



**Annual Report**  
for the Year Ended  
30<sup>th</sup> June, 2021



*It has been a period of challenges and difficulties in the aviation industry. The pandemic continues to affect the industry and the entire economy. It has reduced our revenue collection by 54% making it difficult for us to meet some of our strategic objectives.*

**Hamza S. Johari - DG, TCAA**

# List of Abbreviations

|                |                                                            |
|----------------|------------------------------------------------------------|
| <b>AAKIA</b>   | Abeid Amani Karume International Airport                   |
| <b>ACC</b>     | Area Control Centre                                        |
| <b>ACT</b>     | The Civil Aviation Act, Cap 80 (R.E.2020)                  |
| <b>AFI</b>     | Africa-Indian Ocean Region                                 |
| <b>AGA</b>     | Aerodrome Ground Aid                                       |
| <b>AIM</b>     | Aeronautical Information Management                        |
| <b>AIP</b>     | Aeronautical Information Publication                       |
| <b>AIS</b>     | Aeronautical Information System                            |
| <b>ANS</b>     | Air Navigation Services                                    |
| <b>AOC</b>     | Air Operators Certificate                                  |
| <b>ATM</b>     | Air Traffic Management                                     |
| <b>AVSEC</b>   | Aviation Security                                          |
| <b>BASA</b>    | Bilateral Air Services Agreement                           |
| <b>CANSO</b>   | Civil Air Navigation Services Organization                 |
| <b>CASSOA</b>  | Civil Aviation Safety and Security Oversight Agency        |
| <b>CATC</b>    | Civil Aviation Training Centre                             |
| <b>CNS</b>     | Communication, Navigation and Surveillance                 |
| <b>FIR</b>     | Flight Information Region                                  |
| <b>ICAO</b>    | International Civil Aviation Organisation                  |
| <b>ISO</b>     | International Standard Organisation                        |
| <b>JNIA</b>    | Julius Nyerere International Airport                       |
| <b>KIA</b>     | Kilimanjaro International Airport                          |
| <b>NACTE</b>   | National Council for Technical Education                   |
| <b>NCASP</b>   | National Civil Aviation Security Programme                 |
| <b>NCASQCP</b> | National Civil Aviation Security Quality Control Programme |
| <b>NCASTP</b>  | National Civil Aviation Security Training Programme        |
| <b>NOF</b>     | International NOTAM Office                                 |
| <b>NOTAM</b>   | Notification to Airman                                     |
| <b>PIB</b>     | Pre-Information's Bulletins                                |
| <b>PPRA</b>    | Public Procurement Regulatory Authority                    |
| <b>QMS</b>     | Quality Management System                                  |
| <b>RSC</b>     | Rescue Sub-Coordination Centre                             |

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|              |                                            |
|--------------|--------------------------------------------|
| <b>RVSM</b>  | Reduced Vertical Separation Minimum        |
| <b>SAR</b>   | Search and Rescue                          |
| <b>SARPs</b> | Standard and Recommended Practices         |
| <b>SMS</b>   | Safety Management System                   |
| <b>SSP</b>   | State Safety Programme                     |
| <b>TAA</b>   | Tanzania Airports Authority                |
| <b>TCAA</b>  | Tanzania Civil Aviation Authority          |
| <b>TCARs</b> | Tanzania Civil Aviation Regulations        |
| <b>TMA</b>   | Tanzania Meteorological Agency             |
| <b>USAP</b>  | Universal Security Audit Programme         |
| <b>USOAP</b> | Universal Safety Oversight Audit Programme |
| <b>VCCS</b>  | Voice Communication Control Switch         |
| <b>VHF</b>   | Very High Frequency                        |

# Chairman's Statement

I am pleased once again to present the Authority's Annual Report and the Audited Financial Statements for the year ended 30 June, 2021. It is another opportunity to highlight to our stakeholders the progress made by the Authority during the year under review and to provide a snapshot of how the Authority has discharged its functions and responsibilities as per its mandate.

Efforts have been directed to, among other undertakings, modernising terminal buildings complete with efficient facilities and services, and ensuring that air navigation equipment and aerodrome and ground aids are fully operational. Financial self-sufficiency remains a big challenge for the Authority as it strives to attain self-sufficiency in financing acquisition of modern navigational aids, maintenance ageing air navigation infrastructure and attracting and retaining highly specialised manpower.

On behalf of the Board of Directors, I would like to express my appreciation of the Government of the United Republic of Tanzania and the Revolutionary Government of Zanzibar for their steady support to the Authority.



The support from our esteemed stakeholders in the aviation sector is cordially acknowledged. Further, the Authority acknowledges the support by Development Partners and ICAO, including support to the EAC Regional Safety Agency, CASSOA. All the support has enabled the Authority to fulfil its mandate effectively.

Prof. Longinus K. Rutasitara

**Chairman of the Board of Directors**

*Financial self-sufficiency remains a big challenge for the Authority as it strives to attain self-sufficiency in financing acquisition of modern navigational aids, maintenance ageing air navigation infrastructure and attracting and retaining highly specialised manpower.*

# Director General's Statement

The unprecedented global crisis caused by the COVID-19 pandemic and its serious public health, social and economic consequences, has also profoundly affected the civil aviation sector. Renewed outbreaks and resulting travel restrictions, have hampered global mobility. Air transport personnel, connectivity and supply chains have all been adversely affected resulting in heavy strain on the global economy.

It has been a period of challenges and difficulties in the aviation industry. The pandemic continues to affect the industry and the entire economy. It has reduced our revenue collection by 54% making it difficult for us to meet some of our strategic objectives.

However, the Authority has continued to implement measures to ensure that air transport remains safe and sustainable. The authority implements the International Civil Aviation Organization (ICAO) Council Aviation Recovery Taskforce (CART) strategy which is aimed at providing practical, aligned guidance to governments and industry operators in order to resuscitate the international air transport sector with a Restart, Recovering and Resilience strategy to ensure sustainability of the aviation globally.

In the year ended June 2021, TCAA continued to work towards the Authority's strategic direction, which aimed at achieving four set objectives:

- i. safe and secure civil aviation system and enhanced environmental protection;
- ii. sustained orderly development of air transport sub-sector;
- iii. enhancement of capacity and efficiency of air navigation services and
- iv. strengthened organisational capacity and operational efficiency. These objectives were the cornerstone of our activities during the year and we remained focused towards their implementation.

This Annual Report, which includes the Audited Financial Statements, summarizes the Authority's activities during the year under review. It shows the

achievements made and challenges faced as the Authority strived to keep orienting its undertakings towards a growing, well-managed and safe air-transport.



During the year 2020/21, overall traffic performance recorded a decrease in aircraft movements, from 189,183 in 2019/20 to 127,923 movements in 2020/21 equivalent to a decrease of 32.4%, Overall passenger traffic decreased from 4,659,777 passengers in 2019/20 to 2,964,471 passengers in 2020/21, equivalent to 36.4% decrease, Overall cargo recorded a 9.5% increase, from 24,172 tons in 2019/20 to 26,458 tons in 2020/21 Tanzania continued to foster development of the sector by implementing various projects for the development of the sector in compliance with the prevailing ICAO SARPS. The projects include finalization of four civilian RADAR project and Installation of Instrument Landing System (ILS) in Zanzibar

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

**Hamza S. Johari**

**Director General**

# Introduction

Tanzania Civil Aviation Authority presents the Annual Report that highlights its performance for the year ended 30th June, 2021. The report summarizes the executed activities, challenges encountered and achievements attained during the period under review.

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

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

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

## 1.1 OBJECTIVES OF THE REPORT

This Annual Report for 2020/21 fulfils the following objectives:

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

- c. to educate stakeholders of regulated sectors and the general public on regulatory matters; and
- d. to provide a source of reliable information on the regulated sectors.

## 1.2 BOARD AND MANAGEMENT STRUCTURE

### 1.2.1 Board of Directors

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

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

### 1.2.2 Management

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

## 1.3 VISION, MISSION AND CORE VALUES

### 1.3.1 Vision

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

### 1.3.2 Mission

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

### Motto

Aviation Safety and Efficiency. Our Commitment. In partnership

### 1.3.3 Values

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

## 2.0 OPERATIONAL PERFORMANCE

During the Financial Year 2020/21 overall performance of the Authority was satisfactory. Most of the service delivery targets were achieved. The Authority continued to ensure that safety, security and regularity of air transport services within and from outside the United Republic of Tanzania are in compliance with the international requirements.

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

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

## 2.1 SAFETY AND SECURITY REGULATION

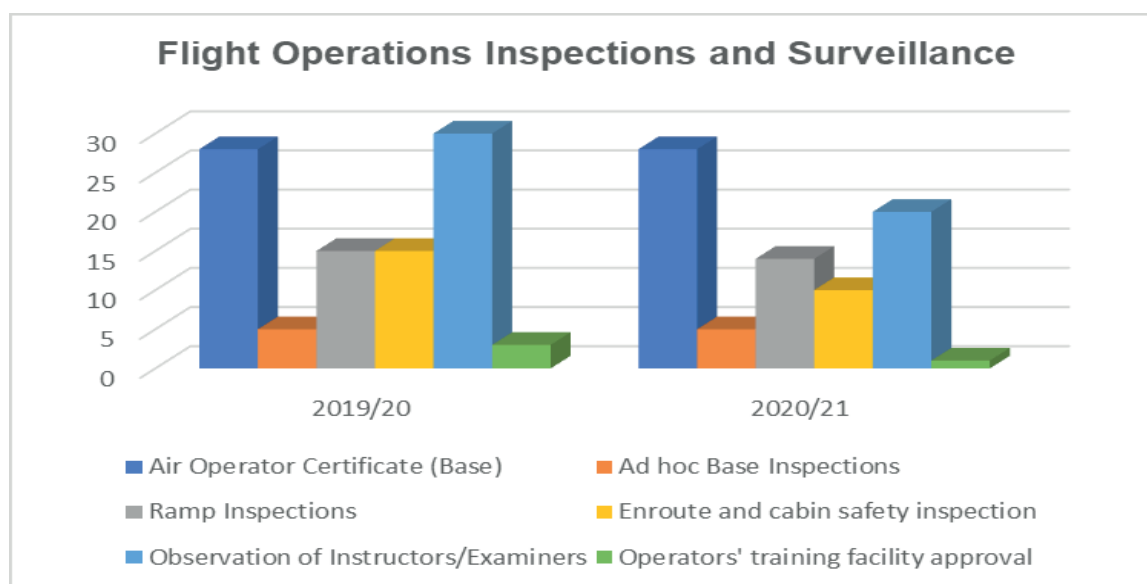
Various activities planned during the period aiming at implementation and enforcement of the Tanzania Civil Aviation Regulations (TCARs) to ensure a compliant industry were carried out. The following sections indicate performance in various specific areas:

### 2.1.1 Flight Operations Inspections and Surveillance

During the year the following flight operations and surveillance were conducted as per planned targets (Table 1): -

**Table 1: Flight Operations Inspections and Surveillance**

|              | Description                           | 2019/20   | 2020/21   |
|--------------|---------------------------------------|-----------|-----------|
| 1.           | Air Operator Certificate (Base)       | 28        | 28        |
| 2.           | Ad hoc Base Inspections               | 5         | 5         |
| 3.           | Ramp Inspections                      | 15        | 14        |
| 4.           | Enroute and cabin safety inspection   | 15        | 10        |
| 5.           | Observation of Instructors/Examiners  | 30        | 20        |
| 6.           | Operators' training facility approval | 3         | 1         |
| <b>TOTAL</b> |                                       | <b>96</b> | <b>78</b> |



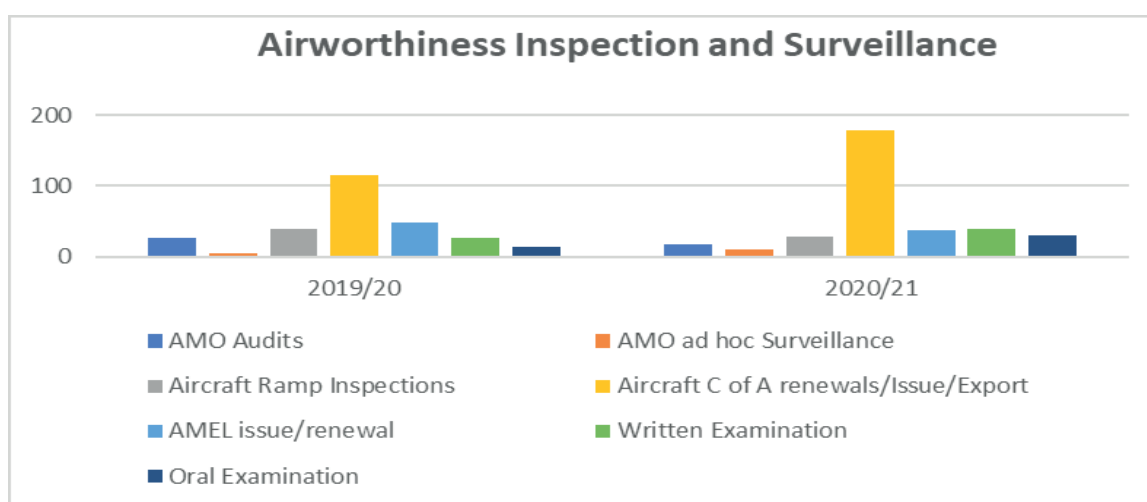
### 2.1.2 Airworthiness Inspection and Surveillance

During the year ended June 2021, 11 aircraft were registered and awarded Certificates of Airworthiness: Embraer 120 (1), Cessna 208 (3), DHC 8-100 (1), Airbus 220 (2) and Ultra magic Balloons (4).

The following inspections were conducted as per the planned targets (Table 2): -

**Table 2: Airworthiness Inspection and Surveillance**

| S/N          | Type                                  | 2019/20    | 2020/21    |
|--------------|---------------------------------------|------------|------------|
| 1            | AMO Audits                            | 26         | 18         |
| 2            | AMO ad hoc Surveillance               | 5          | 10         |
| 3            | Aircraft Ramp Inspections             | 39         | 28         |
| 4            | Aircraft C of A renewals/Issue/Export | 115        | 178        |
| 5            | AMEL issue/renewal                    | 49         | 38         |
| 6            | Written Examination                   | 27         | 39         |
| 7            | Oral Examination                      | 14         | 31         |
| <b>TOTAL</b> |                                       | <b>275</b> | <b>342</b> |



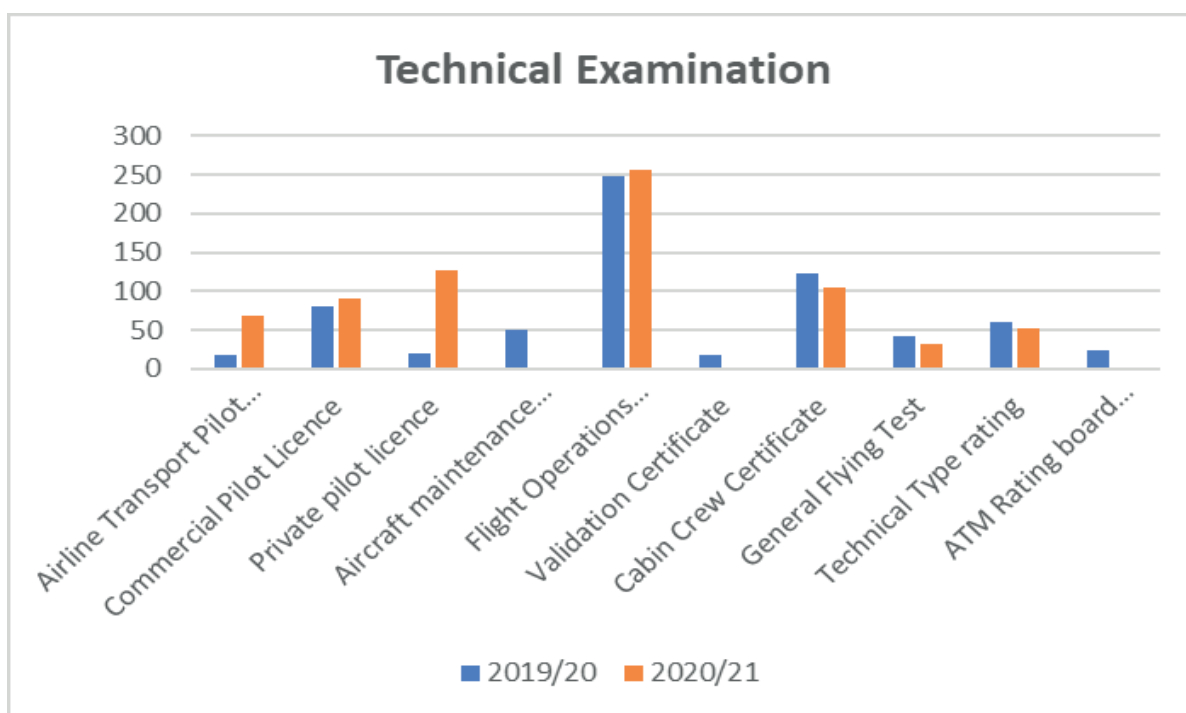
### 2.1.3 Personnel Licensing Section

#### Technical Examination

A total of **731** examinations were booked during the period of July, 2020 to June, 2021 compared to **682** examinations booked in the year ended June, 2020 (Table 3). These included written examinations together with various flying tests for granting, renewal, conversion, extension of licences and certificates.

**Table 3: Technical Examination**

| S/N          | TECHNICAL EXAMINATIONS                  | 2019/20    | 2020/21    |
|--------------|-----------------------------------------|------------|------------|
| 1            | Airline Transport Pilot Licence         | 17         | 69         |
| 2            | Commercial Pilot Licence                | 80         | 90         |
| 3            | Private pilot licence                   | 20         | 126        |
| 4            | Aircraft maintenance engineer's licence | 51         | 0          |
| 5            | Flight Operations Officer's Licence     | 248        | 257        |
| 6            | Validation Certificate                  | 18         | 0          |
| 7            | Cabin Crew Certificate                  | 122        | 104        |
| 8            | General Flying Test                     | 43         | 33         |
| 9            | Technical Type rating                   | 60         | 52         |
| 12           | ATM Rating board exams                  | 23         | 0          |
| <b>TOTAL</b> |                                         | <b>682</b> | <b>731</b> |



### Licences and Certificates Issued

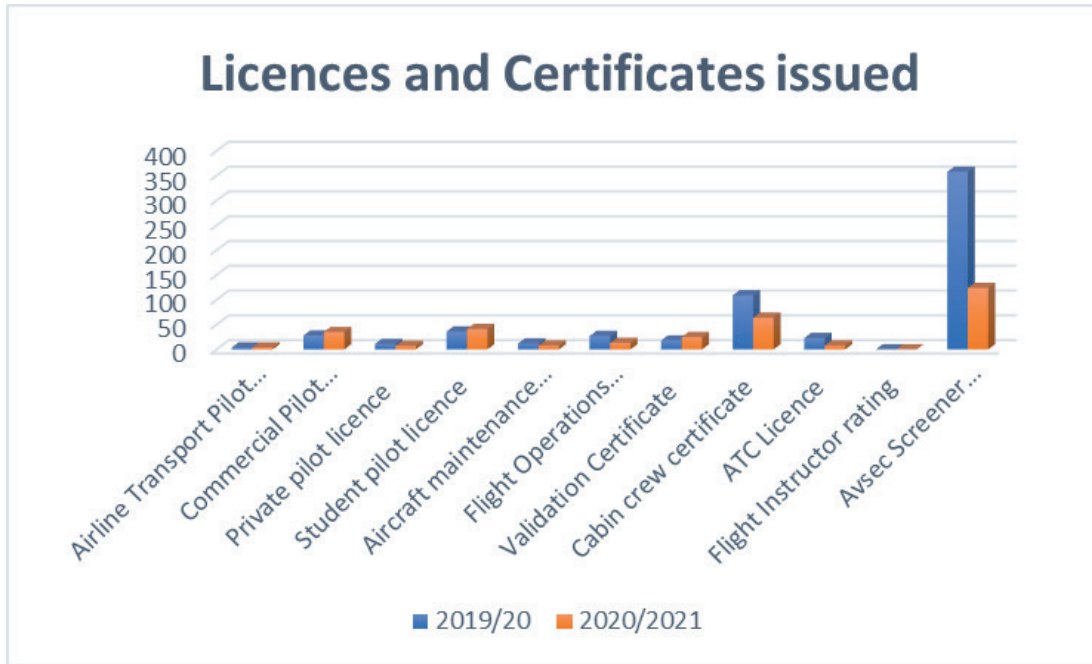
A total of **329** licences including certificates were issued during the period July 2020 to June 2021 compared to 626 licences issued in the year ended June, 2020.

**Table 4: Licences and Certificates issued**

| S/N          | LICENCES AND CERTIFICATE ISSUED         | 2019/20    | 2020/2021  |
|--------------|-----------------------------------------|------------|------------|
| 1            | Airline Transport Pilot Licence         | 4          | 4          |
| 2            | Commercial Pilot Licence                | 28         | 35         |
| 3            | Private pilot licence                   | 11         | 7          |
| 4            | Student pilot licence                   | 36         | 41         |
| 5            | Aircraft maintenance engineer's licence | 12         | 8          |
| 6            | Flight Operations Officer's Licence     | 27         | 13         |
| 7            | Validation Certificate                  | 18         | 25         |
| 8            | Cabin crew certificate                  | 109        | 64         |
| 9            | ATC Licence                             | 23         | 8          |
| 10           | Flight Instructor rating                | 0          | 0          |
| 11           | Avsec Screener Certificate              | 358        | 124        |
| <b>TOTAL</b> |                                         | <b>626</b> | <b>329</b> |

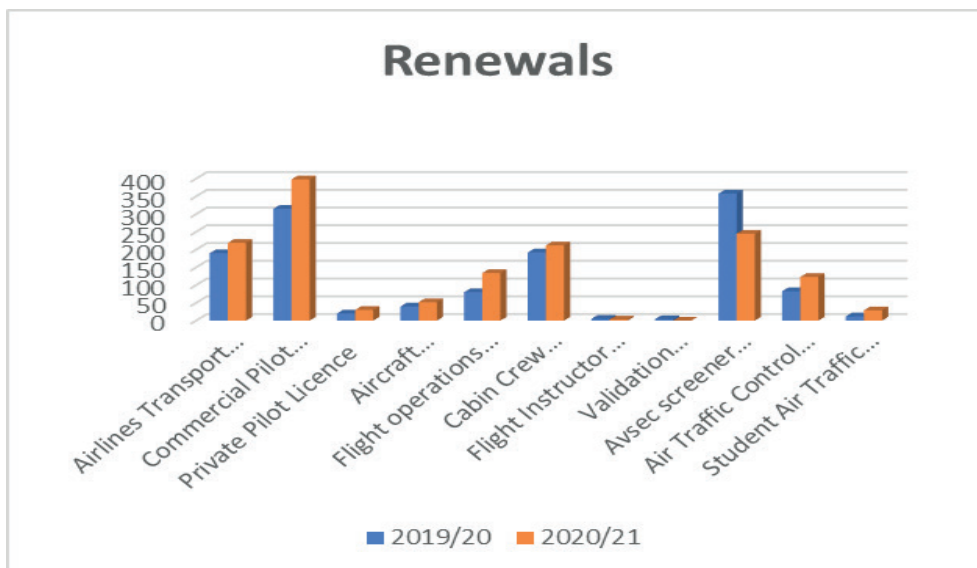
### Renewals

A total of **1445** licences including certificates and ratings were renewed during the period of July 2020 to June 2021 compared to 1299 licences including certificates and ratings renewed during the period of 2019/2020.



**Table 5: Licences /Certificates /Ratings**

| SN           | Description                             | 2019/20     | 2020/21     |
|--------------|-----------------------------------------|-------------|-------------|
| 1            | Airlines Transport Pilot Licence        | 190         | 219         |
| 2            | Commercial Pilot Licence                | 315         | 398         |
| 3            | Private Pilot Licence                   | 20          | 30          |
| 4            | Aircraft maintenance engineer’s licence | 40          | 52          |
| 5            | Flight operations officer’s licence     | 80          | 134         |
| 6            | Cabin Crew Certificates                 | 192         | 212         |
| 7            | Flight Instructor Rating                | 5           | 3           |
| 8            | Validation certificate                  | 4           | 0           |
| 9            | AVSEC screener certificate              | 358         | 245         |
| 10           | Air Traffic Control Licence             | 83          | 123         |
| 11           | Student Air Traffic Control Licence     | 12          | 29          |
| <b>TOTAL</b> |                                         | <b>1299</b> | <b>1445</b> |

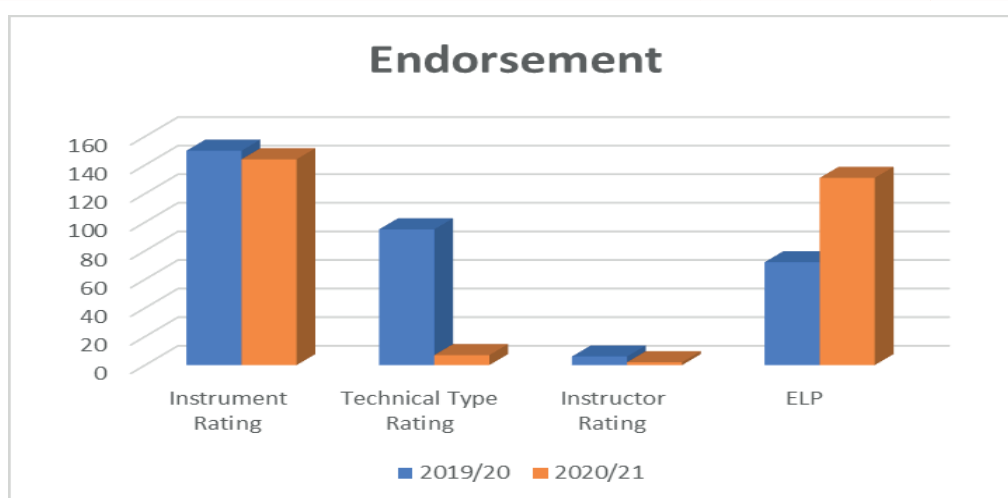


## Endorsements

A total of **284** endorsements were made on various licences and certificates during the period of July 2020 to June 2021 compared to a total of 323 endorsements in 2019/20.

