
Mar	7.1	10.3	4.9	0.0	2.4	3.0	8.6	11.9	14.8	0.8	-3.5	3.4	1.7	0.0		1.3
Apr	7.5	11.5	4.8	0.0	3.7	3.7	6.7	12.3	11.5	1.1	0.3	3.4	1.7	0.0		3.8
May	6.4	9.5	4.3	0.0	3.5	3.7	6.1	13.1	9.3	1.1	-1.3	3.4	1.9	0.0		3.7
Jun	6.5	10.7	3.6	0.7	3.0	2.4	7.1	10.4	7.0	1.1	-1.3	3.4	1.2	0.0		2.2
Jul	6.7	11.8	3.2	0.7	3.1	1.4	7.5	10.3	5.5	1.0	-0.8	14.5	1.3	0.0		2.2
Aug	6.8	12.0	3.2	11.7	0.7	3.2	1.7	8.2	10.5	5.5	1.0	7.1	3.7	0.0		2.3
Sep	7.5	14.4	2.7	0.7	2.4	1.2	7.3	9.6	5.5	0.7	7.1	3.7	-2.3	0.0		1.9
Oct	6.5	11.6	3.0	0.7	2.6	1.8	6.3	7.5	6.6	0.7	7.3	5.1	-3.0	0.0		2.7
Nov	6.3	10.9	3.0	0.7	2.4	1.8	5.5	7.0	7.5	0.7	7.2	5.1	-3.0	0.0		2.7
Dec	5.5	8.8	3.2	0.7	2.1	2.4	5.4	6.2	6.7	1.2	3.5	5.1	-1.3	0.0		2.5
2024 - Jan	5.3	9.2	2.5	4.8	0.0	2.5	3.0	9.5	2.5	11.2	1.7	3.8	0.0	0.0		3.6
Feb	5.1	8.9	2.4	23.8	3.3	1.4	3.1	0.4	2.6	0.8	8.5	2.1	11.3	0.0		4.7
Mar	4.9	7.6	3.0	23.8	3.6	2.3	3.4	-1.2	3.5	1.1	8.6	2.1	11.3	0.0		5.3
Apr	4.9	8.0	2.6	23.8	1.3	2.1	2.9	-1.5	4.0	1.4	4.4	2.3	11.3	0.0		2.9
May	5.3	8.9	2.6	23.8	0.1	2.6	2.6	-3.4	4.0	1.5	4.4	2.3	11.0	0.0		1.6
Jun	5.7	10.6	2.1	25.4	0.7	1.4	1.8	-3.2	3.9	1.5	4.6	2.3	11.8	0.0		1.6

Sources: Office of the Chief Government Statistician



Bank of Tanzania Annual Report 2023/24

A6.0 Output, Prices and Government Finance Statistics, Zanzibar

Table A6.9: Government Operations

	Billions of TZS					
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24 ^P
Total revenue	748.4	787.5	741.0	909.0	1,209.1	1,504.6
Tax revenue	653.7	677.9	647.3	751.0	1,045.6	1,316.3
Tax on imports	144.6	141.3	155.0	182.2	223.7	244.3
VAT and excise duties (local)	174.5	188.9	152.5	213.1	323.2	407.1
Income tax	143.5	136.0	143.6	172.9	231.5	276.2
Other taxes	191.1	211.7	196.1	182.8	267.2	388.7
Non-tax revenue	94.7	109.6	93.7	158.0	163.6	188.3
Total expenditure	1,131.5	1,024.5	937.8	1,207.6	1,468.1	2,210.8
Recurrent expenditure	702.8	722.7	738.7	740.9	993.0	1,201.2
Wages and salaries	334.6	369.7	406.8	414.3	627.1	683.7
Interest payment	0.0	0.0	0.0	0.0	0.0	0.0
Local	0.0	0.0	0.0	0.0	0.0	0.0
Foreign	0.0	0.0	0.0	0.0	0.0	0.0
Other expenditure	368.2	353.0	331.9	326.6	365.9	517.5
Development expenditure	428.7	301.8	199.2	466.7	475.2	1,009.6
Local	102.5	139.0	68.0	160.9	308.8	730.3
Foreign	326.2	162.8	131.2	305.9	166.4	189.3
Overall surplus/deficit before grants	-383.1	-237.1	-196.9	-298.6	-259.0	-721.2
Grants	42.7	34.2	17.4	47.0	50.1	132.3
4.5% Budget support	5.6	7.0	0.0	0.0	0.0	0.0
Program grant	37.1	27.1	17.4	47.0	50.1	132.3
Overall surplus/deficit after grants	-340.4	-202.9	-179.4	-251.6	-208.8	-588.9
Adjustment to cash and other items	11.3	44.4	10.2	-7.0	18.2	105.1
Overall deficit cheques cleared	-329.1	-158.5	-169.3	-258.6	-190.7	-483.8
Financing	329.1	158.5	169.3	258.6	190.7	483.8
Foreign	294.5	115.6	115.6	117.8	123.7	107.1
Program loans	294.5	115.6	115.6	117.8	123.7	107.1
Amortization (foreign)	0.0	0.0	1.0	0.0	0.0	4.0
Domestic (net)	34.6	42.9	53.7	140.8	67.0	376.7
Bank	0.0	0.0	0.0	0.0	27.0	301.7
Non-bank	34.6	42.9	53.7	140.8	40.0	75.0
Amortization (local)	0.0	0.0	0.0	0.0	0.0	0.0