**Table 6: Endorsement**

| SN           | Description           | 2019/20    | 2020/21    |
|--------------|-----------------------|------------|------------|
| 1            | Instrument Rating     | 150        | 144        |
| 2            | Technical Type Rating | 95         | 7          |
| 3            | Instructor Rating     | 6          | 2          |
| 4            | ELP                   | 72         | 131        |
| <b>TOTAL</b> |                       | <b>323</b> | <b>284</b> |

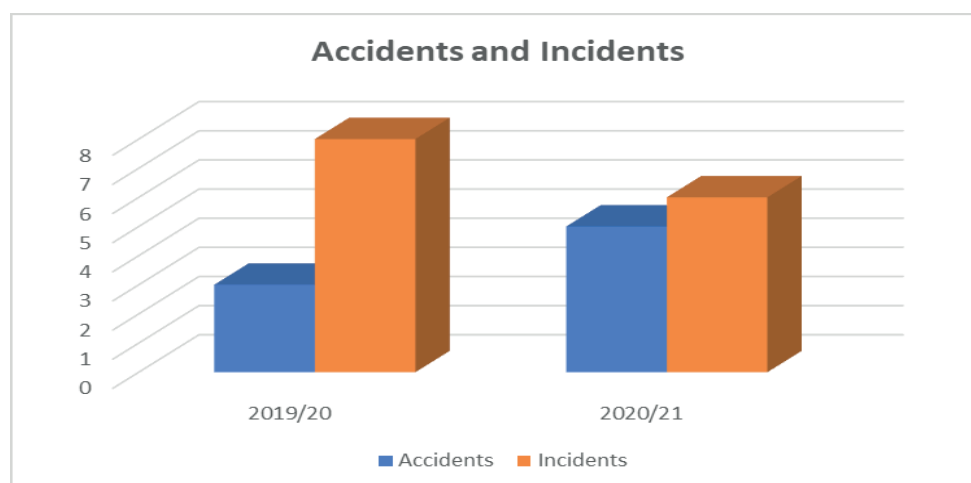


## Accidents and Incidents

During the year ended 30 June, 2021 the Authority continued to ensure that the industry remains comparatively safe all the time. At the end of the year there were 5 accidents and 6 incidents compared to 8 accidents and 3 incidents that occurred in 2019/20.

**Table 7: Accidents and Incidents**

| Type         | 2019/20   | 2020/21   |
|--------------|-----------|-----------|
| Accidents    | 3         | 5         |
| Incidents    | 8         | 6         |
| <b>TOTAL</b> | <b>11</b> | <b>11</b> |



### 2.1.4 Aviation Security Section

The AVSEC Unit continued with its core functions to ensure safe and secure aviation systems in the United Republic of Tanzania and beyond. This was achieved by establishing, implementing and ensuring effectiveness of base line security measures intended to mitigate and prevent acts of unlawful interference with civil aviation. In the year 2020/2021 one act of unlawful interference was recorded

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

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

Apart from Civil Aviation Security Regulations 2018, all other Technical Guidance Materials have been reviewed, approved and distributed to relevant operators for their implementation. These documents include:

- i. National Civil Aviation Security Programme (NCASP),
- ii. National Civil Aviation Security Quality Control Programme (NCASQCP),
- iii. National Civil Aviation Security Training Programme (NCASTP),
- iv. National Civil Aviation Security Inspectors Manual (ASIM)

The ASIM is the document which provide guidance to Inspectors and is not shared to Operators.

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

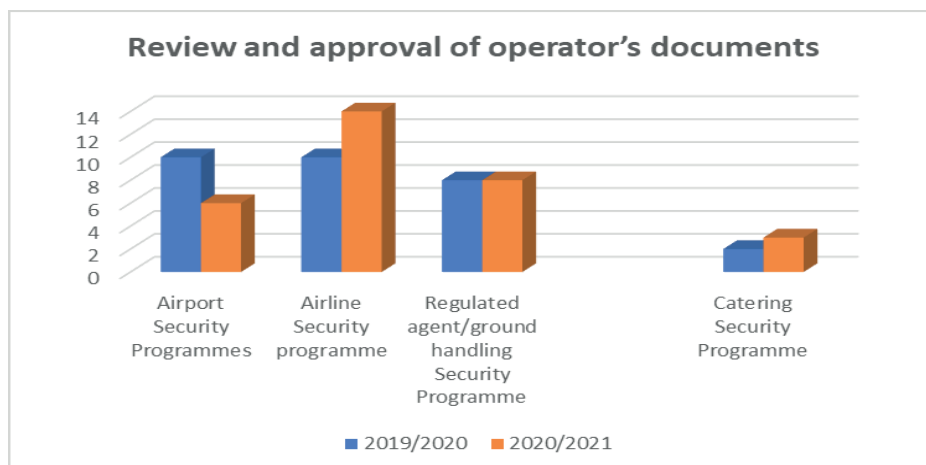
The current compliance status to the 2015 USAP CMA Audit findings indicates about 85% has been achieved. The draft Corrective Action Plan (CAPs) has been shared to ICAO Regional Office in Nairobi for review and subsequent submission of the same to ICAO Headquarters as well for their records.

#### Review and approval of operator’s documents

Table 10 below indicates operator security programmes which were reviewed and approved in the year 2020/2021 as compared to those reviewed and approved in 2019/2020.

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

| SN           | OPERATOR                                           | 2019/2020 | 2020/2021 |
|--------------|----------------------------------------------------|-----------|-----------|
|              | Airport Security Programmes                        | 10        | 06        |
|              | Airline Security programme                         | 10        | 14        |
|              | Regulated agent/ground handling Security Programme | 08        | 08        |
|              | Catering Security Programme                        | 02        | 03        |
| <b>TOTAL</b> |                                                    | <b>30</b> | <b>31</b> |



### Aviation Security Oversight Activities

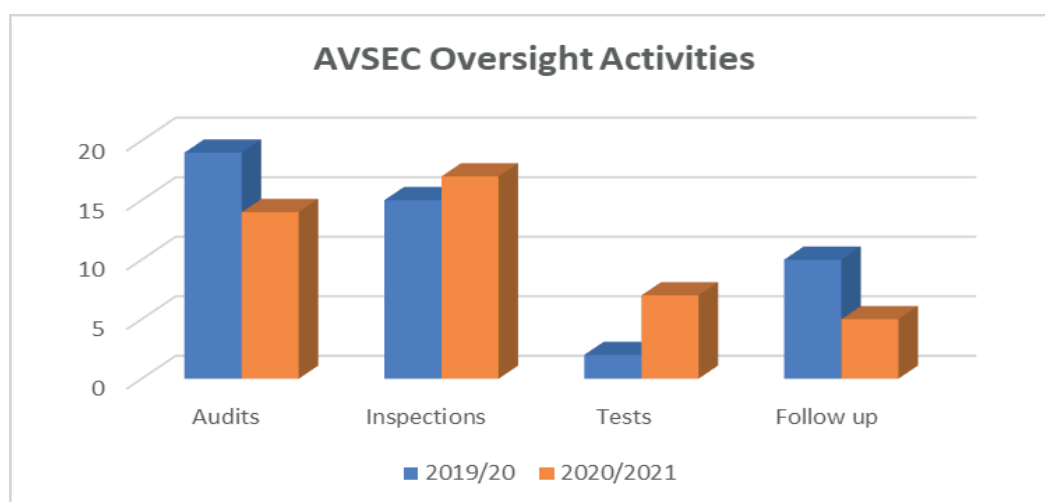
These are functions which ensure the effective implementation of security-related SARPs and associated procedures contained in the Annexes to the Chicago Convention (primarily Annex 17, including the security-related provisions of Annex 9) and related ICAO documents. It also ensures the national aviation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

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

The table below provides a summary of oversight activities conducted in the financial year 2020/2021 as compared to those conducted in the year 2019/2020.

**Table 9. AVSEC Oversight Activities**

| S/N          | Oversight Activities | 2019/20   | 2020/2021 |
|--------------|----------------------|-----------|-----------|
| 1.           | Audits               | 19        | 14        |
| 2.           | Inspections          | 15        | 17        |
| 3.           | Tests                | 2         | 07        |
| 4.           | Follow up            | 10        | 05        |
| <b>TOTAL</b> |                      | <b>46</b> | <b>43</b> |



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

### Meetings of the National Civil Aviation Security Committee.

Three (3) National Civil Aviation Security Committee Meetings (NCASC) were conducted as follows; 47th NCASC in Dar es Salaam, 48th in Zanzibar and 49th in Pemba and 50th in Dar es salaam. The conduct of these meetings is necessary for the purpose of coordinating implementation of all security measures in accordance with provisions of regulation 10 of the Civil Aviation (Security) Regulations 2018.

Certification/Recertification of AVSEC Screeners and National AVSEC Instructors:

The Aviation Security Unit certified/recertified a total 226 of AVSEC screeners in 2019/2020 compared to 369 AVSEC screeners in 2020/2021. Table 12 below provides the number of certified/recertified screeners with their respective institutions as follows:

**Table 10: Certification/Recertification of AVSEC Screeners**

| OPERATOR                                       | 2019/2020  | 2020/2021  |
|------------------------------------------------|------------|------------|
| Tanzania Airports Authority -Regional Airports | 62         | 61         |
| Julius Nyerere International Airport           | 42         | 104        |
| Zanzibar Airport Authority                     | 48         | 64         |
| Kilimanjaro Airports Development Company       | 44         | 68         |
| Air Tanzania Company Limited                   | 0          | 04         |
| Precision Air                                  | 8          | 02         |
| NAS Dar Airco                                  | 0          | 06         |
| Swissport                                      | 1          | 24         |
| G4S Security Solution                          | 0          | 09         |
| KK Security Company                            | 0          | 00         |
| United Aviation Services                       | 1          | 06         |
| Tanzania National Parks                        | 0          | 07         |
| Everret                                        | 4          | 01         |
| Geita Gold Mining                              | 6          | 05         |
| Zanzibar Aviation Services and Travel Trade    | 9          | 00         |
| VIKOSI Zanzibar Airport Authority              | 0          | 00         |
| African Flight Services                        | 0          | 05         |
| Celebi                                         | 0          | 02         |
| Auric                                          | 0          | 01         |
| <b>Total</b>                                   | <b>226</b> | <b>369</b> |

### Universal Security Audit Programme – Continuous Monitoring Approach Activity Plan

Further to the above, the Authority has received an ICAO Electronic Bulletin for information, that the state shall be audited under the USAP-CMA Audit which is scheduled for second half of 2023. The type and scope of the audit activity and the audit dates will be communicated to the state in official notification letter.

#### 2.1.5 Aerodromes Inspectorate

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

Preparation, implementation and review of corrective action plans (CAPs) were initiated during the FY 2019/20 and continued in the FY 2020/21. The Aerodrome section is implementing a project to update the aerodrome inventory and re-categorize some aerodromes to include aerodromes in Category E. The project goal is to achieve 100% compliance to aerodrome Certification, Licensing and Registration Approval requirements by the end of FY 2022/2023.

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

**Table 11: Aerodrome Certification**

| S/N | Aerodrome ID                            | Description                    |
|-----|-----------------------------------------|--------------------------------|
| 1   | Julius Nyerere International Airport    | Certified until February, 2023 |
| 2   | Aman Abeid Karume International Airport | Certified until November, 2022 |
| 3   | Kilimanjaro International Airport       | Certified until September 2022 |

**Table 12: Aerodrome Licensing**

| S/N | Aerodrome Group/Activity                      | Description                                                                                        |
|-----|-----------------------------------------------|----------------------------------------------------------------------------------------------------|
| 1   | Licensing of TAA aerodromes                   | 20 aerodromes                                                                                      |
| 2   | Licensing of Private aerodromes               | 40 aerodromes                                                                                      |
| 3   | Approval to construct new aerodromes/helipads | 3 aerodromes (Msalato, Nungwi & Geita)                                                             |
| 4   | Licensing of TANAPA aerodromes                | 26 aerodromes                                                                                      |
| 5   | Approval of projects on existing aerodromes   | Iringa, Kigoma, Arusha, Mtwara, Songea, JNIA TB3, Dodoma, Pemba, AAKIA, Seronera, Mwanza, Saadani. |

**Table 13: Continuous Surveillance of Aerodromes**

| S/N | Aerodrome Group/Activity                                                                                      | Description                                                                                                                                                                                                                |
|-----|---------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1   | Private aerodromes                                                                                            | 3 aerodromes (Kipili, Mchauru and Tango One helipad)                                                                                                                                                                       |
| 2   | TAA, ZAA, KADCO and TANAPA aerodromes                                                                         | Aerodromes including JNIA, KIA, AAKIA, Pemba, Mwanza, Dodoma, Tanga, Arusha, Moshi, Lake Manyara, Tabora, Kigoma, Songwe, Bukoba, Saadani, Mikumi, Shinyanga, Musoma, Sumbawanga, Iringa, Njombe, Mtwara and Songea.       |
| 3   | Review of Operators' Aerodrome Manuals (Aerodrome Manual, SMS Manual and Aerodrome Emergency Planning Manual) | 21 Manuals for Nungwi, Geita, Pemba, Nachingwea, Lindi, Kilwa-Masoko, Mpanda, Lake Manyara, Kigoma, Tabora, Mtwara, Shinyanga, Musoma, Bukoba, Mwanza, Mafia, Iringa, Kahama, Songwe, Sumbawanga and Dodoma were reviewed. |

**Table 14: Evaluation of Obstacles**

| S/N | Mobile Operator | Description                            |
|-----|-----------------|----------------------------------------|
| 1   | HELIOS/TIGO     | 285 masts evaluated                    |
| 2   | AIRTEL          | 13 masts evaluated                     |
| 4   | TANESCO         | 396 Electrical Poles                   |
| 5   | OTHERS          | 3 Buildings in Zanzibar were evaluated |

**Table 15: Development and Review of Regulations and Technical Guidance Material**

| S/N | Document action                                                                                                                 | Status of Review or development |
|-----|---------------------------------------------------------------------------------------------------------------------------------|---------------------------------|
| 1   | Inclusion of amendment 13, 14, 15, 16 and 17 of the ICAO Annex 14 SARPS in the Civil Aviation (Aerodromes) Regulations 2017     | Reviewed draft is ready         |
| 2   | Promulgation for AIC on Recertification of International Aerodromes i.e. JNIA, AAKIA and KIA (Five Phase Certification Process) | 100% Reviewed                   |
| 3   | Review of Advisory Circulars                                                                                                    | 100% Reviewed                   |
| 4   | Review of Orders                                                                                                                | 100% Reviewed                   |
| 5   | Review of Industry guideline manuals                                                                                            | 100% Reviewed                   |
| 6   | Issuance of AIC on Helicopter Operations over Congested Areas and Off Airport                                                   | 100% done                       |
| 7   | Customization of CASSOA Technical Guidance Materials                                                                            | 100% done                       |

**Table 16: Conduct of Industry Sensitization Seminar**

| S/N | Theme of Seminar                                                            | Location                                      | Type of Stakeholders                                                |
|-----|-----------------------------------------------------------------------------|-----------------------------------------------|---------------------------------------------------------------------|
| 1   | Sensitization Workshop on Recertification of International Aerodromes       | TCAA HQ, Dar es Salaam, JNIA Zanzibar and KIA | Aerodrome Operators (TAA, ZAA and KADCO)                            |
| 2   | Workshop on New Global Reporting Format (GRF) for Runway Surface Condition. | Dar es Salaam and Zanzibar                    | Aerodrome operators, Licensed Air Operators and other stakeholders. |
| 3   | Safety Management System                                                    | JNIA                                          | JNIA Compliance team.                                               |
| 4   | Aerodrome Planning, Operations and Maintenance Workshop.                    | Arusha                                        | TANAPA                                                              |
| 5   | Global Aviation Safety Plan (GASP)                                          | Dar es Salaam                                 | Aerodrome operators, Licensed Air Operators and other stakeholders. |

### 2.1.6 Air Navigation Services Inspectorate

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

The role of the section is three-fold:

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

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

**Table 17: Type of Inspections and Surveillances**

| No | Type of Inspections and Surveillances | Years   |        |         |        |
|----|---------------------------------------|---------|--------|---------|--------|
|    |                                       | 2019/20 |        | 2020/21 |        |
|    |                                       | Planned | Actual | Planned | Actual |
| 1  | Routine Audits for                    |         |        |         |        |
| 2  | -AIM and Charts                       | 15      | 15     | 15      | 15     |
| 3  | -ATM                                  | 15      | 15     | 15      | 15     |
| 4  | -CNS                                  | 15      | 15     | 15      | 15     |
| 5  | -SAR                                  | 14      | 14     | 14      | 14     |
| 6  | -MET                                  | 16      | 16     | 16      | 14     |
| 7  | -PANS-OPS                             | 2       | 1      | 2       | 1      |
| 8  | -SMS                                  | 14      | 12     | 14      | 12     |
| 9  | Ad-hoc audits                         | 40      | 28     | 40      | 40     |

#### A. Safety Audit of CNS Facilities

| S/N | Activity          | Stations                                                                                                                                                      | Number |
|-----|-------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|
| 1   | Routine audits    | JNIA, Abeid Aman Karume International Airport (AAKIA), KIA, Arusha, Pemba, Tanga, Mtwara, Songwe, Iringa, Mwanza, Songea, Dodoma, Kigoma, Tabora and Mchauru. | 14     |
| 2   | Ad hoc audits     | JNIA, KIA, Arusha, Mwanza, AAKIA, Dodoma and Songwe.                                                                                                          | 8      |
| 4   | Safety assessment | JNIA, Abeid Aman Karume International Airport (AAKIA), KIA, Arusha, Mtwara, Songwe, Iringa, Mwanza, Songea, Dodoma, Mafia and Shinyanga.                      | 12     |

#### B. Safety oversight of ATM

| S/N | Activity          | Stations                                                                                                                                 | Number |
|-----|-------------------|------------------------------------------------------------------------------------------------------------------------------------------|--------|
| 1   | Routine audits    | JNIA, AAKIA, KIA, Arusha, Pemba, Tanga, Mtwara, Songwe, Dodoma, Mwanza, Songea, Iringa and Tabora Kigoma.                                | 15     |
| 2   | Ad hoc audits     | JNIA, KIA, Arusha, Mwanza, Dodoma, Arusha, Songwe and Mtwara                                                                             | 8      |
| 3   | Safety assessment | JNIA, Abeid Aman Karume International Airport (AAKIA), KIA, Arusha, Mtwara, Songwe, Iringa, Mwanza, Songea, Dodoma, Mafia and Shinyanga. | 12     |

#### C. Safety oversight of AIM

| S/N | Activity                               | Stations                                                                                                                                 | Number |
|-----|----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|--------|
| 1   | Routine audits                         | JNIA, AAKIA, KIA, Arusha, Pemba, Tanga, Mtwara, Songwe, Dodoma, Mwanza, Songea, Iringa, Tabora, Kigoma, Aeronautical Charts              | 14     |
| 2   | Ad hoc audits                          | JNIA, KIA, Arusha, Mwanza, Dodoma, Arusha, Songwe and Mtwara                                                                             | 8      |
| 3   | Safety assessment                      | JNIA, Abeid Aman Karume International Airport (AAKIA), KIA, Arusha, Mtwara, Songwe, Iringa, Mwanza, Songea, Dodoma, Mafia, and Shinyanga | 12     |
| 4   | Instrument Procedure designers' audits | ANS - HQ                                                                                                                                 | 4      |

#### D. Safety Oversight of MET

| S/N | Activity       | Stations                                                                                                                 | Number |
|-----|----------------|--------------------------------------------------------------------------------------------------------------------------|--------|
| 1   | Routine audits | JNIA, AAKIA KIA, Arusha, Pemba, Tanga, Mtwara, Songwe, Dodoma, Mwanza, Songea, Iringa, Tabora, Kigoma, Musoma and Bukoba | 15     |
| 2   | Ad hoc audits  | JNIA, KIA, Mwanza, Dodoma, Arusha and Songwe.                                                                            | 6      |

#### E. Safety Oversight of SAR

| S/N | Activity       | Stations                                                                                                  | Number |
|-----|----------------|-----------------------------------------------------------------------------------------------------------|--------|
| 1   | Routine audits | JNIA, AAKIA, Pemba, KIA Arusha, Tanga, Mtwara, Songwe, Dodoma, Mwanza, Songea, Iringa, Kigoma and Tabora. | 15     |

#### F. SMS Audits

| S/N | Activity | Stations                                                                                                          | Number |
|-----|----------|-------------------------------------------------------------------------------------------------------------------|--------|
| 1   | Routine  | JNIA, AAKIA, Pemba, KIA Arusha, Tanga, Mtwara, Songwe, Dodoma, Mwanza, Songea, Iringa, Kigoma and Tabora, Mchauru | 12     |

### G. Certification of Air Navigation Facilities Certificates Issued

| S/N | Planned                      | Actual | Stations |
|-----|------------------------------|--------|----------|
| 1   | 15 Air Navigation Facilities | 15     | 15       |

### H. Approval of Procedures and Facilities

| S/N | Activities                   | Planned | Actual |
|-----|------------------------------|---------|--------|
| 1   | Radar Systems                | 4       | 4      |
| 2   | Aeronautical Charts          | 14      | 14     |
| 3   | ILS                          | 1       | 0      |
| 4   | Instrument Flight procedures | 4       | 4      |
| 5   | Manual of Operations         | 4       | 4      |

### I. Environmental Impact Assessment for ANS Projects

| S/N | Planned                     | Actual | Stations                     |
|-----|-----------------------------|--------|------------------------------|
| 1   | KIA- Radar<br>Songwe- Radar | 4      | JNIA, KIA, Mwanza and Songwe |

### Development and Amendment of Regulations

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

## 2.2 DEPARTMENT OF ECONOMIC REGULATION

### 2.2.1 Air Transport Regulation

The Civil Aviation (Ground Handling Services) Regulations, 2012 is still under review. The review process including the Stakeholders Meeting is expected to be completed during the FY 2022/23.

The stakeholders meeting to collect views/opinion on draft Civil Aviation (Air Transport Facilitation) Regulations was held on 15 July 2021. Extension of the period to collected views/opinion was extended to 30 July 2022. Stakeholders' views/opinions will then be incorporated in the draft Regulations and further be submitted to the Ministry for further processes.

### 2.2.2 Licensing of air and ground handling services

During the year the Board held two (2) Licensing Board Meeting (in 2020/21) and considered a total of 34 and 8 applications for air and ground handling services respectively, as detailed in the tables 21 and 22: status of licensing of air services operators in 2019/20 vs 2020/21.

**Table 18: Status of Licensing of Air Services Operators in 2019/20 Vs 2020/21**

|                                   | 2019/20   |             | 2020/21   |             |
|-----------------------------------|-----------|-------------|-----------|-------------|
|                                   | Approved  | Disapproved | Approved  | Disapproved |
| New Applications                  | 4         | 1           | 5         | 0           |
| Applications for renewal/variatio | 9         | 0           | 29        | 0           |
| <b>Total</b>                      | <b>13</b> | <b>1</b>    | <b>34</b> | <b>0</b>    |

**Table 19: Status of Licensing of Ground Handling Services Operators in 2019/20 Vs 2020/21**

|                                   | 2019/20   |             | 2020/21  |             |
|-----------------------------------|-----------|-------------|----------|-------------|
|                                   | Approved  | Disapproved | Approved | Disapproved |
| New Applications                  | 6         | 1           | 4        | 0           |
| Applications for renewal/variatio | 8         | 0           | 4        | 0           |
| <b>TOTAL</b>                      | <b>14</b> | <b>1</b>    | <b>8</b> | <b>0</b>    |

**Table 20: Bilateral Air Services Agreements (BASAs) for 2020/21**

| S/No. | Year                 | Country                                                                         | Date                                                                                                                                 |
|-------|----------------------|---------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|
| 1.    | New BASAs negotiated | Carbo Verde<br>The Hellenic Republic                                            | December 2021<br>December 2021<br>December 2021                                                                                      |
| 2.    | BASA reviewed        | Senegal<br>Oman<br>United Kingdom<br>DRC<br>Nigeria<br>Qatar<br>Rwanda<br>Kenya | December 2021<br>December 2021<br>December 2021<br>December 2021<br>December 2021<br>December 2021<br>December 2021<br>December 2021 |
| 3.    | BASA Signed          | Belgium                                                                         | November 2021                                                                                                                        |

### 2.1.3 Coordination of Facilitation of Air Transport

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

The 49th and 50th National FAL meetings were held in Zanzibar and Mwanza respectively. East African FAL meeting was not held due to prevailed COVID-19 pandemic.

### 2.2.3 Statistical Reports

The four (4) quarterly statistics reports were issued in August, 2020; November, 2020; February, 2021 and May, 2021 respectively.

### Traffic Performance

During the year international aircraft movements decreased by 49.6% from 36,569 in 2019/20 to 18,448 in 2020/21, International passengers decreased to 995,779 from 2,090,806 passengers recorded in the previous year, which is a 52.4% decrease. During the year some international airlines decreased their frequencies and some stopped their operations due to the outbreak of COVID-19 which led to closure of airspace by some countries. Tanzania closed its airspace for a period of one month and seven days. As a result, the number of tourists declined along with the drop in air traffic.

International cargo handled had a slight increase of 8.9% from 21,063.7 tons in 2019/20 to 22,944.7 tons in 2020/21. The slight increase was due to importation of supporting gears/medications to fight COVID 19 pandemic.

Domestic aircraft movements dropped by 28.3%, from 152,614 movements in 2019/20 to 109,475 movements in 2020/21. Moreover, the corresponding domestic passengers recorded a 23.4% decrease from 2,568,971 passengers in 2019/20 to 1,968,692 passengers in 2020/21.

Domestic cargo increased from 3,108.4 tons in 2019/20 to 3,513 tons in 2020/21, equivalent to a 13% increase. Overall traffic performance of the industry recorded a decrease of 32.4% in aircraft movements, from 189,183 in 2019/20 to 127,923 movements in 2020/21. Overall passenger traffic decreased from 4,659,777 passengers in 2019/20 to 2,964,471 passengers in 2020/21, equivalent to 36.4% decrease. Overall cargo recorded a 9.5% increase, from 24,172 tons in 2019/20 to 26,458 tons in 2020/21.

**Table 21: Traffic performance (FY2019/20 – FY2020/21)**

| Indicator                | Category      | 2019/20          | 2020/21          |
|--------------------------|---------------|------------------|------------------|
| <b>Aircraft Movement</b> | Domestic      | 152,614          | 109,475          |
|                          | International | 36,569           | 18,448           |
|                          | <b>TOTAL</b>  | <b>189,183</b>   | <b>127,923</b>   |
| <b>Passenger Traffic</b> | Domestic      | 2,568,971        | 1,968,692        |
|                          | International | 2,090,806        | 995,779          |
|                          | <b>TOTAL</b>  | <b>4,659,777</b> | <b>2,964,471</b> |
| <b>Cargo (Tons)</b>      | Domestic      | 3,108.4          | 3,513            |
|                          | International | 21,063.7         | 22,944.7         |
|                          | <b>TOTAL</b>  | <b>24,172.2</b>  | <b>26,458</b>    |

## DEPARTMENT OF AIR NAVIGATION SERVICES

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

### 2.2.4 Air Navigation Services

The Authority continued to provide air navigation services in Tanzania, including air traffic services at airspace above 24,500 feet over the territories of Burundi and Rwanda satisfactorily. Operation and maintenance of communication, navigation and surveillance facilities in the Tanzania were carried out satisfactorily and in accordance with the Africa-Indian Ocean (AFI) Air Navigational Plan. The Authority continued to participate in the EAC UFIR follow-on study activities as member of the coordination working group. The service targets levels reached by the Division in the specific areas are as follows:

### 2.2.5 Air Traffic Incidents

During the financial year 2020/21 which ended on 30 June 2021, a total of four (4) air traffic incidents were reported out of 126,247 aircraft movements that were provided with air traffic services within Dar es salaam FIR. The performance reduced the number of incidents per 10,000 aircraft movements from rate of 0.59 in 2019/20 to 0.32. This achievement is slightly below the planned rate of 0.38 for the period.

### 2.2.6 Air Traffic Services

Air Traffic services continued to be provided at fourteen TCAA manned stations and at Area Control Centre (ACC). ACC, Julius Nyerere International Airport, Kilimanjaro International Airport, Zanzibar International airport and Mwanza airport provided the services on 24 hours basis. The remaining 10 airports provided the services during daytime. Surveillance services were provided within Dar es Salaam and Kilimanjaro Terminal Control Area (TMA) and at ACC east.

Also, with effect from 1 January 2021, Mwanza Approach unit commenced to provide Surveillance services within Mwanza TMA.

### 2.2.7 Flight Procedure Design Services

Airspace and flight procedure design services conducted in 2021/22 are as follows;

- Designed RNAV(GNSS) approach procedures, control zone, SID and STARS for Arusha airport
- Designed RNAV(GNSS) approach procedures for Geita (Chato) Airport
- Designed RNAV(GNSS) and conventional approach procedures for Mwanza Airport
- Designed RNAV(GNSS) approach procedures and reviewed conventional IAPs for Zanzibar Airport
- Reviewed RNAV(GNSS) and conventional approach procedures, control zone, SIDs and STARS for

Kilimanjaro Airport

- Reviewed Arusha/Kilimanjaro – Zanzibar VFR corridor.

### **2.2.8 Availability of New CNS facilities**

Preventive and Corrective maintenance of CNS facilities were conducted at the following airports: Pemba, Mtwara, Tabora, Mwanza, Iringa, JNIA, Kigoma, Songwe, KIA, Arusha, Tanga, Songea, AAKIA and Dodoma; and at Civil Aviation Training Centre in Dar es Salaam, Singo (Babati) and the VHF relay stations at Nyanshana, Matogoro, Kaluwe, Changgalawe, Lilungu, Gairo, Kaze hill, Moroninya, Mnyusi, and Lolkisale and Dar as per schedule.

Calibration and flight check for NAVAIDS and PAPI was conducted. In order to improve the availability of CNS facilities the Directorate is in the process of implementing the following projects;

- Designing, Manufacturing, Supply, Installation, Integration, Training, Testing, Commissioning and Technical support of Voice Recorders for JNIA, Dodoma, Songwe and Pemba.
- Supply, Installation, Integration, Training, Testing, Commissioning and Technical support of Digital Automatic Terminal Information Services (D-ATIS) for Kilimanjaro International Airport (KIA) and Arusha Airport is ongoing.
- Supply, Installation, Integration, Training, Testing, Commissioning and technical support of Very High Frequency (VHF) radio communication systems for Tanzania Civil Aviation Authority is on going

### **2.2.9 Operation of Facilities at Optimum Level**

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

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

### **2.2.10 Aeronautical Information Management**

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

Tanzania is undergoing transformation from AIS to AIM by implementing ICAO transition road map from AIS to AIM which has three (3) phases and twenty (21) one steps/activities. To implement the transition from AIS to AIM and ICAO ASBU Block 0 and 1, TCAA is in the process to procure a new AIM System whose functional components include; AIXM 5.X database, electronic AIP (eAIP), electronic Charts (eCharts), electronic Terrain and Obstacle Database (eTOD), Aerodrome Mapping, Instrument Flight Procedure Design System, Flight Planning Management, Briefing/Digital NOTAM System, AIM Web Portal for provision of online services and a tool for submission of raw data from data originators.

The Authority has engaged ICAO TCB for consultancy services and specifications for the AIM System have been developed. Upon full implementation, Tanzania will meet the requirements for efficiency provision

of International Air navigation services in terms of timeliness, accuracy and quality of aeronautical data/information and its sharedness in what is termed as System Wide Information Management (SWIM).

### Provision of Services

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

- **Handling of the Flight Plans**

Handling of the Flight Plans decreased significantly to 50,339 in the period of 2020/2021 country wide compared to 114,686 in the year 2019/20. This is a decrease of 56.1% which was caused by the outbreak of COVID – 19 that led to suspension of aircraft operations to and from the United Republic of Tanzania Airspace.

**Table 22: Flight plan handled (FY2019/20 – FY2020/21)**

| Indicator   | Category | 2019/20 | 2020/21 |
|-------------|----------|---------|---------|
| Flight plan | Domestic | 114,686 | 50,339  |

The international NOTAM Office handled a total of 62,809. Out of them 583 was local/domestic NOTAM issued in Tanzania due to a number of reasons and 62,226 foreign NOTAM. The foreign NOTAM decreased compared to 80,649 of the previous year (2019/20) which was a decrease of 22.67%.

**Table 23: NOTAM handled (FY2019/20 – FY2020/21)**

| Indicator                   | Category      | 2019/20       | 2020/21       |
|-----------------------------|---------------|---------------|---------------|
| NOTAM Handled               | Domestic      | 814           | 583           |
|                             | International | 80,649        | 62,226        |
|                             | <b>TOTAL</b>  | <b>81,463</b> | <b>62,809</b> |
| Pre-flight Bulletins (PIBs) |               | 6,243         | 1,165         |

In addition to the above, Pre-flight Bulletins (PIBs) processed for Airlines and Privates Operators form JNIA, AAKIA and KIA decreased to 1,165 compared to 6,243 issued in the year 2019/20.

### 2.2.11 Aeronautical Information Publications

The section continued with issuance of amendment services to Aeronautical Information Publication (AIP) while adhering to Aeronautical Information and Regulation and Control (AIRAC) system.

**Table 24: Aeronautical Information Publications (FY2019/20 – FY2020/21)**

| Indicator       | 2019/20   | 2020/21   |
|-----------------|-----------|-----------|
| AIP AMDT        | 4         | 3         |
| AIP SUPPLEMENTS | 32        | 34        |
| AICs            | 19        | 11        |
| <b>TOTAL</b>    | <b>55</b> | <b>48</b> |

- **Aeronautical Fixed Services**

The domestic AFS messages handled were 6,043,221 in 2020/21 compared to 7,657,981 messages handled in the previous year 2019/20.

**Table 25: AFS messages handled (FY2019/20 – FY2020/21)**

| Indicator    | 2019/20   | 2020/21   |
|--------------|-----------|-----------|
| AFS messages | 7,657,981 | 6,043,221 |

- **Aerodrome Flight Information Services (AFIS)**

The provision of AFIS continued at Songea airport. More than 112 flights movements were served.

### Other sectional targets

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

1. Preparation and production of aerodrome layout chart of Dodoma, Pemba, Iringa, Mufindi, Kilimanjaro, Geita, Mwanza and Arusha.
2. Preparation and production of;
  - a. Aircraft Parking & Docking Charts of Julius Nyerere International Airport terminal one, two and three, and Mwanza airports.
  - b. Ground Movement Charts of Pemba and Mwanza airports
  - c. Aerodrome obstacle chart of Pemba airports
  - d. RNAV (GNSS) of Mpanda, Zanzibar, Dodoma, Tabora, Kigoma airports
3. Review of En-routes charts within the Dar es Salaam Flight information Region to reflect new changes of the ICAO -Five Letter Name Code (5LNC) designation
4. Visual Approach Charts for Dodoma, Arusha, Geita, Kilimanjaro and Tanga
5. Update and Audit of stations technical documents at Mtwara, Songwe, Iringa, Kilimanjaro, Arusha, Zanzibar, Tanga and Mwanza.
6. Review of Tanzania AIP with regard to amendment of Tanzania Civil Aviation Regulations (TCARs).
7. Conducted proficiency checks at Tanga, Kilimanjaro, Iringa and Songwe.
8. Preparation of National Transition from AIS to AIM Road Map.
9. Review of MANSOPS Part III to comply with Tanzania Civil Aviation Regulations (TCARs).

### Proficiency and Adequacy of staff

In the period only 13 AIM staff were trained in various technical disciplines related to AIM compared to 24 who trained in FY 2019/20. This is a decrease of 45.83%. Below is a table containing various professional courses attended.

**Table 26 AIM staff trained in various professional courses**

| NR | COURSE TITLE                     | 2019/20 | 2020/21 |
|----|----------------------------------|---------|---------|
| 1  | On the Job Training - Instructor | 3       | 0       |
| 2  | AICM/AIXM 5.1 - Advanced         | 0       | 0       |
| 3  | e-AIP                            | 2       | 0       |
| 4  | AIM Quality Control              | 0       | 0       |
| 5  | Aeronautical Data Quality        | 1       | 0       |

| NR | COURSE TITLE                                       | 2019/20   | 2020/21   |
|----|----------------------------------------------------|-----------|-----------|
| 6  | Management of Aviation Quality and Service         | 0         | 0         |
| 7  | Pre-Basic PANS OPS                                 | 0         | 0         |
| 8  | AMHS Operations                                    | 3         | 0         |
| 9  | NOTAM Management                                   | 3         | 0         |
| 10 | AIM Automation System                              | 9         | 0         |
| 11 | Advanced Aeronautical Digital Cartography          | 3         | 0         |
| 12 | PANS OPS Instrument Procedure Design               | 0         | 0         |
| 13 | Human Factor in Aviation                           | 0         | 0         |
| 14 | Advanced Aeronautical Communication and Operations | 0         | 0         |
| 15 | AIS Supervisory Management                         | 0         | 13        |
| 16 | Aeronautical Mobile Service                        | 0         | 0         |
| 17 | Team Resource Management                           | 0         | 0         |
|    | <b>TOTAL</b>                                       | <b>24</b> | <b>13</b> |

### Proficiency and Adequacy of Staff

- i. Five (5) Air Traffic Management Officers (ATMOs) were rated as Approach radar controllers
- ii. Seven (7) Air Traffic Management Officers (ATMOs) were rated as approach Procedural controllers
- iii. Nine (9) Air Traffic Management Officers attended Approach Surveillance Course at CATC
- iv. Thirty-one (31) Approach procedural and Approach Surveillance Controllers from JNIA, Mwanza, Zanzibar and Kilimanjaro did the Bi-Annual Simulation and Proficiency Check at JNIA ATC Simulator.
- v. Four (4) Air Traffic Management Officers attended instructors' training course at CATC
- vi. Seven (7) Air Traffic Management Officers (ATMOs) attended Basic Safety Management System course at CATC

### Safety Management

In the financial year 2020/2021 the Authority conducted safety audits at manned stations namely JNIA, AAKIA, KIA, Mwanza, Dodoma, Arusha, Kigoma, Tabora, Dodoma, Songwe, Iringa and Songea to verify that provision of ANS take into account safety management requirements to ensure that an acceptable level of safety is met.

Safety assessments were conducted where there were planned implementation of airspace restructuring, the introduction of new equipment systems or facilities, and new or changed ATS procedures to ensure that the change is managed effectively without contributing to aircraft incidents or accidents. Safety assessments were conducted during introduction of new SSR Codes for provision of Surveillance services, New Global Runway Reporting Format for reporting runway condition at Kilimanjaro, JNIA, AAKIA and Mwanza, Development of RNAV procedures at Arusha, Kilimanjaro and Songea and introduction of night operation at Dodoma.

SMS sensitization seminar was conducted to SMS Station Coordinators from manned stations namely AAKIA, KIA, JNIA, Mwanza and Arusha to equip them with the knowledge to effectively manage SMS at their respective stations

### Search and Rescue

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

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

Two Civil -Military Coordination Meetings were conducted on 13th November 2020 and 8 – 9 February 2021 in Dar es Salaam and Mtwara respectively.

### The Civil Aviation Training Centre

In 2020/21 financial year, Civil Aviation Training Centre (CATC) continued offering aviation related training courses. The overall function of CATC is to offer aviation training to produce qualified aviation professionals to meet the current and future demand of aviation industry in Tanzania and elsewhere as per ICAO standards. A total of 53 different courses were conducted at the CATC premises and in outstations (Kilimanjaro, Mwanza and Zanzibar). The total numbers of students were 908 whereby 9 were international male students and 899 were local students (641 Male and 258 Female).

**Table 27: Total number of students trained since 2016/2017 to 2020/21**

| Financial year | Total students | Male | Female | International students | Local students | Total courses offered |
|----------------|----------------|------|--------|------------------------|----------------|-----------------------|
| 2015/16        | 940            | 715  | 225    | 109                    | 831            | 49                    |
| 2016/17        | 466            | 310  | 156    | 20                     | 446            | 37                    |
| 2017/18        | 800            | 560  | 240    | 94                     | 706            | 54                    |
| 2018/19        | 1395           | 968  | 427    | 55                     | 1340           | 80                    |
| 2019/20        | 908            | 650  | 258    | 9                      | 899            | 53                    |
| 2020/21        | 2338           | 1567 | 771    | 365                    | 1973           | 156                   |

### New courses developed.

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

### Review of Training Materials

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

### Certification and Accreditation

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

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

## DEPARTMENT OF CORPORATE SERVICES

### Human Resource Management Strategy

During the period under review the Authority prepared Human Resource Management Strategy geared to set out a roadmap for discharging human resource management functions in supporting implementation of TCAA's Strategic Plan. The strategy describes people management vision, strategy and objectives and it ensures that human resource management initiatives align with the Authority's vision, mission and strategic plans. It also aims at transforming TCAA employees into human capital, social capital and eventually an organizational capital. The strategy provides measurable performance indicators for periodic evaluation of the contribution of human resource management initiatives in realizing Authority's Strategic Plan.

### Recruitment

The Authority being Public Service Institution conduct its recruitment process through Public Service Recruitment Secretariat as stipulated in the Section 29 of Public Service Act, Cap 298. During the period under review, a total of 67 staff were recruited compared to 61 in the previous financial year, thus bringing the number of staff to 516 out of 553 in the approved establishment. Staff gender structure is as indicated in below table:

**Table 28: Staff structure**

| Description              | Year ended<br>30 <sup>th</sup> June, 2021 |            |            | Year ended<br>30 <sup>th</sup> June, 2020 |            |            |
|--------------------------|-------------------------------------------|------------|------------|-------------------------------------------|------------|------------|
|                          | Male                                      | Female     | Total      | Male                                      | Female     | Total      |
| Management Team          | 3                                         | 2          | 5          | 3                                         | 3          | 6          |
| Chief/Principal Officers | 181                                       | 63         | 244        | 77                                        | 38         | 115        |
| Senior Officers          | 111                                       | 65         | 176        | 46                                        | 16         | 62         |
| Middle level Officers    | 55                                        | 36         | 91         | 200                                       | 94         | 294        |
| <b>Total</b>             | <b>350</b>                                | <b>166</b> | <b>516</b> | <b>326</b>                                | <b>151</b> | <b>477</b> |

### Employee Relations

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

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

### Medical Assistance

The Authority meets medical expenses of its employees and their immediate dependents through contributing to National Health Insurance Fund (NHIF). Also pays for staff medical examination once in every two (2) years. The Authority also pays for Air Traffic Controllers medical examination once in every year/ two year depending on age.

### HIV/AIDS Policy

The Authority HIV/AIDS Policy focuses on creating awareness on HIV/AIDS among staff members by providing them with update information on HIV/AIDS with emphasis on the preventive strategies and education against the pandemic. The policy also focuses on encouraging employees to undertake voluntary counselling and testing (VCT). Furthermore, the Authority continued to raise awareness to staff on HIV and AIDS issues.

## Employment Policy

Tanzania Civil Aviation Authority is committed to employment policies which follow best practices, based on equal opportunity for all employees irrespective of sex, race, religious, disability, age or marital status. The Authority recognizes the need for ensuring fair employment practices in recruitment and selection, and the retention, training and career development of staff.

## Staff Learning and Development

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

Training is conducted in accordance with an annual training program drawn from training needs assessment, which considers identified skills gaps and exposure to new and ever-changing working and business environment. This guarantees availability competent employees who can meet the Authority's Vision and Mission.

## Persons with Disabilities

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

## Best Presented Financial Statements Award

Tanzania Civil Aviation Authority (TCAA) has been named the 2nd winner of the best presented financial statement for the year 2020/2021 in the government agencies category (user of IPSAS). The award was presented to TCAA at the award gala by the National Board of Accountants and Auditors Tanzania (NBAA) in Dar es Salaam.

## LEGAL UNIT.

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

## The Board

During the year 2020/21, a total of ten (10) Board meetings were conducted whereby seven (7) were ordinary and three (3) were extra-ordinary.

During the period under review, a total of fourteen (14) meetings of the committees of the Board were held whereby nine (9) were ordinary and five (5) were extra-ordinary as follows:

**Table 29: Board Committees**

| S/N | Board Committee            | Ordinary Meetings | Extra-ordinary Meetings | Total     |
|-----|----------------------------|-------------------|-------------------------|-----------|
| 1   | Audit, Risk & ICT          | 3                 | 2                       | 5         |
| 2   | Finance and Administration | 3                 | 2                       | 5         |
| 3   | Regulatory                 | 3                 | 1                       | 4         |
|     | <b>Total</b>               | <b>9</b>          | <b>5</b>                | <b>14</b> |

## Review of the Act

The Act was proposed to be amended so as to incorporate provisions relating to accident and incident investigation; and to address findings from an audit done by ICAO. Further, the 2006 edition of the Act was revised so as to incorporate all amendments made.

## Review of Regulations

The following 10 Regulations are being reviewed to address new ICAO Standards and Recommended Practices. They are still being finalized at the Authority and will later be submitted to the Ministry of Works and Transport for consultation with Stakeholders. The Regulations are:

- i. The Civil Aviation (Aerodromes) Regulations;
- ii. The Civil Aviation (Air Operator Certification and Administration) Regulations;
- iii. The Civil Aviation (Aircraft Accident and Incident Investigation) Regulations;
- iv. The Civil Aviation (Aircraft Registration and Marking) Regulations;
- v. The Civil Aviation (Airworthiness) Regulations;
- vi. The Civil Aviation (Approved Maintenance Organization) Regulations;
- vii. The Civil Aviation (Approved Training Organization) Regulations;
- viii. The Civil Aviation (Instrument and Equipment) Regulations;
- ix. The Civil Aviation (Operations of Aircraft) Regulations; and
- x. The Civil Aviation (Personnel Licensing) Regulations.

## Provision of Legal Advice

During the year 2020/21, the Unit continued to vet procurement contracts and participated in pre-contract negotiations for procurement of goods, works or services.

The Unit also continued to participate and provided legal advice in the Advance Passenger Information/ Passenger Name Record (API/PNR) Committee, Consumer Complaints Unit, Ethics Committee, the Tender Board, TCAA Bulletin Committee and the Website Committee.

The Unit also continued to collaborate with the Office of the Solicitor General in defending one case against the Authority at the High Court in Mwanza.

## PUBLIC INFORMATION

### Public Awareness

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

In order to meet public expectations and what is achieved by TCAA, public outreach is inevitable and implementation of public awareness programs and management of public relations is an integral part of the Authority's functions in order to enhance public knowledge, awareness and understanding of the regulated activities. For the Financial Year 2020/21 the Authority executed several activities related to Communications and Public Relations functions of which have been presented in this report.

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

## Sensitization Program

The Authority conducted sensitization seminars that were successfully carried through the visit at Schools to Ngaza and Nsumba Secondary schools in Mwanza Region. Also, in Tarime Secondary school in Mara region as well as to Dutwa and Bariadi Secondary schools in Simiyu Region.

## Printed feature articles in local newspapers and Authority bi-annual magazine

The Authority printed 35 feature articles in local newspapers and Authority bi annual magazine, TCAA News Bulletin.

## Advertisements

During the year under review, 22 batches of various advertisements were published. The advertisements were mainly on Public Notices, Board Decisions, Commemoration and Congratulatory Messages Adverts, Public Notice, licensing notices and Tenders.

## Exhibitions

The Authority participated in 1 exhibition (Industry Week), conducted public awareness, information and education activities where various publications such as brochures, Newsletter and TCAA annual reports were distributed to the public. At the end of 6 days exhibition the Authority served more than 700 registered visitors at TCAA booth.

## Publicity Materials

During the year, the Authority facilitated the distribution of TCAA's education and information materials to the Government and the general public through various events such as exhibitions, public inquiry meetings, stakeholders' meetings and students visits at our facility. During the year, the Authority published various reports namely: TCAA brochures, posters and TCAA Newsletters. Various banners were also used.

## Charitable Donations

The Authority made donations during the year ended 30 June 2021 to institutions and charitable organizations to acknowledge TCAA's responsibility to community social needs. The Tailor machines were donated to Ukonga Prison, by Tanzania Air Traffic Controllers Association (TATCA).









## Mandate

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

## Vision

A credible and modern Supreme Audit Institution with high-quality audit services for enhancing public confidence.

## Mission

To provide high-quality audit services through modernization of functions that enhances accountability and transparency in the management of public resources.