Source: Ministry of Finance and Planning, Zanzibar
Note: p denotes provisional data



Bank of Tanzania Annual Report 2023/24

A7.0 International Economics and Financial Statistics

Table A7.1: Economic Performance in G-7 Countries and the Euro Area

	2018	2019	2020	2021	2022	2023	2024	
							Q1	Q2
G-7 Countries								
Canada								
Real GDP ¹	2.8	1.9	-5.1	5.0	3.4	1.2	0.4	0.5
Inflation ¹	2.3	1.9	0.7	3.4	6.8	3.9	2.9	2.0
France								
Real GDP ¹	1.9	1.8	-7.8	6.8	2.5	1.1	0.2	0.2
Inflation ¹	1.9	1.1	0.5	1.6	5.2	5.7	2.8	1.7
Germany								
Real GDP ¹	1.0	1.1	-3.7	2.6	1.8	-0.3	0.2	-0.1
Inflation ¹	1.7	1.4	0.5	3.1	6.9	6.0	2.3	1.9
Italy								
Real GDP ¹	0.9	0.5	-9.0	7.0	3.7	0.7	0.3	0.2
Inflation ¹	1.1	0.6	-0.1	1.9	8.2	5.9	0.9	1.0
Japan								
Real GDP ¹	0.6	-0.4	-4.3	2.1	1.0	1.7	-0.5	0.7
Inflation ¹	1.0	0.5	0.0	-0.3	2.5	3.3	2.6	2.8
UK								
Real GDP ¹	1.7	1.6	-11.0	7.6	4.1	0.3	0.7	0.5
Inflation ¹	2.3	1.7	1.0	2.5	7.9	7.3	3.9	2.0
USA								
Real GDP ¹	2.9	2.3	-2.8	5.9	2.1	2.9	0.4	0.7
Inflation ¹	2.4	1.8	1.2	4.7	8.0	4.1	3.9	2.6
EURO AREA								
Real GDP ¹	1.8	1.6	-6.1	5.4	3.5	0.4	0.3	0.2
Inflation ¹	1.8	1.2	0.3	2.6	8.4	5.4	2.6	2.2

Source: IMF World Economic Outlook, Bloomberg system and OECD Statistics.

Notes: ¹ Percent change from preceding year or quarter

A7.0 International Economics and Financial Statistics



Bank of Tanzania Annual Report 2023/24

Table 7.2: World Market Prices of Selected Commodities

Commodity	Unit price	2019	2020	2021	2022	2023	2024	
							Q1	Q2
Coffee "Arabica"	USD per kg	2.9	3.3	4.5	5.6	4.5	4.6	5.3
Coffee "Robusta"	USD per kg	1.6	1.5	2.0	2.3	2.6	3.4	4.3
Cotton "A index"	USD per kg	1.7	1.6	2.2	2.9	2.1	2.1	1.9
Cloves (Madagascar cif Singapore)	USD per tonne	6.4	5.8	7.6	8.0	na	na	na
Sisal (UG)	USD per kg	1.7	1.7	1.7	1.7	na	na	na
Tea (Mombasa auction)	USD per kg	2.2	2.0	2.1	2.4	2.2	2.2	2.2
Maize	USD per tonne	170.1	165.5	259.1	318.8	252.7	192.8	194.0
Rice (Thai 5%)	USD per tonne	418.0	496.8	458.3	436.8	553.7	632.3	617.3
Wheat (SRW)	USD per tonne	211.3	227.7	282.4	381.9	257.7	240.8	237.2
Gold	USD per oz t	1,392.5	1,770.3	1,799.6	1,800.6	1,942.7	2,072.0	2,336.0
Crude oil*	USD per barrel	61.4	41.3	69.1	99.8	82.6	83.1	84.9
Crude oil**	USD per barrel	63.2	42.2	68.8	97.0	82.0	81.6	85.0
White products***	USD per tonne	593.3	374.6	630.5	1,019.4	831.1	808.8	796.5

Source: www.worldbank.org/en/research/commodity-markets, Bloomberg and Tanzania Sisal Board

Note: UG denotes under grade; Q, quartely; * average spot price of Brent, Dubai and West Texas Intermediate, equally weighed; ** f.o.b. Dubai; *** average of premium gasoline, gas oil and jet/kerosene, f. o. b. West Mediterranean; and oz t, troy ounce



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