**Motto:** “Modernizing External Audit for Stronger Public Confidence”

## Core values

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

- i. Independence and objectivity
- ii. Professional competence
- iii. Integrity
- iv. Creativity and Innovation
- v. Results-Oriented
- vi. Teamwork Spirit

## We do this by:

Contributing to better stewardship of public funds by ensuring that our clients are accountable for the resources entrusted to them;

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

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



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# List of Abbreviations

|               |                                                     |
|---------------|-----------------------------------------------------|
| <b>AAKIA</b>  | Abeid Aman Karume International Airport             |
| <b>AATO</b>   | Africa Aviation Training Organization               |
| <b>AC</b>     | Audit Committee                                     |
| <b>ADS-B</b>  | Automatic Dependent Surveillance Broadcast          |
| <b>Adv.</b>   | Advanced                                            |
| <b>ADM</b>    | Administrations                                     |
| <b>AFCAC</b>  | African Civil Aviation Commission                   |
| <b>AGA</b>    | Aerodromes & Ground Aids                            |
| <b>AIDS</b>   | Acquired Immune Deficiency Syndrome                 |
| <b>AME</b>    | Aircraft Maintenance Engineer                       |
| <b>AMEL</b>   | Aircraft Maintenance Engineer License               |
| <b>AMO</b>    | Approved Maintenance Organization                   |
| <b>ANS</b>    | Air Navigation Services                             |
| <b>AOC</b>    | Air Operator Certificates                           |
| <b>ASBU</b>   | Aviation System Block Upgrades methodology          |
| <b>ATM</b>    | Air Traffic Management                              |
| <b>ATO</b>    | Approved Training Organization                      |
| <b>ATS DS</b> | Air Traffic Services Direct Speech                  |
| <b>AVSEC</b>  | Aviation Security                                   |
| <b>BA</b>     | Bachelor of Art                                     |
| <b>BASA</b>   | Bilateral Aviation Service Agreement                |
| <b>BBA</b>    | Bachelor of Business Administration                 |
| <b>BSC</b>    | Bachelor of Science                                 |
| <b>BOD</b>    | Board of Directors                                  |
| <b>BOT</b>    | Bank of Tanzania                                    |
| <b>BOQ</b>    | Bill of Quantities                                  |
| <b>CAG</b>    | Controller and Auditor General                      |
| <b>CAM</b>    | Civil Aviation Manager                              |
| <b>CANSO</b>  | Civil Air Navigation Service Organization           |
| <b>CATC</b>   | Civil Aviation Training Center                      |
| <b>CASSOA</b> | Civil Aviation Safety and Security Oversight Agency |
| <b>CAP</b>    | Corrective Action Plan                              |
| <b>CCC</b>    | Consumer Consultative Council                       |

|                 |                                                  |
|-----------------|--------------------------------------------------|
| <b>CCU</b>      | Consumer Complaint Unit                          |
| <b>CGF</b>      | Consolidated Government Fund                     |
| <b>CNS</b>      | Communications, Navigation and Surveillance      |
| <b>COVID-19</b> | Corona Virus Disease 2019                        |
| <b>CPA</b>      | Certified Public Accountant                      |
| <b>CSP</b>      | Certified Supplies Officer                       |
| <b>DANS</b>     | Director Air Navigation Services                 |
| <b>DCB</b>      | Dar es Salaam Community Bank                     |
| <b>DCS</b>      | Directorate of Corporate Services                |
| <b>DER</b>      | Director Economic Regulation                     |
| <b>DG</b>       | Director General                                 |
| <b>DGM</b>      | Dangerous Goods Material                         |
| <b>DRC</b>      | Democratic Republic of Congo                     |
| <b>DSR</b>      | Director Safety Regulations                      |
| <b>EAC</b>      | East African Community                           |
| <b>EAC UFIR</b> | Upper Flight Information System                  |
| <b>ELP</b>      | English Language Proficiency                     |
| <b>FAC</b>      | Finance and Administration Committee             |
| <b>FAL</b>      | Air Transport Facilitation meetings              |
| <b>FIR</b>      | Flight Information Region (FIR)                  |
| <b>FYSP</b>     | Five Years Strategic Plan                        |
| <b>GANP</b>     | Global Air Navigation Satellite System           |
| <b>GASR</b>     | Global Aviation Safety Roadmap                   |
| <b>GePG</b>     | Government e-Payment Gateway                     |
| <b>GPSA</b>     | Government Procurement Services Agency           |
| <b>GNSS</b>     | Global Navigation Satellite System               |
| <b>HQ</b>       | Head Quarter                                     |
| <b>HRM</b>      | Human Resources Manager                          |
| <b>HIV</b>      | Human Immunodeficiency Virus                     |
| <b>ICAO</b>     | International Civil Aviation Organization        |
| <b>ICAN</b>     | ICAO Air Services Negotiation Event              |
| <b>ICT</b>      | Information Communication Technology             |
| <b>ICVM</b>     | ICAO Compliance Validation Mission               |
| <b>ILS</b>      | Instrument Landing System                        |
| <b>IPSAS</b>    | International Public Sector Accounting Standards |
| <b>ISO 9001</b> | International Standard Organization              |

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|                |                                                             |
|----------------|-------------------------------------------------------------|
| <b>IT</b>      | Information Technology                                      |
| <b>ITP</b>     | ICAO Training Package                                       |
| <b>JNIA</b>    | Julius Nyerere International Airport                        |
| <b>KADCO</b>   | Kilimanjaro Airports Development Company                    |
| <b>KIA</b>     | Kilimanjaro International Airport                           |
| <b>LLB</b>     | Bachelor of Law                                             |
| <b>LLM</b>     | Master's Degree of Law                                      |
| <b>MA</b>      | Master of Arts                                              |
| <b>MBA</b>     | Master of Business Administration                           |
| <b>MBA-IB</b>  | Master of Business Administration in International Business |
| <b>MET</b>     | Aeronautical Meteorological                                 |
| <b>MPA</b>     | Master of Public Administrations                            |
| <b>Msc</b>     | Master of Science                                           |
| <b>MTEF</b>    | Medium Term Expenditure Framework                           |
| <b>NACTE</b>   | National Council of Technical Education                     |
| <b>NAO</b>     | National Audit Office                                       |
| <b>NAVAIDS</b> | Navigational Aids                                           |
| <b>NBAA</b>    | National Board of Accountants and Auditors                  |
| <b>NBC</b>     | National Bank of Commerce                                   |
| <b>NCASC</b>   | National Civil Aviation Security Committee Meetings         |
| <b>NCASP</b>   | National Civil Aviation Security Programme                  |
| <b>NCASQCP</b> | National Civil Aviation Security Quality Control Programme  |
| <b>NCASTP</b>  | National Civil Aviation Security Training Programme         |
| <b>NEMC</b>    | National Environment Management Council                     |
| <b>NDB</b>     | Non-Directional Beacons                                     |
| <b>NMB</b>     | National Microfinance Bank                                  |
| <b>SARPS</b>   | Standard and Recommended Practices                          |
| <b>SMS</b>     | Safety Management System                                    |
| <b>SSP</b>     | State Safety Program                                        |
| <b>PAA</b>     | Public Audit Act                                            |
| <b>PAP</b>     | Precision Approach Procedures                               |
| <b>PHD</b>     | Doctor of Philosophy                                        |
| <b>PHRO</b>    | Principal Human Resource Officer                            |
| <b>PGD</b>     | Postgraduate                                                |
| <b>Prof.</b>   | Professor                                                   |
| <b>PMU</b>     | Procurement Management Unit                                 |

|               |                                                            |
|---------------|------------------------------------------------------------|
| <b>PSAT</b>   | Provision Site Acceptance Test                             |
| <b>ISSAI</b>  | International Standard of Supreme Audit Institutions       |
| <b>PSPTB</b>  | Procurement & Supplies Professionals and Technicians Board |
| <b>QMS</b>    | Quality Management System                                  |
| <b>RNAV</b>   | Random/Area Navigation                                     |
| <b>RTCE</b>   | Regional Training Centre of Excellence                     |
| <b>SIDs</b>   | Standard Instrument Departures                             |
| <b>STP</b>    | Standardized Training Packages                             |
| <b>STARs</b>  | Standard Instrument Arrival Routes                         |
| <b>TAA</b>    | Tanzania Airports Authority                                |
| <b>TANAPA</b> | Tanzania National Parks                                    |
| <b>TCAA</b>   | Tanzania Civil Aviation Authority                          |
| <b>TCARs</b>  | Temporary Computer Access and Retrieval System             |
| <b>TFDA</b>   | Tanzania Food and Drugs Authority                          |
| <b>TGMs</b>   | Technical Guidance Materials                               |
| <b>TIB</b>    | Tanzania Investment Bank                                   |
| <b>TUGHE</b>  | Tanzania Union of Government and Health Employees          |
| <b>TFTU</b>   | Tanzania Federation of Trade Unions                        |
| <b>TMA</b>    | Tanzania Meteorological Agency                             |
| <b>TRA</b>    | Tanzania Revenue Authority                                 |
| <b>TZS</b>    | Tanzanian Shillings                                        |
| <b>UNDP</b>   | United Nations Development Programme                       |
| <b>USAP</b>   | Universal Security Audit Programme                         |
| <b>USOAP</b>  | Universal Safety Oversight Audit Programme                 |
| <b>VCT</b>    | Voluntary Counseling and Testing                           |
| <b>VHF</b>    | Very High Frequencies                                      |
| <b>ZAA</b>    | Zanzibar Airports Authority                                |

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## DIRECTORS' REPORT FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2021

### 1.1 INTRODUCTION

The Directors are pleased to submit this report together with the audited financial statements for the year ended 30 June 2021 which disclose the state of affairs of Tanzania Civil Aviation Authority (TCAA).

### 1.2 ESTABLISHMENT

Tanzania Civil Aviation Authority also referred to as "TCAA" or "the Authority" was established pursuant to the Civil Aviation Act (CAP 80 of the Laws [R.E. 2020]) (the "Act").

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

### 1.3 DUTIES OF TCAA

The duties of the Authority according to Section 30 of the Act are:

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

### 1.4 PRINCIPAL FUNCTIONS OF THE AUTHORITY

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

- (a) perform the following: -
  - (i) to issue, renew, vary and cancel air service licences;
  - (ii) to establish standards for regulated goods and regulated services;
  - (iii) to establish standards for the terms and conditions of supply of the regulated goods and services;
  - (iv) to regulate rates and charges;
  - (v) to make rules for carrying out the purposes and provisions of the Act;
- (b) monitor the performance of the regulated suppliers including in relation to -
  - (i) levels of investment;
  - (ii) availability, quality and standards of services;
  - (iii) the cost of services;
  - (iv) the efficiency of production and distribution of services, and
  - (v) other matters relevant to the Authority;

- (c) facilitate the resolution of complaints and disputes;
- (d) take over and continue carrying out the functions formerly of the former Authority;
- (e) disseminate information about matters relevant to the functions of the Authority;
- (f) consult with other regulatory authorities or bodies or institutions discharging functions similar to those of the Authority in the united Republic and elsewhere;
- (g) administer the Act;
- (h) plan, develop, regulate and promote operations of a safe, secure and efficient civil aviation system;
- (i) conduct safety, security and economic oversight of the aviation industry;
- (j) establish and implement the state safety programme;
- (k) establish an acceptable level of safety;
- (l) advice the Government on matters concerning civil aviation;
- (m) coordinate search and rescue operations of aircraft;
- (n) deal with acts of unlawful interference;
- (o) establish, manage and operate training institutions for the industry;
- (p) plan, develop and formulate the safe, secure and efficient management of Tanzanian airspace; and
- (q) perform such other functions as may be conferred on the Authority by the Act or any other law.

In addition to its regulatory functions, the Authority also provides air navigation services.

### 1.5 OBJECTIVES OF THE FINANCIAL STATEMENTS

**TCAA Financial Statements for 2020/21 fulfil the following objectives:**

- i. comply to the requirements of Section 72 (1) of Civil Aviation Act [R.E. 2020]) (the “Act”);
- ii. inform stakeholders and the general public on the Authority’s performance in regulation of energy and water sectors;
- iii. educate stakeholders of regulated sectors and the general public on regulatory matters; and
- iv. Provides a source of reliable information on the regulated sectors.

### 1.6 BOARD MEMBERS

The Board of Directors of TCAA as the highest decision-making organ of the Authority is established under Section 32 of the Civil Aviation Act (Chapter 80 of the Laws [R.E. 2020]) (the “Act”).

The Board consists of Six (6) members, Six (6) non-executive members including the Chairman and the Vice Chairman and one (1) executive member who is also the Director General. The Chairman and the Vice Chairman of the Board and the Director General are appointed by the President of the United Republic of Tanzania while other Board Members are appointed by the Minister responsible for matters relating to civil aviation.

The Director of Legal Services also serves as secretary to the Board. During the financial year 2020/21 Mr. Vallery Chamulungu, served as Secretary of the Board for 6 months until his retirement on 3 January 2021. Ms. Maria M. Memba continued to serve as Acting Director of Legal Services as well as Secretary to the Board from 26 January 2021. The Board of Directors detailed information is indicated on Table 1 below.

During the year under review, a total of eight (8) board meetings were conducted whereby four (4) were Ordinary and other four (4) were Extra Ordinary.

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

| SN | Name                         | Position  | Qualification            | Nationality | Date of appointment | End of tenure | Age |
|----|------------------------------|-----------|--------------------------|-------------|---------------------|---------------|-----|
| 1  | Prof. Longinus K. Rutasitara | Chairman  | PhD in Economics         | Tanzanian   | 26-Sep-19           | 25-Sep-2022   | 63  |
| 2  | Dr. Eng. Malima M. Bundara   | Member    | PhD in Engineering       | Tanzanian   | 02-Feb-18           | 01-Feb-2022   | 70  |
| 3  | Dr. Siasa I.Mzenzi           | Member    | PhD Accounting, ACPA (T) | Tanzanian   | 02-Feb-18           | 01-Feb-2022   | 43  |
| 4  | Ms. Rukia J. Adam            | Member    | MBA, ACPA (T)            | Tanzanian   | 23-Jul-20           | 22-Jul-2024   | 65  |
| 5  | Mr. Hamza S. Johari          | Member    | LL.B., LL.M.             | Tanzanian   | 22-Feb-16           | Permanent     | 50  |
| 6  | Mr. Yussuf M. Ali            | Member    | MSc. Economic & Finance  | Tanzanian   | 23-Jul-20           | 22-July-2024  | 48  |
| 7  | Mr.Vallery L. Chamulungu     | Secretary | LLB, MBA                 | Tanzanian   | 03-Jan-11           | 02-Jan-2021   | 60  |
| 8  | Ms. Maria M. Memba           | Secretary | LL.B., LL.M.             | Tanzanian   | 26-Jan-21           |               | 45  |

## 1.7 BOARD COMMITTEES

The committees of the Board of Directors are established in accordance with the Board's requirements to fulfill its oversight responsibilities. The Board has three (3) Committees based on sectoral and cross-cutting issues. These are Audit, Risk & ICT Committee, Finance & Administration Committee and Regulatory Committee.

During the year under review, a total of thirteen (13) committee meetings were conducted.

**Table 2: Board Committees**

| S/N | Board Committee                      | Number of Meetings |
|-----|--------------------------------------|--------------------|
| 1   | Audit, Risk & ICT Committee          | 4                  |
| 2   | Finance and Administration Committee | 5                  |
| 3   | Regulatory Committee                 | 4                  |

## 1.8 MEETINGS OF THE BOARD OF DIRECTORS AND ITS COMMITTEES

**Table 3 (a): Ordinary Meetings of the Board of Directors and its Committees**

| Details                              | Number of meetings required annually | Number of meetings held |
|--------------------------------------|--------------------------------------|-------------------------|
| Board of Directors                   | 4                                    | 4                       |
| Audit, Risk & ICT Committee          | 4                                    | 2                       |
| Finance and Administration Committee | 4                                    | 3                       |
| Regulatory Committee                 | 4                                    | 3                       |

**Table 3 (b): Extra Ordinary Meetings of the Board of Directors and its Committees**

| Details                              | Number of meetings held |
|--------------------------------------|-------------------------|
| Board of Directors                   | 4                       |
| Audit, Risk & ICT Committee          | 2                       |
| Finance and Administration Committee | 2                       |
| Regulatory Committee                 | 1                       |

## 1.9 INTERNAL MONITORING SYSTEM

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

## 1.10 FINANCE AND BUDGET ADMINISTRATION

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

## 1.11 PROCUREMENT MANAGEMENT

Procurement functions were undertaken in accordance with Public Procurement Act 2011 and its regulations of 2013 as amended in 2016. The functions included capacity building of Procurement Management Unit staff and Tender Board members by facilitating training on Public Procurement law, preparation of Annual Procurement Plan, conducting tendering processes and coordination of contract implementation.

During the year under review, the Authority planned to implement 80 tenders out of which 62 equivalents to 77.5 percent resulted into contracts. The remaining tenders were postponed due to financial constraints caused by COVID-19 pandemic and adjustment of requirements.

Tenders that resulted into contracts include:-

- (a) Acquisition of general spare parts and test gears;
- (b) Consultancy services for design, manufacture, supply, installation, testing, integration training, technical support and commissioning of AIM System;
- (c) Provision of Area Navigation (RNAV) and Global Navigation Satellite Systems (GNSS) of flight checks and validation services of instrument approach procedures at AAKIA, Dodoma Airport, Tabora Airport and Kigoma Airport;
- (d) Procurement of furniture for HQ, JNIA, CATC and Chang'ombe Central workshop;
- (e) Procurement of Heavy-Duty Photocopier for AIS and Chang'ombe central workshop;
- (f) Supply and installation of Digital Terminal Information Services System (D-ATIS) for KIA and Arusha Airport;
- (g) Supply and installation of heavy-duty photocopier machine and coloured heavy-duty printer for CATC; and
- (h) Provision of Communication Network (Virtual Private Network-VPN) and Internet services for HQ.

## 1.12 CODE OF CONDUCT

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

## 1.13 INTERNAL AUDIT

Internal Audit is conducted as part of requirement of the Act as stipulated in part vii section 45 paragraph (1). Currently the Unit is composed of four staff, among of which is the head of the Unit (manager), and the rest are principals.

The Function of the Unit entails giving assurance on risk management, control, and governance (GRC) processes. It carries out its functions in accordance with the Internal Audit Charter, Annual Audit Plan, and International Professional Practices Framework (IPPF). During the period under review, the Authority witnessed a smooth

running of various processes under the guidance of the oversight bodies which include the Board of Directors and its Audit Committee.

The Internal Audit activity continued to assist the Board and Management in ensuring that there is improvement in the effectiveness of risk management, control, and governance processes. During the period the Unit accomplished its mandate through undertaking 42 engagements both assurance and consulting activities. The quarterly reports for assurance activities were tabled to Management, Audit Committee and Board for discussion, recommendation and finally directives.

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

## 1.14 MANAGEMENT COMMITTEES

### (a) Ethics Committee

The committee deals with staff ethical issues in the Authority. Members of the committee are indicated in table 4 below;

**Table 4: Ethics Committee**

| SN | Name                    | Position    | Qualification                                                        |
|----|-------------------------|-------------|----------------------------------------------------------------------|
| 1  | Mr. Burhan Majaliwa     | Chairperson | PGD Scientific Computing & Advanced Diploma in Public Administration |
| 2  | Ms. Mwanajumaa Kombo    | Member      | PGD in Transport                                                     |
| 3  | Mr. Elineema Philemon   | Member      | MBA-IB, BBA                                                          |
| 4  | Ms. Tamika Mwakabumbila | Member      | Msc. Statistics                                                      |
| 5  | Ms. Massa Mumburi       | Secretariat | LLM                                                                  |

### (b) Quality Committee

The committee deals with quality management system issues as per certification systems with accordance with ISO Standards. Committee members are indicated in table 5 below;

**Table 5: Quality Committee**

| SN | Name                | Position    | Qualification                                                          |
|----|---------------------|-------------|------------------------------------------------------------------------|
| 1. | Mr. Magesa Sarota   | Chairperson | MBA (Marketing)                                                        |
| 2. | Ms. Tumaini Mgaya   | Member      | MSC (Air Transport)                                                    |
| 3. | Mr. Burhan Majaliwa | Member      | PGD (Scientific Computing & Advanced Diploma in Public Administration) |
| 4  | Ms. Thamarath Abeid | Member      | BSC(Education)                                                         |
| 5  | Ms. Eufrasia Bille  | Member      | BSC(Business Administration)                                           |

### (c) Workers Council

The workers council advises and recommend to the Board of Directors on all matters on staff and management issues which need workers participation as per agreed regulations and procedures. Workers council memberships are as indicated in table 6 below;

**Table 6: Workers Council**

| SN | Name                | Position    |
|----|---------------------|-------------|
| 1. | Mr. Hamza S. Johari | Chairperson |
| 2. | Mr. Mweya D. Mweya  | Secretary   |

| SN  | Name                                     | Position         |
|-----|------------------------------------------|------------------|
| 3.  | Ms. Massa K. Mumburi                     | Deputy Secretary |
| 4.  | 5 Directors                              | Members          |
| 5.  | 21 Chief and Managers (Head of Sections) | Members          |
| 6.  | 14 Civil Aviation Managers               | Member           |
| 7.  | 17 TUGHE Representatives                 | Member           |
| 8.  | 11 Workers Representatives               | Member           |
| 9.  | 1 Guest from TFTU                        | Member           |
| 10. | 1 Guest from Government Workers Council  | Member           |

#### (d) Tender Board

The tender board's role is to advise the Director General on all matters relating to procurement matters. Tender Board Members are indicated on table 7 below

**Table 7: Tender Board**

| SN | Name                    | Position    | Qualifications                                    |
|----|-------------------------|-------------|---------------------------------------------------|
| 1. | Mr. Daniel N. Malanga   | Chairperson | Master's in business administration               |
| 2. | Mr. Yoswam M. Nyongera  | Secretary   | MBA - Procurement & Logistics Management, CSP (T) |
| 3. | Ms. Flora A. Mwanshinga | Member      | Ms. Engineering Management                        |
| 4. | Ms. Mwanajumaa M. Kombo | Member      | Post graduate Diploma in Air Transport Management |
| 5. | Mr. Jamal A. Kiggundu   | Member      | MBA – Finance & ACPA (T)                          |
| 6. | Ms. Valerie Chilipweli  | Member      | Master's in Business Administration               |
| 7. | Ms. Patricia Chenga     | Member      | Master of International Air and Space Law         |
| 8. | Mr. Arstid Kanje        | Member      | MBA Corporate Management & BSc. With Education    |

#### (e) Gender Desk

The objective of the committee is to ensure all gender related issues are addressed in accordance with the Authority's procedures. Committee members are indicated in table 8 below;

**Table 8: Gender Desk**

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

#### (f) HIV/AIDS Committee

The committee's role is advising on all matters relating to HIV/AIDS as per the National HIV/AIDS policy. HIV/AIDS committee members are indicated in table 9 below:

**Table 9: HIV/AIDS Committee**

| SN | Name                   | Position     | Qualification                |
|----|------------------------|--------------|------------------------------|
| 1. | Ms. Amina S. Ally      | Focal Person | MBA (HRM)                    |
| 2. | Ms. Valerie Chilipweli | Member       | MBA(PHRO)                    |
| 3. | Ms. Euphrasia Bille    | Member       | BSC(Business Administration) |
| 4. | Ms. Mwanajumaa Kombo   | Member       | PGD in Transport             |

### 1.15 INDEPENDENCE

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

### 1.16 MANAGEMENT OF THE AUTHORITY

The Authority is governed by the Board of Directors and the day-to-day management is entrusted to the Director General. As the Board does not involve itself in a day-to-day activity, the MTEF was developed, based the strategic plan to guide the management on its day-to-day activities. The strategic plan provides the following key performance indicators which are used by the Board to measure performance of the Authority during a particular period. The analysis on the extent of implementation of the Strategic Plan shows that 124 out of the 150 relevant activities have been implemented (82%). There were 17 activities that had been started (11%) and which are not completed while implementation on 9 activities have not started (6%). The overall performance translates to 94% implementation these indicators are as follows: -

#### (a) Safe and Secure Civil Aviation System Enhanced

This was achieved through enhancement of safety, protection of environment and reduction of incidents and accidents. The Authority managed to:

- i. Reduce accident and incident rates by 3% annually from 0.88 accidents and 8.98 incidents per 100,000 departures throughout 2015/16 to June, 2021;
- ii. Reduce acts of unlawful interferences against civil aviation by June, 2021; and
- iii. Minimized adverse effect of civil aviation activities on the environment by June, 2021. To enhances effective Safety Oversight System by June, 2021.

Performance indicators were as follows: -

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

#### (b) Air Transport Industry Orderly developed

This was achieved through participation in civil aviation policy formulation by the Ministry of Works, Transport and Communications, promotion of competition and economic efficiency, protection interest of consumers and investors in the aviation industry and facilitation of air transport services in the country. The Authority managed to:

- i. undertake the advisory role in civil aviation policy making by June 2021;
- ii. ensure effective competition and economic efficiency by June 2021;
- iii. protect Consumers and investors interest by June 2021; and
- iv. facilitate air transport Services by June 2021.

Performance indicators were as follows: -

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

#### (c) Safe, Orderly and Expeditious flow of Air Traffic enhanced

This was achieved through enhancing safety to prevent aircraft collision and reduce incidents, to ensure efficient provision of air navigation services and strengthen and build capacity of Area Control Centre. The Authority managed to:

- i. prevent aircraft collision and reduce rate of air traffic incidents by 50% annually; from rate of

- 1.77 per 10,000 aircraft movement by June 2021;
- ii. ensure efficient provision of air navigation services by June 2021;
- iii. build and strengthen capacity of Area Control Centre by June 2021; and
- iv. implement Safety management system (SMS) in the air traffic management by June 2021.

Performance indicators were as follows: -

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

#### **(d) Organizational Efficiency Improved**

This was achieved through enhancing corporate image, strengthening internal control systems, and improving human resource capacity. The Authority managed to:-

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

Performance indicators were as follows: -

- i. Unqualified report (clean); and
- ii. Level of customer satisfaction.

### **1.17 AUTHORITY'S DIRECTORATES**

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

- (a)** Directorate of Safety Regulation (DSR)
- (b)** Directorate of Economic Regulation (DER)
- (c)** Directorate of Corporate Services (DCS)
- (d)** Directorate of Air Navigation Services (DANS)

### **1.18 ORGANIZATIONAL OVERVIEW/ ORGANIZATIONAL STRUCTURE**

While the Director General reports to the Board, Directors reports to the Director General. **(Appendix 1)**

- a. The office of the Director General comprises the following nine(9) Sections:
  - i. Internal Audit Unit;
  - ii. Legal Services Unit;

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

## 1.19 REVIEW OF BUSINESS PERFORMANCE

### 1.19.1 Financial Performance

During the period under review, revenue decreased by 25.9% from TZS 76.5 billion in 2019/20 to TZS 56.7 billion in 2020/21. The decrease is mainly attributed to the decrease in revenue from exchange, non-exchange transactions and other income due to the COVID 19 pandemic. Following the decrease in revenue the Authority realized a deficit of TZS 3.6 billion in 2020/21 compared to surplus of TZS 9.3 billion recorded in 2019/20.

The total assets of the Authority decreased from TZS 289.8 billion in 2019/20 to TZS 277.8 billion representing decrease of 4.1% in total assets from previous year. Consequently, net equity decreased by 1.3% from TZS 263.5 billion in 2019/20 to TZS 260.0 billion in 2020/21.

Non-Current Assets capitalized during the year 2020/21 amounted to TZS 34.4 billion, this includes WIP transferred in, from previous year amount to TZS 22.9 billion :

- i. Construction of technical buildings - TZS 2.7 billion
- ii. Procurement of Telecommunications and Navigational Aids (NAVAIDS) Equipment - TZS 20 billion
- iii. Procurement of office equipment-TZS 2.1 billion
- iv. Procurement of office furniture and fittings - TZS 130.8 million
- v. Purchase computers- TZS 2.6 billion
- vi. Ongoing projects including CATC building project and Voice Recorder - TZS 6.4 billion.

Generally, the financial performance results indicate that the Authority's existing sources of revenue can sustain its operations. The Authority will continue to monitor closely its current sources of revenue and explore alternative sources to sustain its operations including expediting the completion of the ongoing projects i.e., VHF relay Stations and AIM Solution (AIXM).

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

#### (a) Key Achievements

During the year under review, the Authority registered the following achievements: -

- i. Improved Communication Navigation and Surveillance (CNS) facilities in United Republic of Tanzania airspace;
- ii. Enhanced capacity building for Authority staff and strengthened civil Aviation Training Centre.
- iii. Efficient and effective management of Authority resources coupled with sound financial and administrative services
- iv. Sustained compliance with International Civil Aviation Organization Standards (ICAO SARPs).
- v. Successfully enforced legal and regulatory requirement in Air Transport sector.
- vi. Continued to review various regulatory tools and develop new ones. Most of the tools were developed to meet the requirements of the International Civil Aviation Organization (ICAO) and includes laws and regulations, Manuals for Air Navigations Operations and Financial Rules
- vii. Successfully conducted monitoring and inspection of its regulated activities. This has improved the quality of services provided by Air Operators, Aerodrome Operators and Equipment and Aerodromes used in the Industry.
- viii. Enhanced collaboration with other Government institutions such as Tanzania Food & Drug Authority (TFDA), Tanzania Airports Authority (TAA), National Environment Management Council (NEMC), Tanzania Revenue Authority (TRA) Zanzibar Airports Authority (ZAA), Police Force, Tanzania People's Defense Forces and others on matters that require Collaborative Decision Making (CDM);
- ix. The Authority conducted sensitization meetings to stakeholders in KIA, AAKIA, Dodoma and Mwanza airports in a bid to improve performance of the industry.

During the year, the Authority continued with the implementation of its Strategic Plan for the year 2016/17 – 2020/21 that guided the Authority's operations in five (5) years period. The year 2020/21 was the last year of its implementation. The analysis on the extent of implementation of the Strategic Plan shows that out of the 150 relevant activities:

- i. Implemented - 124 (82%);
- ii. Not completed - 17 (11%); and
- iii. Not implemented - 9 (6%).

This translates to the overall performance of 94%.

**(a) Challenges**

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

- i. Decline of revenue collection which was attributed to the decline of air traffic due to continued impact of COVID 19. The Authority registered revenue decline from TZS 76.5 billion in 2019/20 to TZS 56.4 billion in 2020/21. However, despite the pandemic, the Authority managed to review its financial plans by cutting down costs to sustain critical operations;
- ii. Stakeholders are reluctant to contribute to the training fund (Pilots and AMEs training Fund) due to contribution in Skills Development Levy (SDL);
- iii. Inadequate airport infrastructural facilities for Liberalization of Ground Handling;
- iv. Inability to attract and retain Aviation personnel (Experts) due to uncompetitive remuneration and incentives;
- v. Centralization of decision making on human resource management through Public Services Act (Chapter 298) and its adverse effect on Authority’s operations.

**(b) Future Strategies**

- i. Improvement of Air Navigation Facilities;
- ii. Improvement of financial and Administrative support services through automation of business processes;
- iii. Implementation of Human resource management strategy in order to attract and retain competent human resource;
- iv. Sustain Law Enforcement in Air Transport Sector;
- v. Strengthening Capacity of Civil Aviation Training Centre
- vi. Implementation of strategy to manage and oversee Unmanned aerodromes and Unmanned Aerial Vehicles;
- vii. Implementation of Global Air Navigation Plan (GANP).

**1.19.2 Operational Performance (Implementation of Corporate Plan Activities)**

During the financial year 2020/21, the Authority did not perform most of the planned activities due to reduced revenue collection by 52% following COVID 19 Pandemic. Some of the key results/major activities and developments which were performed during this period included the following:

**(a) Implementation of TCAA Corporate Strategic Plan for 2016/17 – 2020/21**

The Authority continued to implement the third five years (5) Corporate Strategic Plan which was prepared to cover 2016/17 to 2020/2021 periods. The Corporate Strategic Plan was presented to Management, Workers Council and finally to the Board for approval. Some of the main projects implemented are as indicated in table 10:

**Table 10: TCAA Projects**

| S/N | Project Name                                      | Status                                                                                                                                                                       |
|-----|---------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.  | Completion of Radar Project                       | Project completed and Radars systems are operational, currently under warranty period.                                                                                       |
| 2.  | Acquisition of spares and test gears by June 2021 | The acquisition of spares and test gears of communication and surveillance equipment (test gears) are in good progress following awarding of tender to a potential supplier. |

| S/N | Project Name                                                                                                                                        | Status                                                                                                                                                 |
|-----|-----------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3.  | Flight Calibration of Navigational equipment at JNIA, AAKIA, KIA, Mwanza, Tabora, Songwe, Dodoma and Pemba stations by June 2021                    | Flight calibration is planned after completion of corrective maintenance of NAVAIDS through Contract No. TCAA/MCS/26/2019/2020.                        |
| 4.  | Maintenance support contract of navigation aids for JNIA, KIA, AAKIA, TB AND MZ                                                                     | The Letter of Credit (LC) was opened on 20 June 2021, processes for shipment of spares are underway.                                                   |
| 5.  | Rehabilitation of house (Owned by TCAA) at Songwe Airport                                                                                           | Postponed due to financial constraints.                                                                                                                |
| 6.  | Construction of fence at Non-Directional Beacon (NDB) Mbeya, Iyela                                                                                  | Postponed due to financial constraints.                                                                                                                |
| 7.  | Design, manufacture, supply, installation, testing, integration, installation, training, technical support and commissioning of AIM Solution (AIXM) | The Contract between TCAA and ICAO is expected to be signed in July 2021.                                                                              |
| 8.  | Provision of IP VPN from TTCL (Service Level agreement)                                                                                             | The tender opening was done on 29 June 2021 and the tender is at evaluation stage.                                                                     |
| 9.  | Provision of non-consultancy RNAV GNSS flight check and validation of instrument approach procedures                                                | Flight check is scheduled to start on 26 July 2021                                                                                                     |
| 10. | Provision of non-consultancy survey for electronic terrain and obstacle data area 2 and area 3                                                      | Technical proposal approved by Tender board and financial proposal submitted for approval by Tender Board                                              |
| 11. | Replacement of false floor tiles at search and rescue coordination and automatic message switcher centre JNIA                                       | Postponed due to financial constraints.                                                                                                                |
| 12. | Restructuring of Dar es Salaam - FIR airspace                                                                                                       | Restructuring has been done at: -<br>Mwanza, Chato, Dodoma, Zanzibar Arusha, Kilimanjaro, Kigoma and Tabora airports and is awaiting for flight checks |
| 13. | Replacement of false floor tiles at Control tower, Approach radar room and equipment room KIA                                                       | Postponed due to financial constraints.                                                                                                                |
| 14. | Renovation of ground conference hall                                                                                                                | Postponed due to financial constraints.                                                                                                                |

## 1.20 SOLVENCY

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

The Authority's total liability as at 30th June, 2021 was TZS 17.8 billion (2019/20: TZS 26.2 billion) and total assets was TZS 277.8 billion (2019/20: TZS 289.8 billion). The Authority's state of affairs as at 30th June, 2021 is

shown in the accompanying statement of financial position. The Board considers the Authority to be solvent on the basis of the statement of financial position as at 30th June, 2021.

### 1.21 RESPONSIBLE BEHAVIOUR TOWARDS STAKEHOLDERS/CUSTOMERS

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

### 1.22 FUTURE DEVELOPMENTS PLANS

The Authority will continue to improve and modernize its air navigation regulatory services to the satisfaction of its stakeholders/customers. In addition, during the year 2020/21, the Authority continued to implement its 3rd Strategic Plan which covers 5 years from 2016/17 to 2020/21.

The Authority's efforts and resources were guided by the Plan for the past five (5) years starting 1st July, 2016 up to 30th June, 2021. During the process of implementation of the Plan, TCAA noted that some of the targets and activities incorporated had not been implemented.

The Authority appreciated the collaborative relationship with its stakeholders in the implementation its mandates of regulating the industry and provision of air navigation services.

### 1.23 ADMINISTRATIVE EFFICIENCY

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

### 1.24 BOARD'S INTEREST

During the year 2020/21, no conflict of interest existed between the Directors and the Authority. The details on related party transactions are disclosed in note 31 of these financial statements.

### 1.25 CORPORATE GOVERNANCE

According to the Act, the Board of Directors of TCAA consists of six (6) directors. During the year 2020/21, the Board operated six (6) directors. Apart from the Director General, no other Director held executive position in the Authority.

The Board has overall responsibility of identifying key risk areas. These areas are considering and monitoring investment decisions; significant financial matters and reviewing performance of Management business plans and budgets. The Board is also responsible for ensuring that a comprehensive system of internal control policies and procedures is operative and is in compliance with sound corporate governance principles.

With absence of the Board, the Minister responsible for matters relating to Civil Aviation has the overall responsibility on such matters. The Authority is not only committed to the principles of effective corporate governance but also recognize the importance of integrity, transparency, and accountability.

### 1.26 SAFETY REGULATION DIRECTORATE

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

#### (a) Airworthiness Inspections and Surveillance;

The Airworthiness section is responsible for performing the State obligations of providing safety

oversight of airworthiness of aviation in the country. Amongst the major roles are certification and surveillance of aircraft, Air Operators, Approved Maintenance Organisations, Approved Training Organisation and oversight of any other person or organisation involved in the maintenance/modification/repair/overhaul of aircraft and aircraft components. The section is also responsible for the licensing/approval of maintenance personnel as part of its function in supporting Personnel Licensing Section.

During the financial year 2020/21, the following activities were carried out in the Airworthiness section:

**i. Certificate of Airworthiness, Approved Maintenance Organisation and Surveillance Inspections**

**Table 11: Certificates issued and Inspections**

| SN           | Description                                           | 2020/21    | 2019/20    |
|--------------|-------------------------------------------------------|------------|------------|
| 1.           | Certificate of Airworthiness issue/ Renewal           | 111        | 157        |
| 2.           | Export Certificate of Airworthiness                   | 8          | 12         |
| 3.           | Approved Maintenance Organisation (AMO) issue/Renewal | 19         | 19         |
| 4.           | AMO Surveillances                                     | 11         | 8          |
| 5.           | Ramp and Ad-hoc inspection                            | 16         | 26         |
| <b>Total</b> |                                                       | <b>165</b> | <b>222</b> |

**ii. Modification Approvals**

The section approved eight (8) aircraft major modification which were requested by the Operator in order to maintain continued airworthiness of the aircraft.

**Table 12: Major Modifications**

| SN | Description                           | 2020/21 | 2019/20 |
|----|---------------------------------------|---------|---------|
| 1. | Aircraft Major Modification Approvals | 8       | 11      |

**iii. Accidents and Incidents Reported**

During the Financial Year 2020/21 five (5) accidents and five (5) incidents occurred in compared to four (4) accidents and four (4) incidents that occurred in 2019/20. The slight increase is attributed to operational and technical reasons. The Authority will continue to strengthen safety oversight of airworthiness that accident and incidents are minimized.

**Table 13: Accidents and Incidents**

| SN           | Description | 2020/21   | 2019/20  |
|--------------|-------------|-----------|----------|
| 1.           | Accidents   | 5         | 4        |
| 2.           | Incidents   | 5         | 4        |
| <b>Total</b> |             | <b>10</b> | <b>8</b> |

**(b) Flight Operations**

**Table 14: Flight Operation Activities**

| SN | Description                         | 2020/21 | 2019/20 |
|----|-------------------------------------|---------|---------|
| 1. | ATO inspection and renewal          | 8       | 4       |
| 2. | AOC inspection and renewal          | -       | 6       |
| 3. | Enroute and Cabin Safety Inspection | 21      | 19      |
| 4. | Adhoc base Inspections              | 26      | 19      |
| 5. | Ramp Inspection                     | 3       | 12      |

| SN           | Description                                                                | 2020/21    | 2019/20    |
|--------------|----------------------------------------------------------------------------|------------|------------|
| 6.           | Observation of Instructors/ Examiners                                      | 22         | 30         |
| 7.           | Renew and amend Promulgated Regulations from Annex amendment               | 16         | 59         |
| 8.           | Review Operator Regulatory Manuals                                         | 20         | 4          |
| 9.           | Training and Sensitization to industry on regulations & guidance materials | 6          | 16         |
| 10.          | Implementation of Corrective Action Plans emanating from ICAO USOAP Audit  | 1          | 1          |
| 11.          | Review and Customize Technical Guidance Materials                          | 1          | 2          |
| 12.          | Data sorting, scanning, filling and uploading on SOFIA Software            | 7          | 3          |
| 13.          | Pilots Instrument Rating Flights examinations                              | -          | 1          |
| 14.          | Drone Authorization permit                                                 | 4          | 99         |
| 15.          | Drone Workshop                                                             | 56         | 31         |
| 16.          | Drone Guidance to Applicants                                               | 1          | 6          |
| 17.          | Drone registrations                                                        | 164        | 215        |
| 18.          | Drone Incidents and Investigations                                         | 82         | 0          |
| 19.          | Paraglide approvals and Parachute                                          | 2          | 0          |
| 20.          | Inspector's training                                                       | 5          | 4          |
| 21.          | Drone Technical Meeting                                                    | 2          | 2          |
| 22.          | Simulator Approval                                                         | 1          | 1          |
| 23.          | DGM, SMS, TANS Course Approval                                             | 0          | 1          |
| 24.          | Phase Certification                                                        | 0          | 2          |
| 25.          | Ground Trainer observation and approval                                    | 0          | 6          |
| 26.          | Operational Technical Meeting                                              | 0          | 4          |
| <b>Total</b> |                                                                            | <b>448</b> | <b>547</b> |

### (c) Personnel Licensing Section

#### i. Technical Examination

A total of 766 examinations were conducted during the period of July 2020 to June 2021. This includes written examinations, flying tests for granting, renewal, conversion, extension of licenses and certificates.

**Table 15: Technical examinations**

| SN           | Description                             | 2020/2021  | 2019/20    |
|--------------|-----------------------------------------|------------|------------|
| 1.           | Airline Transport Pilot Licence         | 63         | 17         |
| 2.           | Commercial Pilot Licence                | 103        | 80         |
| 3.           | Private Pilot Licence                   | 80         | 20         |
| 4.           | Aircraft maintenance Engineer's Licence | 63         | 51         |
| 5.           | Flight Operations Officer's Licence     | 123        | 36         |
| 6.           | Cabin Crew Certificates                 | 100        | 122        |
| 7.           | General Flying Test                     | 46         | 10         |
| 8.           | Technical Type Rating                   | 101        | 60         |
| 9.           | English Proficiency Test                | 69         | 72         |
| 10.          | ATM rating board exams                  | 15         | 47         |
| <b>Total</b> |                                         | <b>763</b> | <b>515</b> |

## ii. Licences and Certificates issued

A total of 278 licences including certificates were issued during the period of July 2020 to June 2021.

**Table 16: Licenses and Certificates issued**

| SN           | Description                             | 2020/2021  | 2019/20    |
|--------------|-----------------------------------------|------------|------------|
| 1.           | Airline Transport Pilot Licence         | 4          | 4          |
| 2.           | Commercial Pilot Licence                | 35         | 28         |
| 3.           | Private Pilot Licence                   | 7          | 11         |
| 4.           | Student Pilot Licence                   | 41         | 36         |
| 5.           | Aircraft maintenance Engineer's Licence | 8          | 12         |
| 6.           | Air Traffic Controllers Ratings         | 8          | -          |
| 7.           | Flight Operations Officer's Licence     | 13         | 27         |
| 8.           | Validation Certificates                 | 23         | 8          |
| 9.           | Cabin Crew Certificates                 | 64         | 109        |
| 10.          | Instructor Rating                       | -          | 5          |
| .11.         | AVSEC Screener Certificates             | 75         | 50         |
| <b>Total</b> |                                         | <b>278</b> | <b>290</b> |

## iii. Renewals

**Table 17: Licenses Renewal**

| SN           | Description                             | 2020/2021   | 2019/20     |
|--------------|-----------------------------------------|-------------|-------------|
| 1.           | Airline Transport Pilot Licence         | 219         | 190         |
| 2.           | Commercial Pilot Licence                | 398         | 315         |
| 3.           | Private Pilot Licence                   | 30          | 20          |
| 4.           | Aircraft maintenance Engineer's Licence | 52          | 40          |
| 5.           | Flight Operations Officer's Licence     | 134         | 80          |
| 6.           | Cabin Crew Certificates                 | 212         | 192         |
| 7.           | Flight Instructor Licence               | -           | 5           |
| 8.           | Validation Certificate                  | -           | 4           |
| 9.           | AVSEC Screener Certificate              | 177         | 308         |
| 10.          | Air Traffic Control License             | 123         | 83          |
| 11.          | Student Pilot License                   | 29          | 12          |
| <b>Total</b> |                                         | <b>1374</b> | <b>1249</b> |

## iv. Endorsements

A total of 320 endorsements were made on various licences and certificates during the period of July 2020 to June 2021.

**Table 18: Endorsement**

| SN           | Description           | 2020/2021  | 2019/20    |
|--------------|-----------------------|------------|------------|
| 1.           | Instrument Rating     | 150        | 150        |
| 2.           | Technical Type Rating | 101        | 95         |
| 3.           | Instructor Rating     | -          | 6          |
| 4.           | ELP                   | 69         | 72         |
| <b>Total</b> |                       | <b>320</b> | <b>323</b> |

## v. Sale of Documents

A total of 168 documents were sold period of July 2020 to June 2021 compared to 173 documents sold during 2019/2020.

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

#### Description of Activities

The Aerodromes inspectorate continued to conduct safety oversight activities including, development of Aerodrome standards and Technical Guidance Documents, Certification, Licensing and Registration Approval of Aerodromes, continuous surveillance of aerodromes, Aerodrome Safeguarding including Removal and Control of obstacles, evaluation of Aerodrome designs, conducting sensitization workshops and seminars and Resolution of safety issues.

Currently the Section is updating Aerodrome Inventory and re-categorization of some aerodromes to Category E. The intends to achieve 100% compliance to aerodrome Certification, Licensing and Registration Approval requirements by the end of financial year 2024/25. In addition, the Section is coordinating implementation of the new ICAO Global Reporting Format (GRF) for runway surface condition, which is expected to be operation on 5 November 2021.

Below table shows details of accomplished activities: -

**Table 19: Aerodrome certification**

| S/N | Aerodrome ID                            | Description                    |
|-----|-----------------------------------------|--------------------------------|
| 1.  | Julius Nyerere International Airport    | Certified until February 2022  |
| 2.  | Aman Abeid Karume International Airport | Certified until September 2021 |
| 3.  | Kilimanjaro International Airport       | Certified until June 2022      |

**Table 20: Renewal of Aerodrome licenses**

| S/N | Aerodrome Group/activity                  | 2020/21 | 2019/20 |
|-----|-------------------------------------------|---------|---------|
| 1.  | TAA aerodromes                            | 11      | 20      |
| 2.  | Other aerodromes                          | 26      | 85      |
| 3.  | Approval to construct Aerodromes/helipads | 20      | 1       |

**Table 21: Continuous Surveillance of Aerodromes**

| S/N | Aerodrome Group/activity                                                                                     | 2020/21 | 2019/20 |
|-----|--------------------------------------------------------------------------------------------------------------|---------|---------|
| 1.  | CAM inspections                                                                                              | 32      | 30      |
| 2.  | TAA, ZAA, KADCO, TANAPA and other private aerodromes                                                         | 93      | 104     |
| 3.  | Review of operators Aerodrome manuals (Aerodrome Manual, SMS Manual and Aerodrome Emergency Planning Manual) | 23      | 15      |

**Table 22: Evaluation of Obstacles**

| S/N | Project                | 2020/21                           | 2019/20                           |
|-----|------------------------|-----------------------------------|-----------------------------------|
| 1.  | Mobile Phone Operators | 1452 masts evaluated              | 129 masts evaluated               |
| 2.  | TANESCO/SGR            | 3 transmission projects evaluated | 2 transmission projects evaluated |

**Table 23: Development and review of Regulations and Technical Guidance Material**

| S/N | Document action                                                                                                        | Status of Review or development                                                                        |
|-----|------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|
| 1.  | Inclusion of amendment 13 and 14 and 15 of the ICAO Annex 14 SARPS in the Civil Aviation (Aerodromes) Regulations 2017 | Draft Regulations to be repackaged and re-issued in three volumes, is due for stakeholder consultation |
| 2.  | Review of Advisory Circulars                                                                                           | 100% Reviewed                                                                                          |
| 3.  | Review of Orders                                                                                                       | 100% Reviewed                                                                                          |
| 4.  | Review of Industry guideline manuals                                                                                   | 100% Reviewed                                                                                          |

**(e) Aviation Security Unit**

The Aviation Security Unit (AVSEC) continued with its core functions of ensuring safe and secure aviation systems in the united Republic of Tanzania and beyond. This is being achieved by establishing, implementing, and ensuring effectiveness of baseline security measures intended to mitigate and prevent acts of unlawful interference with civil aviation. During the Financial Year 2020/2021 there was one (1) acts of unlawful interference recorded where hundreds of people had managed to tear down the airport perimeter fence and storm onto the airfield.

**i. Review of AVSEC National Documents**

The review of Aviation Security Technical Guidance Materials was done in this Financial Year 2020/2021 and has been approved and distributed to relevant operators for use and include the reflected changes in their respective security programs. The approved documents include:

Technical Guidance Materials (TGMs) namely

- i. National Civil Aviation Security Programme (NCASP),
- ii. National Civil Aviation Security Quality Control Programme (NCASQCP),
- iii. National Civil Aviation Security Training Programme (NCSTP)
- iv. Aviation Security Inspectors Manual (ASIM)

**ii. ICAO USAP CMA Audit Progress:**

Regarding Compliance to USAP CMA audit findings, the current progress indicates 90% compliance has been achieved and the draft Corrective Action Plan (CAPs) has been shared with ICAO Regional Office in Nairobi for verification.

**Review and approval of Operators' Documents:**

The following operator security programs were reviewed and approved in the year 2019/20 in comparison to 2020/2021:

**Table 24: Programs under Aviation Security Unit**

| SN           | OPERATORS                                          | 2020/2021 | 2019/20   |
|--------------|----------------------------------------------------|-----------|-----------|
| 1.           | Airport Security Programmes                        | 10        | 5         |
| 2.           | Airline Security programme                         | 10        | 8         |
| 3.           | Regulated agent/ground handling Security Programme | 7         | 9         |
| 4.           | Catering Security Programme                        | 2         | 3         |
| 5.           | Training Programme                                 | 2         | 1         |
| <b>TOTAL</b> |                                                    | <b>31</b> | <b>26</b> |

Operators have been required to comply with the Civil Aviation (Security) Regulations and the National Civil Aviation Security Programmes by making sure they submit to the Authority their security programmes for review and subsequent approval and acceptance as required. In the FY 2020/2021 a total of 51 security programmes were submitted for review and approval, 31 were

approved and 20 were returned for improvement.

### iii. AVSEC Oversight Activities:

Oversights involves audits, inspections, follow ups, Risk and Vulnerability assessment and tests conducted to airports, aircraft, catering and ground handling agents with responsibilities of implementing security measures and controls. A total number of 50 oversights were conducted in 2019/20 in comparison to 54 conducted in 2020/21 as follows:

**Table 25: Oversight Activities**

| SN | Oversight Activities          | 2020/21   | 2019/20   |
|----|-------------------------------|-----------|-----------|
| 1. | Audits                        | 33        | 31        |
| 2. | Inspections & Tests           | 8         | 8         |
| 3. | Follow up                     | 10        | 11        |
| 4. | Training Institute Inspection | 3         | 0         |
|    | <b>TOTAL</b>                  | <b>54</b> | <b>50</b> |

The number of oversights vary each year due to combination of factors; these include risk assessment conducted, compliance history of the operators, staffing levels and availability of budgetary resources among others. The oversights help operators to identify security deficiencies and develop corrective action plans for rectification of identified deficiencies. In carrying out of oversights, there are numbers of challenges such as timely submission of corrective action plan (CAPs) by operators and where submitted, are not properly implemented.

### iv. National Civil Aviation Security Committee Meetings:

There were 4 planned National Civil Aviation Security Committee Meetings (NCASC); and two meeting were conducted one (1) in Iringa and the other in Katavi- Mpanda. Other two meetings were not conducted due to COVID 19.

### v. Certification/Recertification of AVSEC Screeners:

The Aviation Security Unit certified/recertified a total of 358 AVSEC screeners in 2019/20 compared to 248 AVSEC screeners in 2020/21. The certified/recertified screener's records are as follows:

**Table 26: Certified/Recertified Screeners**

| SN  | OPERATORS             | 2020/21    | 2019/20    |
|-----|-----------------------|------------|------------|
| 1.  | TAA-Regional Airports | 22         | 60         |
| 2.  | TAA-JNIA              | 55         | 197        |
| 3.  | ZAA-AAKIA             | 80         | 10         |
| 4.  | ZAA-PEMBA             | 7          | 12         |
| 5.  | KADCO                 | 52         | 17         |
| 6.  | ATCL                  | 1          | 17         |
| 7.  | Precision             | -          | 2          |
| 8.  | NAS DAR               | 3          | 5          |
| 9.  | Swissport             | 8          | -          |
| 10. | G4S                   | 9          | -          |
| 11. | UAS                   | 4          | 04         |
| 12. | TANAPA                | 4          | 10         |
| 13. | VIKOSI-ZAA            | -          | 24         |
| 14. | AFS                   | 3          | -          |
|     | <b>TOTAL</b>          | <b>248</b> | <b>358</b> |

## (f) Air Navigation Service Inspections (ANS)

### Description of Activities

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

The role of the section is three-fold:

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

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

**Table 27: Type of Inspections and Surveillance**

| No | Type of Inspections and Surveillances | Years   |        |         |        |
|----|---------------------------------------|---------|--------|---------|--------|
|    |                                       | 2020/21 |        | 2019/20 |        |
|    |                                       | Planned | Actual | Planned | Actual |
| 1. | Routine Audits for                    |         |        |         |        |
|    | -AIM and Charts                       | 16      | 6      | 16      | 16     |
|    | -ATM                                  | 16      | 5      | 16      | 16     |
|    | -CNS                                  | 16      | 5      | 16      | 16     |
|    | -SAR                                  | 14      | 5      | 14      | 14     |
|    | -MET                                  | 16      | 10     | 16      | 16     |
|    | -PANS-OPS                             | 2       | 1      | 2       | 1      |
|    | -SMS                                  | 14      | 5      | 4       | 0      |
| 2. | Ad-hoc audits                         | 40      | 4      | 40      | 40     |
| 3. | Certification of ANSP                 |         |        |         |        |
|    | -AIM and Charts                       | 16      | 14     | 16      | 16     |
|    | -ATM                                  | 16      | 15     | 16      | 16     |
|    | -CNS                                  | 16      | 15     | 16      | 16     |
|    | -SAR                                  | 14      | 14     | 14      | 14     |
|    | -PANS-OPS                             | 2       | 1      | 2       | 1      |
|    | -SMS                                  | 16      | 15     | 4       | 0      |

### i. Safety Oversight of CNS facilities

**Table 28: Safety Audits of CNS**

| SN | Activity          | Stations                                                                                       | 2020/21 | 2019/20 |
|----|-------------------|------------------------------------------------------------------------------------------------|---------|---------|
| 1  | Routine audits    | JNIA, Abeid Aman Karume International Airport (AAKIA), KIA, Arusha airport, and Dodoma airport | 5       | 15      |
| 2  | Ad hoc audits     | JNIA                                                                                           | 1       | 8       |
| 4  | Safety assessment | Dodoma airport, Iringa airport, and Mtwara airport                                             | 3       | 4       |

## ii. Safety oversight of ATM

**Table 29: Safety Audits of ATM**

| SN | Activity          | Stations                                                                                       | 2020/21 | 2019/20 |
|----|-------------------|------------------------------------------------------------------------------------------------|---------|---------|
| 1  | Routine audits    | JNIA, Abeid Aman Karume International Airport (AAKIA), KIA, Arusha airport, and Dodoma airport | 5       | 16      |
| 2  | Ad hoc audits     | JNIA                                                                                           | 1       | 8       |
| 3  | Safety assessment | Songea airport, Mtwara airport                                                                 | 2       | 4       |

## iii. Safety oversight of AIM

**Table 30: Safety Audits of AIM**

| SN | Activity                               | Stations                                                                                           | 2020/21 | 2019/20 |
|----|----------------------------------------|----------------------------------------------------------------------------------------------------|---------|---------|
| 1  | Routine audits                         | JNIA, Abeid Aman Karume International Airport (AAKIA), KIA, Arusha, Dodoma and Aeronautical Charts | 6       | 15      |
| 2  | Ad hoc audits                          |                                                                                                    | -       | 8       |
| 3  | Safety assessment                      |                                                                                                    | -       | 4       |
| 4  | Instrument Procedure designers' audits | ANS- HQ                                                                                            | 1       | 2       |

## iv. Safety oversight of MET

**Table 31: Safety Audits of MET**

| SN | Activity       | Stations                                                                 | 2020/21 | 2019/20 |
|----|----------------|--------------------------------------------------------------------------|---------|---------|
| 1  | Routine audits | JNIA, AAKIA, Arusha, Mtwara, Songwe, Dodoma, Mwanza, Songea, Iringa, KIA | 10      | 16      |
| 2  | Ad hoc audits  | JNIA                                                                     | 1       | 8       |

## v. Safety oversight of SAR

**Table 32: Safety Audits of SAR**

| SN | Activity       | Stations                                                                   | 2020/21 | 2019/20 |
|----|----------------|----------------------------------------------------------------------------|---------|---------|
| 1  | Routine audits | JNIA, Abeid Aman Karume International Airport (AAKIA), KIA, Arusha, Dodoma | 5       | 12      |

## vi. SMS Audits

**Table 33: Safety Audits of SMS**

| SN | Activity | Stations                                                                   | 2020/21 | 2019/20 |
|----|----------|----------------------------------------------------------------------------|---------|---------|
| 1  | Routine  | JNIA, Abeid Aman Karume International Airport (AAKIA), KIA, Arusha, Dodoma | 5       | 5       |

## vii. Certification of Air Navigation Facilities

**Table 34: Audits and Certificates issued**

| No | Planned                      | Actual | Stations                                                                                          |
|----|------------------------------|--------|---------------------------------------------------------------------------------------------------|
| 1  | 15 Air Navigation Facilities | 12     | JNIA, AAKIA, Kilimanjaro, Arusha, Kigoma, Tabora, Mtwara, Dodoma, Mwanza, Songea, Iringa, Mchauru |

## viii. Approval of procedures and facilities

**Table 35: Approval of procedures and facilities**

| No | Planned                      | Planned | Actual |
|----|------------------------------|---------|--------|
| 1  | Instrument Flight procedures | 1       | 1      |
| 2  | Manual of Operations         | 5       | 4      |

**ix. Amendment of Regulations**

Tanzania Civil Aviation Regulations emanating from Annexes 2, 3, 4, 5, 10, 11, 12, 15, and 16 to the Chicago Convention were reviewed and amended;

- a. Annex 2 – Rule of The Air
- b. Annex 3 – Meteorological Service for International Air Navigation
- c. Annex 4 – Aeronautical Charts
- d. Annex 5 – Units of Measurement to be used in the Air and Ground Services
- e. Annex 10 – Aeronautical Telecommunications
- f. Annex 11 – Air Traffic Services
- g. Annex 12 – Search and Rescue
- h. Annex 15 – Aeronautical Information Services
- i. Annex 16 – Environmental Protection

**x. Review of Technical Guidance Materials**

- a. All audit areas Checklists were reviewed to include some questions relating to respective Protocol Questions, new regulations and other regulatory documents.
- b. Orders and Advisory Circulars were all reviewed to include latest information, directives and regulatory requirements.

**1.27 ECONOMIC REGULATION DIRECTORATE**

**(a) Air Transport Regulations**

Facilitation of air transport Regulations have been completed and will be forwarded to the Ministry of Works and Transport for consideration and being presented to Stakeholders for comments by December 2021, if the Minister responsible for aviation matters approves them.

**i. Licensing of Air Services Operators in 2020/21vs. 2019/20**

During the year 2020/21, the Board held two (2) Licensing Board meetings, one in November 2020 and the other one in June 2021. A total of forty-three (43) and eight (8) applications for air services and ground handling services respectively were considered. During the previous year, the Board held two meetings and considered a total of twenty-four (24) and fourteen (14) applications for air and ground handling services respectively. The details are provided below:

**Table 36: Licensing of Air Services Operators in 2020/21 vs. 2019/20**

| Item Description                     | 2020/21   |             | 2019/20   |             |
|--------------------------------------|-----------|-------------|-----------|-------------|
|                                      | Approved  | Disapproved | Approved  | Disapproved |
| New Applications                     | 3         | -           | 4         | 1           |
| Applications for renewal /variations | 40        | -           | 19        | -           |
| <b>Total</b>                         | <b>43</b> | <b>-</b>    | <b>23</b> | <b>1</b>    |

The noted decrease of licensed operators from 43 to 23 (47%) is due to closure of businesses by some operators because of the COVID-19 pandemic.

**Table 37: Licensing of Ground Handling Services Operators in 2020/21 Vs. 2019/20**

| Item Description                     | 2020/21  |             | 2019/20   |          |
|--------------------------------------|----------|-------------|-----------|----------|
|                                      | Approved | Disapproved | Approved  | Approved |
| New Applications                     | 4        | -           | 6         | -        |
| Applications for renewal /variations | 4        | -           | 8         | -        |
| <b>Total</b>                         | <b>8</b> | <b>-</b>    | <b>14</b> | <b>-</b> |

## ii. Bilateral Air Services Agreements (BASAs) for 2020/21 Vs 2019/20

Tanzania participated in the ICAO Air Services Negotiation Event (ICAN2019) that was held in Aqaba, The Hashemite Kingdom of Jordan from 2 to 16 December 2019. This event is a meeting forum for ICAO member States where Bilateral Air Services Agreements (BASAs) negotiated/reviewed or signed. Tanzania met with a total of eleven (11) countries and subsequently negotiated four (4) new BASAs, reviewed existing BASAs with five (5) countries and signed BASAs with two (2) countries. Tanzania did not convene any meeting for BASA negotiations/review or signing with an individual country outside the ICAN forum.

Due to the impact of the COVID-19 pandemic, we could not convene any meeting in 2020/21 for BASA negotiations/review or signing.

**Table 38: countries with which Tanzania had BASA negotiations/review meeting during the ICAN2019:**

|                      | 2020/21 | 2019/20                                                       |
|----------------------|---------|---------------------------------------------------------------|
| New BASAs negotiated | NONE    | Namibia, Sierra Leone, Gambia and Bahamas.                    |
| BASA reviewed        | NONE    | United States of America, Turkey, Jordan, Kenya and Ethiopia. |
| BASA signed          | NONE    | Rwanda and Mauritius.                                         |

In the year 2020/21, we could not negotiate/review/sign any BASA because borders were closed and no travel between countries was possible following the COVID-19 prevalence. The impact on not being able to have new BASAs negotiated, existing BASA reviewed or signed could not be clearly felt because there were equally no flight movements between countries until recently when many countries are now re-opening up and recovering air transport services.

## iii. Coordination of facilitation of Air Transport Committee Meetings

During the period under review, the National Air Transport Facilitation (National FAL) Committee held two meetings. The first meeting was held in Dar es Salaam in November 2020 and the second one in Zanzibar in May 2021. Various deliberations were reached including the following:

- There must be cooperation between the Ministries of Health of the Union Government and that of Zanzibar when it comes in dealing with emergency issues like COVID-19. The incidence of two different Travel Advisories was referred to as the indicator of lack of cooperation.
- Following allegations of corrupt practices at the airports, it was resolved that operators an airport have awareness campaign from anti-corruption Bureau on consequences of corruption.
- The challenge of pilferage at airports is still there and members agreed to devise more means to remedy the vice, including strengthening cooperation among stakeholders at airports.
- Tips shall strictly be prohibited, and sign shall be displayed in visible areas of the airports notifying the travelling public to this effect.
- In the effort to promoting the “Tanzania Destination”, Tanzania Tourist Board (TTB) was advised to use both foreign and local prominent artists. It was further agreed that a stakeholder’s consultative meeting should be held in Arusha soon with the agenda of promoting the “Destination Tanzania”.
- Drugs trafficking are still a challenge at our airports. The meeting resolved that stakeholders should collaboratively continue to fight this unfortunate dealing. The Authorities that deal with combating drug trafficking in both Mainland and Zanzibar should provide seminars or awareness sessions to stakeholders at airports from time to time.

Due to outbreak of COVID-19, there was no Eastern African Air Transport Facilitation meeting held in the 2020/21 financial year. The EAC FAL meetings are designed to address issues raised

in the national FAL Committees of the six (6) Member States so as to create seamlessness in the air transport system in the Community.

The impact of not holding the FAL meetings at the EAC level was non-seamlessness of COVID-19 management in the region. Due the shock of the pandemic, it would however not be possible to address the scourge among the EAC Partner States jointly because the matter was not aviation-related only; it touches other many sectors in which case the States have always taken a lead in addressing it.

**vii. Complaints and Disputes**

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

At the end of the year a total of 7 complaints were at various stages of mediation and hearing.

**Table 39: List of open and resolved complaints during the year**

| SN | Name of Complainant | Nature of Complaint                                                                                                                                                                            | Date Received             | Name of Respondent | Status                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|----|---------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|--------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | Said Haji Saleh     | The complainant was claiming for loss of his baggage while travelling from Guangzhou to Dar es Salaam. He claimed compensation of USD 33,524.                                                  | Received on 7 August 2018 | Kenya Airways      | The Matter was resolved at Board Level on 12 April 2021.<br><br>Settlement deed for payment of USD 1200 to the complainant was signed on 20 April 2021 .<br><br>The matter is marked closed                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 2. | Dennis Mwesiga      | On 22 December 2019. He was traveling with his family to Durban. There was flight delay from Dar es Salaam thus causing missing connection from Oliva Tambo Johannesburg International Airport | Received on 15 June 2020  | Malawi Air         | Amicable settlement failed the complaint was forwarded to the committee of the Board for decision. The Board met on 3 June 2021 and decided that the respondent should not be held liable for compensation claimed by complainant for the following reasons:<br><br>a. The Complainant Sued the Wrong party - based on the Guadalajara Protocol, Malawi Airlines was just Contracting Carrier he should have sued Actual Carrier, Kenya Airways; and<br><br>b. Damages claimed were caused by delay by Kenya Airways and not cancellation by Malawi Airlines.<br><br>The Board further decided that the Complainant to be advised to seek relief from Kenya Airways, the Actual Carrier.<br><br>Decision was communicated to the parties.<br><br>No appeal received to date. The matter is marked closed |

| SN | Name of Complainant        | Nature of Complaint                                                                                                                                                                                                                 | Date Received                | Name of Respondent | Status                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|----|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|--------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3. | Iddi Said Nassoro          | On 31 July 2019 the passenger was travelling from Dar es Salaam to Doha then Munich Germany to attend an exhibition. When arrived at Munich his bag was not found                                                                   | 31 March 2020                | Qatar Airways      | <p>Amicable settlement failed. The complaint was forwarded to the Committee of the Board for its decision. The Board met on 3 June 2021 and decided that the Complainant be compensated for the loss, damage and delayed luggage to the tune of 1000 SDR in addition to USD 150 as an entitlement as an interim relief for the delayed luggage as per QR Conditions of Carriage.</p> <p>The Authority is not obliged to ensure that payment is effected however complainant informed the Authority that he followed up for his payment at Qatar Offices it will be effected soon</p> <p>Communication was done with complainant, as of 23 August 2021 payment was not done. Efforts is being made to contact Qatar Airways Country Manager to effect the Authority's decision.</p> |
| 4. | Dennis Christopher Mwesiga | The complainant was travelling with his family to South Africa. He was denied boarding because he did not carry birth certificate of one of his daughters. He demands compensation of damages suffered to the amount of USD. 150412 | Received on 3 June 2019      | Rwandair           | <p>Amicable settlement failed. The complaint was forwarded to the committee of the board for its decision. The Board met on 3 June 2021 and decided that since the complainant has failed to prove any liability to Rwandair; he is not entitled to any compensation and that since the offer of free business tickets to Mr. Mwesiga and his family to any Rwandair destination still stand, MrMwesiga be advised to accept the offer.</p> <p>There is no appeal to date. The matter is marked closed</p>                                                                                                                                                                                                                                                                         |
| 5. | Maneno Lugendo             | Complainant was denied boarding at three different occasions on the ground that he did not comply with Covid 19 requirements                                                                                                        | Received on 18 December 2020 | Ethiopian Airlines | <p>Amicable settlement failed the complaint was forwarded to the committee of the Board for decision. The Board met on 3 June 2021 and decided that the Complainant be compensated as hereunder:</p> <ul style="list-style-type: none"> <li>i. Return ticket which is USD 1024.70.</li> <li>ii. Covid-19 test which is TZS. 80,000; and</li> <li>iii. refund for the hotel reservation which is USD 1153.</li> </ul> <p>Complainant informed the Authority that payment was done on 23 July 2021.</p> <p>The matter is marked closed</p>                                                                                                                                                                                                                                           |

| SN | Name of Complainant | Nature of Complaint                                                                                                                                                                                                                                                                          | Date Received             | Name of Respondent | Status                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|----|---------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|--------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 6. | Ussy Charugamba     | Complaint was about refund of cost for ticket TZS. 835,800 due to cancellation of trip by the passenger                                                                                                                                                                                      | Received on 27 March 2021 | Air Tanzania       | Amicable settlement failed; the complaint was forwarded to the Board for its decision. The complaint was scheduled for hearing on 13 August 2021, but it was adjourned due to nonappearance of complainant due to sickness.                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 7. | Beatrice Kujwarile  | Complaint was about failure to deliver a cargo of coffee sample to China. She claims to suffer damages to the tune of TZS. 100,000,000 for loss of anticipated business, TZS. 50,000,000 for psychological distress, TZS. 15,000,000 for image reputation and TZS. 2,000,000 for time spent. | Received on 18 June 2021  | Air Tanzania       | Amicable settlement meeting was conducted on 6 August 2021. On 12 August 2021 ATCL communicated their offer to CCU secretary, the offer involved the following: <ul style="list-style-type: none"> <li>a. payment of USD 120 which is our liability as prescribed under Regulation 27 (1) of the Civil Aviation (Carriage by Air Regulations), 2008 or</li> <li>b. cargo shipment of up to 20 Kilogram to any of our destinations, the offer includes waiver of airway bill, fuel surcharge and security fee.</li> </ul> Complainant responded that they decided to close this matter amicably without any restitution of the damage.<br>The matter is marked closed |

## (b) Business Analysis and Forecasting

### i. Statistical Reports

The Statistical Report for 2020 was issued. Three (3) quarterly Statistical reports were issued in November 2019, February 2021 and May 2021.

### ii. Traffic Performance

During the year 2020/21 international aircraft movements reached 18,448 compared to 41,039 movements occurred in the previous year recording a decrease of 55%. International passengers uplifted decreased to 995,779 passengers from 317,038 passengers recorded in the previous year, which is a decrease of 457%. During the year, the effects of COVID – 19 to the aviation industry were still there, leading to a substantial decrease of traffic.

International cargo handled had an increase of 30.6%, from 21,063.7 tons in 2019/20 to 27,500.9 tons in 2020/21.

Domestic aircraft movements on the other hand decreased by 33.5%, from 416,519 movements in 2019/20 to 109,475 movements in 2020/21. Corresponding domestic passengers recorded a 30.1% decrease from 2,817,027 passengers in 2019/20 to 1,968,692 passengers in 2020/21.

Domestic cargo increased from 43,324.9 tons in 2019/20 to 3,513 tons in 2020/21, equivalent to 5.7% increase.

Overall traffic performance of the industry recorded a decrease of 37.8% in aircraft movements, from 205,558 in 2019/20 to 127,923 movements in 2020/21.

Overall passenger traffic decreased from 5,134,065 passengers in 2019/20 to 2,964,471

passengers in 2020/21, equivalent to 42.3% decrease.

Overall cargo recorded a 14.2% decrease, from 30,825.8 tons in 2019/20 to 26,458 tons in 2020/21.

### iii. Project on aviation contribution to economy

During the year 2020/21, the Authority through the Division of Economic Regulation, continued with implementation of the project on aviation contribution to the Tanzanian economy which was planned to be completed before end of the financial year but it couldn't due to the COVID-19 outbreak. The project is expected to be completed in early next financial year.

## (c) Aeronautical Airport Services

### COVID-19 Screening at the Airport:

The section has been updating the Aeronautical Information Circulars related to measures of managing the spread of the COVID-19. The Circulars are derived from the Travel Advisories issued by the Ministry of Health, Community Development, Gender, Elderly and Children (MoHCDGEC).

The Section has been monitoring the implementation of the AIC at the International airports, i.e. The Julius Nyerere International Airport (JNIA), Kilimanjaro International Airport (KIA) and the Abeid Amani Karume International Airport (AAKIA). Several visits have been undertaken to ensure compliance to AIC. In addition to the visits, the section has been convening the meeting with airport stakeholders under the chairmanship of the Director General aiming at eradicating congestions at the arrival corridors where testing of the COVID-19 is conducted. Three meeting have been convened at JNIA on 19, 21 and 26 June 2021.

Under the Collaborative Arrangement for Prevention and Management of Public Health Events through Civil Aviation (CAPSCA), the section has been coordinating the quarterly meetings with relevant stakeholders. Virtual meeting was held on 23 February 2021.

The normal scheduled inspection visits are regularly held. JNIA, KIA, AAKIA and Dodoma airports were visited during the period in question.

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

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

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

## 1.28 DIRECTORATE OF AIR NAVIGATION SERVICES (DANS)

### (a) Air Traffic Control Services

Air Traffic services continued to be provided at fourteen TCAA manned stations and at Area Control Centre (ACC). Julius Nyerere International Airport, Kilimanjaro International Airport, Zanzibar International Airport and Mwanza airport provided the services on 24 hours basis. The remaining

10 airports provided the services during daytime. Surveillance services were provided within Dar es Salaam and Kilimanjaro Terminal Control Area(TMA) and at ACC East.

With effect from 1 January 2021, Mwanza Approach unit commenced to provide Surveillance services within Mwanza TMA.

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

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

During this period (2020/21) a total of four (4) air traffic incidents were reported out of 126,247 aircraft movements that were provided with air traffic services within Dar es salaam FIR. The performance reduced the number of incidents per 10,000 aircraft movements from rate of 0.59 in 2019/20 to 0.32. This achievement is slightly below the planned rate of 0.38 for the period.

Provision of Air traffic control service at 13 stations continues as per hours promulgated in the Aeronautical Information Publication (AIP). Three Stations, (JNIA, Kilimanjaro and Mwanza) are provided with Surveillance Services.

Introduction of Electronic Flight System (EFS) at JNIA, Kilimanjaro, Zanzibar, Arusha and Mwanza Airports replaces paper flight progress strips at these airports.

#### **Proficiency and Adequacy of staff**

- i. Five (5) Air Traffic Management Officers (ATMOs) were rated as Approach radar controllers
- ii. Seven (7) Air Traffic Management Officers (ATMOs) were rated as approach Procedural controllers
- iii. Nine (9) Air Traffic Management Officers attended Approach Surveillance Course at CATC
- iv. Thirty-one (31) Approach procedural and Approach Surveillance Controllers from JNIA, Mwanza, Zanzibar and Kilimanjaro did the Bi-Annual Simulation and Proficiency Check at JNIA ATC Simulator.
- v. Four (4) Air Traffic Management Officers attended instructors' training course at CATC
- vi. Seven (7) Air Traffic Management Officers (ATMOs) attended Basic Safety Management System course at CATC

#### **Flight Procedure Design Services**

Airspace and flight procedure design services conducted in 2020/21 are as follow.

- i. Designed RNAV(GNSS) approach procedures, control zone and STARS for Arusha airport
- ii. Designed RNAV(GNSS) approach procedures for Geita Airport
- iii. Designed RNAV(GNSS) and conventional approach procedures for Mwanza Airport
- iv. Designed RNAV(GNSS) approach procedures and reviewed conventional IAPs for Zanzibar Airport
- v. Reviewed RNAV(GNSS) and conventional approach procedures, control zone, SIDs and STARS for Kilimanjaro Airport
- vi. Reviewed Arusha/Kilimanjaro – Zanzibar VFR corridor.
- vii. Instrument approach Procedures (RNAV/GNSS) were developed for Mpanda airport

## Search and Rescue

Two Civil-Military Coordination Meetings were conducted on 13th November 2020 and 8 – 9 February 2021 in Dar es Salaam and Mtwara respectively.

### (b) Communication Navigation Surveillance

- i. Preventive and Corrective maintenance of CNS facilities were conducted at the following airports: Pemba, Mtwara, Tabora, Mwanza, Iringa, JNIA, Kigoma, Songwe, KIA, Arusha, Tanga, Songea, AAKIA and Dodoma; and at Civil Aviation Training Centre in Dar es Salaam, Singo (Babati) and the VHF relay stations at Nyashana, Matogoro, Kaluwe, Changalawe, Lilungu, Gairo, Kaze hill, Moroninya, Mnyusi, and Lolkisale and Dar as per schedule.
- ii. Two Coordination meetings between TCAA and TTCL were conducted.
- iii. THALES conducted Health Check for navigational aids facilities at Julius Nyerere, Abeid Aman Karume, Kilimanjaro International Airports and Mwanza airport (under three years i.e., 2019/20 - 2021/22 framework maintenance support contract).
- iv. Three years framework contract i.e. 2018/19 - 2020/21 for flight calibration of navigational facilities at JNIA, KIA, AAKIA, Mwanza, Tabora, Songwe, Pemba and Dodoma airports with M/s Air Navigation Service of the Czech Republic is ongoing. However, the activity was not done in 2020/2021 due to COVID-19 outbreak that resulted into travel restrictions by service provider and delay in implementation of corrective maintenance of NAVAIDS by THALES under Contract No. TCAA/MCS/26/2019/2020. Mitigation measures were put in place to ensure the systems were operating under required standards through ground checks.
- v. Installation of four radar systems at JNIA, KIA, Songwe and Mwanza completed.
- vi. Installation of solar backup supply system for tower facilities at Dodoma, Pemba, Kigoma, Tanga and Mtwara airports completed.
- vii. Designing, Manufacturing, Supply, Installation, Integration, Training, Testing, Commissioning and Technical support of Voice Recorders for JNIA, Dodoma, Songwe and Pemba is ongoing.
- viii. Supply, Installation, Integration, Training, Testing, Commissioning and Technical support of Digital Automatic Terminal Information Services (D-ATIS) for Kilimanjaro International Airport (KIA) and Arusha Airport is under tendering process.
- ix. Installation of Instrument Landing System at Abeid Aman Karume International Airport is completed.
- x. Replacement of VHF extended Relay station at Nyanshana was done.
- xi. Survey for VHF area coverage at Eastern zone was conducted.

### Operation of Facilities at Optimum Level

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

- i. Navigation Aids operated with serviceability level of 96%;
- ii. Surveillance equipment operated at serviceability level of 99%;
- iii. VHF Area cover operated at serviceability level of 97%;
- iv. VHF Radio at stations operated at serviceability level of 98%;
- v. ATS DS Link operated at serviceability level of 99%; and
- vi. Aeronautical Fixed Telecommunications Network of the equipment was 96% for international circuits, and 98% for the domestic circuits.

### Training Plan

Five (5) Engineers were trained in Basic ATSEP Competency based training.

### (c) Aeronautical Information Management

The period of 2020/2021, Aeronautical Information Management (AIM) continued to provide Flight planning and Briefing services to aircraft operators at Julius Nyerere, Abeid Amani Karume, Kilimanjaro International, Mwanza, Dodoma, Arusha, Songwe, Iringa, Tabora, Tanga and Mtwara Airports. The AIM section also continued to issue/produce NOTAM, AIP, AIP Supplements, AIP Amendments, Aeronautical Information Circulars, Aeronautical Charts and participated in developing various Instrument Flight Procedures that had contributed a lot to keep our Airspace safest in the AFI Region.

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

To suite the ANS user requirements, AIM section plans to establish the AIM Portal for provision of online services which includes Pre-flight Information Bulletins (PIB), online Flight Planning, Daily NOTAM Updates, Aeronautical Charts, and electronic AIP (eAIP) For efficiency provision of International Air navigation services, those operation mainly depends on timely provision of accurate data/information.

The status regarding Aeronautical Information Management is as follows:

- a. Continue providing Aeronautical Information services for;
  - i. 24 Hours at; JNIA terminal II, KIA, AAKIA and Mwanza.
  - ii. 16 Hours at; JNIA terminal I.
  - iii. 12 Hours at; Arusha, Songwe, Dodoma, Tabora, Tanga and Mtwara while Kigoma and Pemba are yet to be provided.
- b. Continue providing Aerodrome Flight Information Service (AFIS) for 12 Hours at Songea airport
- c. Drawing of RNAV GNSS approach chart for;
  - i. Dodoma Airport
  - ii. Mpanda Airport
  - iii. Geita Airport
- d. Developed Visual Approach Charts for: -
  - i. Mpanda Airport
  - ii. Songwe Airport
  - iii. Dodoma Airport
  - iv. Tanga Airport
- e. Developed and reviewed Parking and Docking charts for: -
  - i. Julius Nyerere International Airport;
  - ii. Abeid Amani Karume International Airport; and
  - iii. Mwanza Airport
- f. Reviewed the World Aeronautical Charts (WAC) Lake Victoria, Lake Tanganyika, Zanzibar Island and Ruvuma River Blocks.
- g. Continuous issuing Aeronautical Information Products such as:-
  - i. AIP including amendments services;
  - ii. AIP Supplements;

- iii. Aeronautical Information Circulars;
- iv. Various Aeronautical Charts in Size A<sub>0</sub>, A<sub>1</sub>, A<sub>3</sub> and A<sub>4</sub>;
- v. NOTAM and
- vi. Pre-Flight Information Bulletins (PIBs).

### Proficiency and Adequacy of staff

**Table 40: Training of AIM Staff for 2020/21**

| NR           | Course Title                                                      | Participants |
|--------------|-------------------------------------------------------------------|--------------|
| 1.           | AIS Supervisory Management                                        | 13           |
| 2.           | AFI Region contingency plan implementation Coordination (Virtual) | 14           |
| 3.           | NOTAM improvement (Virtual)                                       | 14           |
| 4.           | The AFI Volcanic Ash Exercise (Virtual)                           | 5            |
| <b>TOTAL</b> |                                                                   | <b>46</b>    |

#### (d) Safety Management

In the financial year 2020/2021 the Authority conducted safety audits at all manned stations namely JNIA, AAKIA, KIA, Mwanza, Dodoma, Arusha, Kigoma, Tabora, Dodoma, Pemba, Songwe, Iringa and Songea to verify provision of ANS take into account safety management requirements to ensure that an acceptable level of safety is met.

In addition, Safety assessments were conducted at stations where there are significant changes into equipment, procedures, or systems to ensure that the change is managed effectively without contributing to aircraft incidents or accidents. Safety assessment was conducted at during preparation Approach procedures at Mwanza and Zanzibar, Iringa before the commencement of rehabilitation of the airport and transition from paper strips to automated strips at JNIA, KIA, Arusha, Mwanza and Zanzibar.

## 1.29 DIRECTOR GENERAL'S OFFICE

### (a) Director of Legal Services

#### Review of Act and Regulations

The Act was proposed to be amended to incorporate provisions relating to accident and incident investigation; and to address findings from an audit done by ICAO. The proposed amendments are currently at the Ministry for Works and Transport for necessary action prior to promulgation.

Several Regulations are being reviewed to address new ICAO Standards and Recommended Practices. They are still with the Authority awaiting Stakeholders' consultation meeting. These are:

- i. The Civil Aviation (Personnel Licensing) Regulations;
- ii. The Civil Aviation (Approved Training Organization) Regulations;
- iii. The Civil Aviation (Aircraft Registration and Marking) Regulations;
- iv. The Civil Aviation (Approved Maintenance Organization) Regulations;
- v. The Civil Aviation (Instrument and Equipment) Regulations;
- vi. The Civil Aviation (Airworthiness) Regulations;
- vii. The Civil Aviation (Operations of Aircraft) Regulations;
- viii. The Civil Aviation (Air Operator Certification and Administration) Regulations;
- ix. The Civil Aviation (Aircraft accident and incident investigation) Regulations; and
- x. The Civil Aviation (Aerodromes) Regulations.

The 2006 edition of the Act was revised so as to incorporate all amendments made up to and including 30 June 2020. The revised edition was published on 2 October 2020 as Government Notice No. 843 of 2020.

**(b) Management Information System**

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

**i. Network Infrastructure**

The Authority has extended its network to all stations. In the year 2020/2021 we have continued to improve our network infrastructure by extending of LAN to accommodate new offices at HQ, install two new 30KVA UPC to provide clean power at HQ and upgrading Chang’ombe Central Workshop and Dodoma station from copper to fiber connectivity.

We have also increased VPN Link capacity from 2MBps to 4MBps from Authority network to e-Government network that has substantially improved traffic flows of ERMS and e-Office Systems

Additionally, Network security has been enhanced by configured and deployed SOPHOS firewall system that filters traffic and enables securely remote connectivity for authorized staff to access and work on Authority systems outside office premises.

**ii. Hardware**

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

**iii. Application Systems**

It is a strategic target that all business processes for the Authority to be automated. Table below summarizes what has been achieved in 2020/2021:

**Table 41: ICT Projects**

| No | Application System                                                                     | Description                                                                                                                                                                                                                                                                                                                            |
|----|----------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1  | Safety Oversight Facilitated Integration Application (SOFIA) Personal Licensing module | Online license application Portal for pilots, cabin crew and air traffic controllers. Done<br>Integration with Authority Billing Portal to facilitate issuing of GePG electronic control number and collection of payments and Licenses approval workflow is done and in use since January 2021                                        |
| 2  | Authority Billing Portal                                                               | Billing portal which is a gateway between All authority systems and GePG has been developed. All other Authority system which needs to issue control number are connected to this system. SOFIA and permits systems have already been connected. Future developed system that needs to interact with GePG will also be connected here. |
| 3  | e - G o v e r n m e n t Enterprise Resources Management Suite (ERMS)                   | The Authority has deployed the following modules which are available in ERMS:<br>Planning, Budgeting, Accounts, Billing, HR and Payroll, Leave Management, Fleet Management, Asset Management, Procurement Management, Project and Task Management.<br>ERMS will officially start in Financial year 2021/2022                          |

| No | Application System              | Description                                                                                                                                                                                                                                                                                                       |
|----|---------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4  | e-Government e-Office System    | Authority has managed to deploy e-Office system to handle all incoming mails, internal memo and other received documents. System also enables routing of files to different actions offices for comments and approvals. This system is in use since December 2020                                                 |
| 5  | Intranet Service Portal         | The intranet service portal has been developed and deployed and is available to staff in all stations. Intranet provides staff access of Authority documents, news, announcements, contacts and official forms.                                                                                                   |
| 6  | Website                         | Website has been reviewed twice for the financial year 2020/2021. The review includes enhancing layout, links to stakeholder for security and feedback.                                                                                                                                                           |
| 7  | Online Permit Management System | The system enables Flight Operators and Agents to request pay and print approved permits (Landing and Over flight) online. The system also provides permits approval workflows for Authority staff to be able to approve/reject permits request online. System has been deployed since 1 <sup>st</sup> June, 2021 |

#### iv. Governance

The ICT unit continued to properly manage ICT resources by putting in place ICT inventory management system, attend staff queries and resolve them on time, reviewed two existing IT policies (ICT policies and Standards and information security policy) and continues to provide IT security awareness and training of existing systems to staff

The Unit has also facilitated establishment of Authority ICT Steering Committee as per e-Government Act No. 10 of 2019 Section 18(1).

#### (c) Civil Aviation Training Centre (CATC) Unit

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

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

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

CATC is recognized internationally and nationally.

International CATC is:

- i. ICAO Train air Plus full member
- ii. ISO 9001: 2015 certified
- iii. Council member of association of African Aviation Training Organization (AATO)
- iv. Corporate member of Chartered Institute of Logistic and Transport (CILT).

Nationally CATC is:

- i. Fully accredited by National Accreditation Council for Technical Education (NACTE)
- ii. Certified by TCAA as an Approved Training Organization (ATO) as per ICAO standards.

The aim of retaining certifications is to improve business processes, increase customers satisfaction

and compliance with National and International standards.

In the financial year 2021/2022, the Centre plans to undertake the following activities.

- i. Conduct Feasibility study for development of CATC. The aim of the study is to attain project cost estimates for fund mobilization. The report is estimated to be completed in September 2021,
- ii. Development ICAO Standardized Training Package (STP) for CATC instructor to undergo OJT in preparation for development of ICAO Training package (ITP) become Regional Training Centre of Excellence (RTCE). To date two instructors had qualified as ICAO Qualified course developer.
- iii. To develop five (5) new courses whereby the target was exceeded by developing nine (9) courses,

**(d) Quality Assurance Management Unit**

The Authority continues to instill confidence of the services provided to customers by building up the effective quality management system. The quality management system affects every aspect of the organization by ensuring different processes are reviewed and improved for effective operation.

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

- TCAA Regulatory (Safety Regulation, Economic Regulation & Corporate Services).
- Provision of Air Navigation Services within Dar-es-salaam Flight Information Region (FIR) which includes Air Traffic Management (ATM), Communication Navigation Surveillance (CNS) & Aeronautical Information Management (AIM).
- The Design and provision of training services for the Civil Aviation Industry to include ATM, AIS, CNS, AVSEC, Airport Operations, Train the Trainer & Airport Ground Handling.

The Authority is in recertification cycle whereby full assessments are being carried out by our registrar to ensure the compliance to ISO 9001:2015 to all scopes.

Phase 1 assessment was carried out to Civil Aviation Training Centre on April 2021 and was completed successful with the recommendation for recertification. The certification was issued on July 2021.

Phase 2 assessments of other scopes have been scheduled to be embarked on 2nd quarter of 2021/2022 FY.

Also, the Authority continues to carry out internal audits to the whole organization to ensure smooth, effective and efficient operations are carried out.

During this 2021/2022 FY the Authority will continue to improve various processes including improving its customer’s complaint handling system which will be carried out in 1st quarter of 2021/2022 FY. As we understand customer feedback enhances process improvement.

**Table 42: Quality Management System Audits**

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

## Risk Management

The adoption of risk management practices within the TCAA is a response to the constant search for best practices and need to comply with the National Guidelines for Developing and Implementing Risk Management Framework in Public Sector Organizations (2012) and its accompanying Treasury Circular No. 12 of 2012/13.

This Framework which was reviewed and approved by the 34th Board of Directors on 3 June 2021 sets the principles and approach in embedding risk management in the TCAA. It outlines the Authority's risk policy, appetite and risk governance structure.

The Framework also sets a consistent approach in making sure that all significant risks facing the Authority are identified and their likelihood and potential impact reduced through recognized risk management tools and techniques and reported in a timely manner.

The Authority has continued to treat various risks by implementing mitigation developed. Generally, it has been observed that, the implementation of mitigations is slow due to financial constraint which was resulted by the eruption of the COVID 19 pandemic. The implementation results have been recorded to only 53%.

The Authority has planned to review its risk register on the 2nd quarter of 2021/2022 FY and aligned with the Medium-Term Expenditure Framework during the commencement of budget sessions.

**Table 43: Quarterly Residual Risk Implementation Status**

| Colour       | Residual Risk<br>2020/2021<br>2 <sup>nd</sup> Quarter | Residual Risk<br>2020/2021<br>3 <sup>rd</sup> Quarter | Residual Risk<br>2020/2021<br>4 <sup>th</sup> Quarter |
|--------------|-------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|
| Red          | -                                                     | 1                                                     | 3                                                     |
| Brown        | 13                                                    | 14                                                    | 10                                                    |
| Yellow       | 47                                                    | 47                                                    | 38                                                    |
| Green        | 4                                                     | 2                                                     | 13                                                    |
| <b>Total</b> | <b>64</b>                                             | <b>64</b>                                             | <b>64</b>                                             |

### i. Safeguarding of Authority's Assets

The Directors are responsible for safeguarding assets of the Authority. During the year under review, the Board approved various policies and regulations including but not limited to Tanzania Civil Aviation (Financial) Rule 2021 in order to strengthen the internal control environment and enhance efficiency within the Authority. These control documents are reviewed from time to time to align them to the dynamics of the operating environment. During the year under review, no incident of loss of Authority's assets was recorded.

### ii. Compliance with Laws and Regulations

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

### iii. Reliability of Accounting Records

The Authority has employed sufficient and competent staff in the Finance Department and has in place a computerized accounting system (Oracle EBS). Accordingly, proper books of accounts have been maintained and the financial statements are prepared and presented in compliance with the International Public-Sector Accounting Standards (IPSAS). The Authority is in the process of installing billing system in order to fully automate the billing process. The tender for supply installation and commissioning of billing system was advertised on 20th September

2016 and M/S Indra Systems from France was procured to implement the project. The system was installed, and operations started at the end of June 2019.

**(e) Public Awareness**

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

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

For the Financial Year 2020/21 the Authority executed several activities related to Communications and Public Relations functions of which have been presented in this report.

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

**i. Sensitization Program**

The Authority conducted secondary school sensitization program, to enhance its visibility and pupil's knowledge on civil aviation, TCAA mandates in particular. During the time three regions, namely, Mwanza, Simiyu and Mara were visited reaching more than 3000 pupils in five secondary schools. The pupils have the opportunities to hear from the aviation experts on the best way to prepare so they can join the Civil Aviation industry. We also aired 2 Television content and 2 Radio programs, respectively plus various stories to the newspapers and tutorial videos on online licensing.

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

The Authority also coordinated 70 printed feature articles in local newspapers and Authority bi annual magazine, TCAA news Bulletin against 33 features printed in the previous in the same period, the Authority also conducted stakeholders' seminars and sensitization in particular on drones 'regulations and Collaborative Arrangement for the Prevention and Management of Public Health Events in Civil Aviation - CAPSCA.

**iii. Press Conferences and Media Coverage**

During the year, the Authority organized 5 media coverage on various activities held by TCAA including the Collaborative Arrangement for the Prevention and Management of Public Health Events in Civil Aviation - CAPSCA, Drones stakeholders meeting, Stakeholders Meeting, Hon. MP Chacha Mwitwa Waitara visits at TCAA station Songwe Airport Radar site to mention some.

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

**iv. Advertisements**

During the year, the Authority published 32 batches of various advertisements compared to 60 batches of advertisements published in the previous Financial Year. The advertisements were mainly on Public Notices, Congratulatory Messages Adverts, Public Notice, licensing notices and Tenders.

**v. Exhibitions**

The Authority participated in 1 exhibition, conducted public awareness, information and

education activities where various publications such as brochures, Newsletter and TCAA annual reports were distributed to the public. At the end of 5 days exhibition the Authority served more than 400 registered visitors at TCAA booth.

#### **vi. Publicity Materials**

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

#### **vii. Political and Charitable Donations**

The Authority did not make any political donations during the year ended 30 June 2021. Donations were made to institutions and charitable organizations to acknowledge TCAA's responsibility to community social needs.

### **(f) Internal Affairs**

The Internal Affairs Unit it's a unit which was established on December, 2016 by the name Security Unit and the introduction of new scheme of service in 2020 has changed the name to Internal Affairs. The unit is headed by the Manager who report to the Director General.

The unit has the following responsibilities:

- i. To ensure Co- operation, co-ordination and communication between the Authority and other Government Security organs concerning the level of Security threat that may affect the security of Civil Aviation.
- ii. To coordinate and oversee security of Authority's activities and properties.
- iii. To advise the Authority on security threats and the appropriate security measures to be established and maintained within the civil aviation industry to match national and international level of the said security threat.
- iv. To advise and facilitate in the vetting and background checks of new recruits.
- v. To conduct surveillance of international terrorists and drug traffickers in liaison with airport authorities, and alert the Authority, Police and Airport operators on their activities which may affect aviation in Tanzania.

## **1.30 CORPORATE SERVICES DIRECTORATE**

### **(a) a. Human Resources and Administration**

#### **Employees' Welfare**

##### **i. Human Resource Management Strategy**

During the period under review the Authority prepared Human Resource Management Strategy geared to set out a roadmap for discharging human resource management functions in supporting implementation of TCAA's Strategic Plan. The Strategy describes people management vision, strategy and objectives and it ensures that human resource management initiatives align with the Authority's vision, mission and strategic plans. It also aims at transforming TCAA employees into human capital, social capital and eventually an organizational capital. The strategy provides measurable performance indicators for periodic evaluation of the contribution of human resource management initiatives in realizing Authority's Strategic Plan.

##### **ii. Recruitment**

The Authority being Public Service Institution conduct its recruitment process through Public Service Recruitment Secretariat as stipulated in the Section 29 of Public Service Act, Cap 298.

During the period under review, a total of 21 staff were recruited compared to 61 in the previous financial year 2019/20, thus bringing the number of staff to 477 out of 553 in the approved establishment. Staff gender structure is as indicated in below table:

**Table 44: Staff structure**

| Description              | Year ended<br>30 <sup>th</sup> June, 2021 |            |            | Year ended<br>30 <sup>th</sup> June, 2020 |            |            |
|--------------------------|-------------------------------------------|------------|------------|-------------------------------------------|------------|------------|
|                          | Male                                      | Female     | Total      | Male                                      | Female     | Total      |
| Management Team          | 3                                         | 3          | 6          | 6                                         | -          | 6          |
| Chief/Principal Officers | 77                                        | 38         | 115        | 75                                        | 40         | 115        |
| Senior Officers          | 46                                        | 16         | 62         | 62                                        | 28         | 90         |
| Middle level Officers    | 200                                       | 94         | 294        | 186                                       | 84         | 270        |
| <b>Total</b>             | <b>326</b>                                | <b>151</b> | <b>477</b> | <b>329</b>                                | <b>152</b> | <b>481</b> |

The Authority has total number of 477 employees out of whom 33 are from Zanzibar employed in the different periods.

### iii. Employee Relations

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

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

### iv. Medical Assistance

The Authority meets medical expenses of its employees and their immediate dependents through contributing to National Health Insurance Fund (NHIF). During the year 2020/21 a total of TZS 460.5 million contributed to the Fund (NHIF) compared to TZS. TZS 441.91 Million contributed in previous year 2019/20. Also pays for staff medical examination once in every two (2) years. The Authority also pays for Air Traffic Controllers medical examination once in every year/ two years depending on age.

### v. HIV/AIDS Policy

The Authority HIV/AIDS Policy focuses on creating awareness on HIV/AIDS among staff members by providing them with update information on HIV/AIDS with emphasis on the preventive strategies and education against the pandemic. The policy also focuses on encouraging employees to undertake voluntary counseling and testing (VCT). Furthermore, the Authority continued to raise awareness to staff on HIV and AIDS issues. During the year 2020/21 a total of TZS 1.8 million was spent to provide medical services to staff. HIV/AIDS awareness seminars were planned to take place in the fourth quarter; however, such seminars were not conducted due to outbreak of COVID-19 pandemic which led restriction of mass gatherings.

### vi. Meal and Transport Assistance

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

### vii. Employment Policy

Tanzania Civil Aviation Authority is committed to employment policies which follow best practices, based on equal opportunity for all employees irrespective of sex, race, religious,

disability, age or marital status. The Authority recognizes the need for ensuring fair employment practices in recruitment and selection, and the retention, training and career development of staff.

#### viii. Staff Learning and Development

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

Training is conducted in accordance with an annual training program drawn from training needs assessment, which considers identified skills gaps and exposure to new and ever-changing working and business environment. This guarantees availability competent employees who can meet the Authority's Vision and Mission.

As at 30 June 2021, the Authority's investment in Staff Learning and Development for both local and abroad, amounted to TZS 1,144,913,000.00 (2020/21) out of TZS 2,345,000,000.00 which was allocated in the Training Plan 2020/21. Most of trainings in the year were suspended due to outbreak of COVID-19 pandemic which led postponement of trainings in and outside the country.

#### ix. Persons with Disabilities

In endeavor to enhance workplace diversity and to comply with equal opportunity employer Policy, the Authority has employed six (6) employees with disability. The Authority has continued to provide conducive work environment for employees with disabilities to ensure they equally contribute to the achievement of organization goals as other employees who are not disabled.

**Table 45: TCAA employed persons with disabilities as follows:**

| NO | NAME             | TITLE                                        | GENDER | AGE |
|----|------------------|----------------------------------------------|--------|-----|
| 1  | Maulina Martin   | Principal Internal Auditor I                 | Female | 49  |
| 2  | Abdul Betero     | Principal Office Assistant                   | Male   | 58  |
| 3  | Josephat Panga   | Assistant Accountant II                      | Male   | 32  |
| 4  | Menidora Sizinga | Principal Aeronautical Information Officer I | Female | 57  |
| 5  | Lucy Msuya       | Air Navigation Engineer                      | Female | 39  |
| 6  | Cassian Rocky    | Technician II                                | Male   | 40  |

### 1.31 RELATED PARTY TRANSACTIONS

Details of transactions with related parties and outstanding balances as at the reporting date are disclosed in note 31 of the financial statements. All transactions with related parties were undertaken on arm's length basis.

### 1.32 DIRECTORS RESPONSIBILITY

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

- x. Effectiveness and efficiency of operations;
- xi. Safeguarding of the Authority's assets;
- xii. Compliance with applicable laws and regulations;
- xiii. Reliability of accounting records;
- xiv. Business sustainability under normal as well as adverse conditions; and

xv. Responsible behaviours towards all stakeholders.

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

The Board assessed the internal control systems throughout the financial year ended 30th June, 2021 and is of the opinion that they met accepted criteria.

The Board carries risk and internal control assessment through the Board Audit, Risk & ICT Committee.

### 1.33 AUDITOR

Controller and Auditor General is the statutory auditor of the Tanzania Civil Aviation Authority by virtue of article 143 of the constitution of the United Republic of Tanzania and amplified in section 9 of the Public Audit Act, Cap 418 (R.E. 2021). However, in accordance with section 33(1) of the same act, M/s Deloitte & Touche jointly with the NAOT carried out the audit of the Authority for the financial year ended 30 June 2021.

#### BY THE ORDER OF THE BOARD



Prof. Longinus Rutasitara  
**Chairperson**



Hamza Said Johari  
**Director General**

March, 2022

## 2.0 STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards and Tanzania Civil Aviation Authority Act, 2003 Cap 80 (R.E 2006).

The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Authority and of its operating results. The directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

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



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Prof. Longinus Kyaruzi Rutasitara  
**Chairperson**



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Mr. Hamza Saidi Johari  
**Director General**

March, 2022

### 3.0 DECLARATION OF THE HEAD OF FINANCE OF TANZANIA CIVILAVIATION AUTHORITY

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

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

I, Jamal Athuman, being the Finance Manager of Tanzania Civil Aviation Authority hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30 June 2021 have been prepared in compliance with International Public Sector Accounting Standards (IPSAS) and statutory requirements.

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



Jamal Athuman

**Finance Manager**

**NBAA Membership No: ACPA 3589**

March, 2022

## 4.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

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

### 4.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

#### Opinion

I have audited the financial statements of Tanzania Civil Aviation Authority, which comprise the statement of financial position as at 30 June 2021, and the statement of financial performance, statement of changes in net assets and cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly in all material respects, the financial position of Tanzania Civil Aviation Authority as at 30 June 2021, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) Accrual basis of accounting.

#### 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 below section entitled “Responsibilities of the Controller and Auditor General for the Audit of the Financial Statements”. I am independent of Tanzania Civil Aviation Authority in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code) together with the National Board of Accountants and Auditors (NBAA) Code of Ethics, and I have fulfilled my other ethical responsibilities in accordance with these requirements.

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

#### Key Audit Matters

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

#### Other Information

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

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

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Further, Section 48(3) of the Public Procurement Act, 2011 (as amended in 2016) 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.

## 4.2 REPORT ON COMPLIANCE WITH LEGISLATIONS

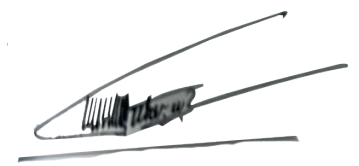
### Compliance with the Public Procurement Laws

#### 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 Tanzania Civil Aviation Authority for the financial year 2020/21 as per the Public Procurement Laws.

#### Conclusion

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



Charles E. Kichere

**Controller and Auditor General,**


**Dodoma, United Republic of Tanzania.**

March 2022

**STATEMENT OF FINANCIAL POSITION AS AT 30<sup>TH</sup> JUNE 2021**

|                                      | Note | 2020/21<br>TZS'000 | 2019/20<br>TZS'000 |
|--------------------------------------|------|--------------------|--------------------|
| <b>ASSETS</b>                        |      |                    |                    |
| <b>Current assets</b>                |      |                    |                    |
| Cash and cash equivalents            | 4    | 1,252,294          | 8,605,509          |
| Receivables                          | 5    | 14,777,342         | 10,922,742         |
| Inventory                            | 6    | 1,199,069          | 1,261,825          |
| Prepayments                          | 7    | 296,352            | 152,192            |
| Other current assets                 | 8    | 26,741             | 137,544            |
| <b>Total current Assets</b>          |      | <b>17,551,798</b>  | <b>21,079,812</b>  |
| <b>Non-current assets</b>            |      |                    |                    |
| Property, plant and equipment        | 9(a) | 255,134,283        | 240,927,910        |
| Capital work in progress             | 9(b) | 191,240            | 22,850,028         |
| Intangible assets                    | 10   | 4,925,089          | 4,896,745          |
| <b>Total non-current Assets</b>      |      | <b>260,250,612</b> | <b>268,674,683</b> |
| <b>TOTAL ASSETS</b>                  |      | <b>277,802,410</b> | <b>289,754,495</b> |
| <b>LIABILITIES</b>                   |      |                    |                    |
| <b>Current liabilities</b>           |      |                    |                    |
| Payables                             | 11   | 17,418,495         | 8,755,434          |
| Employee benefits                    | 12   | 26,741             | 43,548             |
| <b>Total current liabilities</b>     |      | <b>17,445,236</b>  | <b>8,798,982</b>   |
| <b>Non - current liabilities</b>     |      |                    |                    |
| Deferred revenue                     | 14   | -                  | 17,281,067         |
| Employee benefits payable            | 12   | 344,162            | 154,350            |
| <b>Total non-current liabilities</b> |      | <b>344,162</b>     | <b>17,435,417</b>  |
| <b>TOTAL LIABILITIES</b>             |      | <b>17,789,398</b>  | <b>26,234,399</b>  |
| <b>NET ASSETS</b>                    |      | <b>260,013,012</b> | <b>263,520,096</b> |
| <b>EQUITY</b>                        |      |                    |                    |
| Capital fund                         | 16   | 6,694,229          | 6,694,229          |
| Accumulated surplus                  |      | 253,318,783        | 256,825,867        |
| <b>TOTAL NET EQUITY</b>              |      | <b>260,013,012</b> | <b>263,520,096</b> |

Notes form part of the financial statements which were approved and authorized for issue by the Board of Directors on March, 2022 and signed on its behalf by:



**Prof. Longinus Rutasitara**  
**Board Chairperson**



**Hamza S. Johari**  
**Director General**

## STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2021

|                                               | Note | 2020/21<br>TZS '000 | 2019/20<br>TZS'000  |
|-----------------------------------------------|------|---------------------|---------------------|
| <b>REVENUE</b>                                |      |                     |                     |
| Revenue from exchange transactions            | 17   | 25,150,553          | 38,431,519          |
| Revenue from non-exchange transactions        | 18   | 13,969,763          | 20,275,680          |
| Other revenue                                 | 19   | 17,603,611          | 17,799,108          |
|                                               |      | <b>56,723,927</b>   | <b>76,506,307</b>   |
| <b>EXPENSES</b>                               |      |                     |                     |
| Salaries, allowances and other staff benefits | 20   | (23,626,353)        | (23,284,365)        |
| Regulatory expenses                           | 21   | (1,178,227)         | (2,200,343)         |
| Air navigation expenses                       | 22   | (2,296,684)         | (3,542,400)         |
| CATC running expenses                         | 23   | (660,608)           | (913,054)           |
| Administrative expenses                       | 24   | (9,598,397)         | (15,242,750)        |
| Technical audit expenses                      | 25   | (8,650)             | (171,694)           |
| Board expenses                                | 26   | (219,305)           | (87,278)            |
| Contribution to Government and other bodies   | 27   | (8,535,548)         | (10,932,697)        |
| Depreciation and amortization                 | 28   | (14,107,239)        | (10,859,792)        |
| <b>Total expenses</b>                         |      | <b>(60,231,011)</b> | <b>(67,234,373)</b> |
| <b>(Deficit)/surplus for the year</b>         |      | <b>(3,507,084)</b>  | <b>9,271,934</b>    |

Notes form part of the financial statements

## STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2021

|                                | Capital fund<br>TZS'000 | Accumulated surplus<br>TZS'000 | Total equity<br>TZS'000 |
|--------------------------------|-------------------------|--------------------------------|-------------------------|
| <b>Year ended 30 June 2021</b> |                         |                                |                         |
| At 1 July 2020                 | 6,694,229               | 256,825,867                    | 263,520,069             |
| Deficit for the year           | -                       | (3,507,084)                    | (3,507,084)             |
| <b>At 30 June 2021</b>         | <b>6,694,229</b>        | <b>253,318,783</b>             | <b>260,013,012</b>      |
| <b>Year ended 30 June 2020</b> |                         |                                |                         |
| At 1 July 2019                 | 6,694,229               | 247,553,933                    | 254,248,162             |
| Surplus for the year           | -                       | 9,271,934                      | 9,271,934               |
| <b>At 30 June 2020</b>         | <b>6,694,229</b>        | <b>256,825,867</b>             | <b>263,520,096</b>      |

Notes form part of the financial statements

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2021

|                                                              | Notes    | 2021<br>TZS '000    | 2020<br>TZS '000    |
|--------------------------------------------------------------|----------|---------------------|---------------------|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                   |          |                     |                     |
| <b>Receipts</b>                                              |          |                     |                     |
| Exchange transactions                                        | 17       | 24,727,718          | 34,979,952          |
| Non-exchange transactions                                    | 18       | 14,623,556          | 20,275,680          |
| Other receipts                                               | 19       | 691,216             | 173,583             |
|                                                              |          | <b>40,042,491</b>   | <b>55,429,215</b>   |
| <b>Payments</b>                                              |          |                     |                     |
| Employee cost                                                | 20       | (23,391,100)        | (22,920,314)        |
| Suppliers                                                    | 29       | (6,786,866)         | (10,141,651)        |
| Other payments                                               | 30       | (9,499,363)         | (12,664,341)        |
|                                                              |          | <b>(39,677,329)</b> | <b>(45,726,305)</b> |
| <b>Net cash generated by operating activities</b>            |          | <b>365,162</b>      | <b>9,702,910</b>    |
| <b>INVESTING ACTIVITIES</b>                                  |          |                     |                     |
| Payment to suppliers of Infrastructure and equipment         | 9        | (7,718,378)         | (18,387,321)        |
| <b>Net cash used in investing activities</b>                 |          | <b>(7,718,378)</b>  | <b>(18,387,321)</b> |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                  |          |                     |                     |
|                                                              |          | -                   | -                   |
| Decrease in cash and cash equivalent                         |          | (7,353,216)         | (8,684,411)         |
| <b>Cash and cash equivalent at the beginning of the year</b> |          | <b>8,605,510</b>    | <b>17,289,920</b>   |
| <b>Cash and cash equivalent at the end of the year</b>       | <b>4</b> | <b>1,252,294</b>    | <b>8,605,509</b>    |

Notes form part of the financial statements

## STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2021

|                                                  | Original Budget (A) | Adjustments (B)     | Final Budget C = (A+B) | Actual (D)        | Difference Actual Vs Budget (D-C) | Note |
|--------------------------------------------------|---------------------|---------------------|------------------------|-------------------|-----------------------------------|------|
| <b>Receipts</b>                                  |                     |                     |                        |                   |                                   |      |
| Revenue from exchange transactions               | 54,757,251          | (30,530,107)        | 24,227,144             | 25,150,553        | 923,409                           | i    |
| Revenue from non-exchange transactions           | 27,301,207          | (16,652,604)        | 10,648,604             | 13,969,763        | 3,321,159                         | ii   |
| Other Income                                     | -                   | 191,414             | 191,414                | 17,603,611        | 17,412,197                        | iii  |
| <b>Total Receipts</b>                            | <b>82,058,458</b>   | <b>(46,991,297)</b> | <b>35,067,162</b>      | <b>56,723,729</b> | <b>21,656,766</b>                 |      |
| <b>Payments</b>                                  |                     |                     |                        |                   |                                   |      |
| Salaries, allowances & other Staff benefits      | 24,411,276          | -                   | 24,411,276             | 23,626,353        | (784,923)                         | iv   |
| Regulatory expenses                              | 2,582,470           | -                   | 2,582,470              | 1,178,227         | (1,404,242)                       | v    |
| Air navigation expenses                          | 8,841,773           | -                   | 8,841,773              | 2,296,684         | (6,545,089)                       | vi   |
| CATC running expenses                            | 1,041,676           | -                   | 1,041,676              | 660,608           | (381,068)                         | vii  |
| Administrative expenses                          | 10,751,814          | -                   | 10,751,814             | 9,598,397         | (1,153,417)                       | viii |
| Technical audit expenses                         | 178,610             | -                   | 178,610                | 8,650             | (169,960)                         | ix   |
| Board expenses                                   | 264,896             | -                   | 264,896                | 219,305           | (45,591)                          | x    |
| Contribution to Government fund and other bodies | 12,712,495          | -                   | 12,712,495             | 8,535,548         | (4,176,947)                       | xi   |
| Capital expenditure                              | 17,854,123          | -                   | 17,854,123             | 7,718,378         | (10,135,745)                      | xii  |
| <b>Total Payments</b>                            | <b>78,639,132</b>   | <b>-</b>            | <b>78,639,132</b>      | <b>53,842,150</b> | <b>(24,796,982)</b>               |      |
| <b>Surplus for the year</b>                      |                     |                     |                        | <b>2,881,777</b>  |                                   |      |

## STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2020

### STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS (CONTINUED)

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

#### Comments on the significant variances on final budget and actual for the year ended 30 June 2021

##### i. Revenue from Non-Exchange Transactions

The excess from budget of TZS 3.3 billion was mainly due to increase in economic regulation fees. This was caused by COVID 19 vaccine and as a result increase of movement.

##### ii. Revenue from Exchange Transactions

The excess from budget of TZS 923.4 million was mainly due to increase in operations due to release of Covid 19 vaccine.

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

The deficit from budget of TZS 784.9million was mainly due to retirement of staff session compared to recruited staff.

##### iv. Administration expenses

The deficit from budget of TZS 1.3 billion administrative expenses was due to decrease in administrative cost due to continued effects of COVID 19.

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

Due to decrease in revenue the Authority has to contribute part based on revenue collection during the year. The Authority has booked TZS 6.5 billion to be paid to the Government when operation resumes to normal.

##### vi. Capital expenditure

A total of TZS.17.9 billion was approved for Capital Expenditure in year 2020/2021 budget in which a total of TZS.7.7 billion were paid during the year and leave a variance of TZS.10.1 billion from capital expenditure budget. The balance will be used to complete pending and ongoing projects as summarized under note 32 Capital Commitments.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021

### 1. GENERAL INFORMATION

Tanzania Civil Aviation Authority (“the Authority” or “TCAA”) was established on 1 November 2003 as a corporate body, pursuant to the Tanzania Civil Aviation Authority Act 2003 (Act No. 10 of 2003) which has been consolidated with the Civil Aviation No. 13 of 1977 and now titled as the Civil Aviation Act (Chapter 80 of the Laws [R.E. 2020]) (the “Act”). The address of its registered office and principal place of business are disclosed on page 1 of these financial statements. The principal activities of the Authority are described in the Directors’ Report.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### BASIS OF PREPARATION

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

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

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

The Authority’ budget period is July 2020 to June 2021 and the budget was approved by relevant approval authorities before the beginning of the financial year.

#### CHANGES IN ACCOUNTING POLICIES AND ESTIMATES

##### i. New and Amended standards adopted by the Authority during the year ended 30 June 2021

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

##### ii. Relevant new and amended relevant standards and interpretations in issue but not yet effective in the year ended 30 June 2021

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

#### IPSAS 41, Financial Instruments

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

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

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

The effective date of IPSAS 41 is January 1, 2023, with earlier adoption encouraged.

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

## IPSAS 42, Social Benefits

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

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

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

IPSAS 42 is effective date on January 1, 2023 and other than disclosures is not expected to have significant impact to the Authority's financial statements when effective.

## Collective and Individual Services (Amendments to IPSAS 19)

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

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

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

## ACCOUNTING POLICIES

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

### a. Revenue recognition

#### i. Revenue from non-exchange transactions

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

#### ii. Revenue from exchange transactions

##### • Rendering of services

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

- **Sale of goods**

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

**b. Accounting for grants**

**i. Grants income**

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. Government Grants received are recognized based on whether has conditions or does not have conditions. For grants without conditions attached, revenue is recognized immediately in the statement of financial performance. If conditions are attached, a liability is recognized as deferred revenue in the statement of financial position and is reduced and revenue recognized as the conditions are satisfied.

**ii. Interest income**

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

**c. Foreign currency translation**

**i. Functional and presentation currency**

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

**ii. Transactions and balances**

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

**d. Borrowing costs**

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

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

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

**e. Property and equipment**

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

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

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

|                        |           |
|------------------------|-----------|
| <b>Buildings</b>       | <b>2%</b> |
| Land                   | -         |
| Motor Vehicles         | 20%       |
| Telecommunications     | 14.2%     |
| Equipment              | 10%       |
| Furniture and Fittings | 20%       |
| Computers hardware     | 25%       |

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

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

#### **f. Leases**

##### **i. Authority as a lessee**

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

##### **ii. Authority as a lessor**

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

#### **g. Intangible assets: Computer Software**

Intangible assets acquired are carried at cost less accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs are not capitalised and expenditure is charged to Statement of Performance in the year in which the expenditure is incurred. Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Currently the amortisation rate is 20% per annum.

#### **h. Impairment of assets**

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

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

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

**i. Inventories**

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

**j. Financial assets**

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

**i. Loans and receivables**

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

**ii. Effective interest method**

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

**iii. Impairment of financial assets**

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

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

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

When a trade receivable is considered uncollectable, it is written off against the allowance

account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

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

**iv. De-recognition of financial assets**

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

**v. Available for sale Investments**

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

**k. Financial liabilities**

**i. Initial recognition and measurement**

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

**ii. Subsequent measurement**

The measurement of financial liabilities depends on their classification.

**iii. Financial liabilities at fair value through surplus or deficit**

Financial liabilities at fair value through surplus or deficit include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through surplus or deficit. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IPSAS 29. Gains or losses on liabilities held for trading are recognized in surplus or deficit.

**iv. Loans and borrowing**

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

**v. De-recognition**

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

**l. Offsetting of financial instruments**

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

**m. Fair value of financial instruments**

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

**n. Cash and Cash Equivalents**

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

**o. Provisions**

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

**p. Pensions and other post-employment benefits**

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

**i. Pension obligations**

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

**ii. Terminal benefits**

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

**iii. Gratuity benefits**

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

**q. Employee benefits - Retirement benefit plans**

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

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

**r. Foreign currency transactions**

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

**s. Borrowing costs**

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

**t. Budget information**

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

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

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

**u. Significant judgments and sources of estimation uncertainty**

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

**v. Judgments**

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

**w. Operating lease commitments – Authority as lessor**

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

**x. Estimates and assumptions**

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

**y. Useful lives and residual values**

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

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

**i. Fair value estimation – financial instruments**

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

**ii. Provisions**

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

**z. Value Added Tax (VAT)**

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

#### aa. Trade and other payables

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

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

### 3. FINANCIAL RISK MANAGEMENT

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

The most important types of risk are:

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

#### Credit risk management

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

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

#### a. Receivables

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

The Authority has no significant concentration of credit risk, with exposure spread over a large number of consumers; The Authority establishes an allowance for impairment that represents its estimate of anticipated losses in respect of receivables. The outstanding amounts of the 19 largest debtors represent 86% (2020: 82%) of the total outstanding balance. The average credit period on services rendered is 60 days from date of invoice. The Authority provided fully for all receivables outstanding over 365 days where there was no evidence of expected recovery. Receivables up to 365 days are provided for based on estimated irrecoverable amounts, determined by reference to past default experience.

#### b. Cash and cash equivalents

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

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

|                           | <b>2020/21</b>    | <b>2019/20</b>    |
|---------------------------|-------------------|-------------------|
|                           | <b>TZS'000</b>    | <b>TZS'000</b>    |
| Cash and cash equivalents | 1,252,294         | 8,605,509         |
| Receivables               | 24,617,187        | 20,313,044        |
| Other Current assets      | 23,989            | 137,544           |
|                           | <b>25,893,470</b> | <b>29,056,097</b> |

The amount that best represents the Authority's maximum exposure to credit risk as at 30 June 2021 without taking account of the value of any collateral obtained was:

|                              | <b>Fully performing</b> | <b>Impaired</b>  |
|------------------------------|-------------------------|------------------|
|                              | <b>TZS '000</b>         | <b>TZS '000</b>  |
| Receivables                  | 24,617,187              | 9,839,845        |
| Cash and bank balances       | 1,252,294               | -                |
| Other current assets         | 23,989                  | -                |
| <b>Total credit exposure</b> | <b>25,893,470</b>       | <b>9,839,845</b> |

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

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

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

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

|                               | <b>2020/21</b>   | <b>2019/20</b>   |
|-------------------------------|------------------|------------------|
|                               | <b>TZS'000</b>   | <b>TZS'000</b>   |
| At the beginning of the year  | 9,390,302        | 6,136,086        |
| Provision for the year        | 449,542          | 3,254,216        |
| <b>At the end of the year</b> | <b>9,839,845</b> | <b>9,390,302</b> |

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

### Fair value of financial assets and liabilities

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

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

### Liquidity risk

Liquidity risk is the risk of the Authority not being able to meet its obligations as they fall due. The Authority's approach to managing liquidity risk is to ensure that sufficient liquidity is available to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Group's reputation. The Authority ensures that it has sufficient cash on demand to meet expected operating expenses through the use of cash flow forecasts. On average, 60% (2020: 96%) of receivables are settled within 30 days after the due date, and payables are settled within 30 days of invoice.

Maturity analysis for financial liabilities showing the remaining contractual maturities:

|                 | <b>&lt;1month</b> | <b>1-5months</b> | <b>5-12months</b> | <b>Total</b>      |
|-----------------|-------------------|------------------|-------------------|-------------------|
|                 | <b>TZS'000</b>    | <b>TZS'000</b>   | <b>TZS'000</b>    | <b>TZS'000</b>    |
| At 30 June 2021 |                   |                  |                   |                   |
| <b>Payables</b> | <b>9,362,341</b>  | <b>1,638,166</b> | <b>6,417,988</b>  | <b>17,418,495</b> |
|                 | <b>&lt;1month</b> | <b>1-5months</b> | <b>5-12months</b> | <b>Total</b>      |
|                 | <b>TZS'000</b>    | <b>TZS'000</b>   | <b>TZS'000</b>    | <b>TZS'000</b>    |
| At 30 June 2020 |                   |                  |                   |                   |
| <b>Payables</b> | <b>2,363,967</b>  | <b>2,626,630</b> | <b>3,764,837</b>  | <b>8,755,434</b>  |

### Market risk

#### Foreign currency risk management

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

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

|                           | 2020/21<br>TZS'000  | 2019/20<br>TZS'000 |
|---------------------------|---------------------|--------------------|
| Receivables               | 14,777,342          | 10,922,742         |
| Cash and cash equivalents | 997,825             | 8,605,509          |
| Payables                  | (2,613,263)         | (8,755,434)        |
| <b>Open position</b>      | <b>(13,161,904)</b> | <b>10,772,817</b>  |

### Foreign currency sensitivity analysis

At 30 June 2021, if the TZS had weakened/strengthened by 5% against the US\$ and Euro with all other variables held constant, the impact on surplus for the year would have been TZS 524,856.00 (2020: TZS 2,088,026,555.00) higher/lower.

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

### Interest risk management

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

## 4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise the following:

|                                | 2020/21<br>TZS'000 | 2019/20<br>TZS'000 |
|--------------------------------|--------------------|--------------------|
| Bank balances (analysis below) | 1,245,435          | 8,598,693          |
| Cash in hand                   | 6,859              | 6,816              |
|                                | <b>1,252,294</b>   | <b>8,605,509</b>   |

### Bank balances analysis

#### Revenue accounts

|                   |             | 2020/21<br>TZS'000 | 2019/20<br>TZS'000 |
|-------------------|-------------|--------------------|--------------------|
| NBC-City Drive HQ | 11105002975 | 62,486             | 229                |
| NMB Bank House HQ | 20101000006 | 500                | 2,581              |
| DCB Ukonga HQ USD | 61113000001 | 2,642              | 2,445              |
| BOT HQTZS         | 9925260351  | 80,596             | 154,369            |
| BOT HQUSD         | 9932445511  | 142,722            | 2,053,769          |
|                   |             | <b>288,946</b>     | <b>2,213,393</b>   |

#### Expenditure accounts

|                     |             | 2020/21<br>TZS'000 | 2019/20<br>TZS'000 |
|---------------------|-------------|--------------------|--------------------|
| NBC-City Drive HQ   | 11105002847 | 139,726            | 121,485            |
| NMB Bank House HQ   | 2011000007  | 8,740              | 5,334              |
| NMB Mtwara          | 70601100022 | 994                | 26,116             |
| NMB Dodoma          | 50501100026 | 18,933             | 33,694             |
| NMB Iringa          | 60501100014 | 39                 | 637                |
| NBC- Obeid Katikaza | 51601000008 | 5,946              | 4,012              |
| NMB- Mbalizi, Mbeya | 61001000003 | 4,104              | 19,198             |
| NMB Kenyata Rd MZA  | 31101000017 | 1,724              | 22,196             |

|                        |                |                |                |
|------------------------|----------------|----------------|----------------|
| NMB Tanga              | 41701100037    | 256            | 28,084         |
| NBC Zanzibar           | 21103002370    | 32,144         | 75,063         |
| NMB Songea             | 61801100019    | 120            | 1,854          |
| NMB C/Tower, Arusha    | 31101000017    | 5,936          | 23,029         |
| NMB Chakechake         | 20201000002    | 11,423         | 38,697         |
| NBC Isike, Tabora      | 5101100023     | 5,613          | 16,313         |
| NMB Kilimanjaro        | 40810000460    | 2,072          | 11,627         |
| CRDB-TOWER Branch      | 01J1042986802  | -              | -              |
| CRDB Pugu Rd           | 0J1092158200   | 40,413         | 24,915         |
| DCB Ukonga HQ          | 061013000002/1 | -              | -              |
| CRDB Tower Branch      | 01J1042986801  | 28,057         | 70,713         |
| LC Margin Bank Account |                | 588,322        | 429,861        |
|                        |                | <b>894,562</b> | <b>952,828</b> |

|                           |  |               |                  |
|---------------------------|--|---------------|------------------|
| USD Radar account (BOT)   |  | 40,052        | 1,182,554        |
| TIB Radar project account |  | 21,875        | 4,249,918        |
|                           |  | <b>61,927</b> | <b>5,432,472</b> |

|                           |  |                  |                  |
|---------------------------|--|------------------|------------------|
| <b>Total bank balance</b> |  | <b>1,245,435</b> | <b>8,598,693</b> |
|---------------------------|--|------------------|------------------|

## 5. RECEIVABLES

|                                           | 2020/21           | 2019/20           |
|-------------------------------------------|-------------------|-------------------|
|                                           | TZS'000           | TZS'000           |
| Receivable from exchange transactions     | 21,952,424        | 16,994,487        |
| Receivable from non-exchange transactions | 2,664,763         | 3,318,557         |
| Sundry debtors                            | -                 | -                 |
| <b>Sub total</b>                          | <b>24,617,187</b> | <b>20,313,044</b> |
| Provision for bad debts                   | (9,839,845)       | (9,390,302)       |
| <b>Total net receivable</b>               | <b>14,777,342</b> | <b>10,922,742</b> |

## 6. INVENTORY

|                  |                  |                  |
|------------------|------------------|------------------|
| Technical spare  | 918,451          | 991,076          |
| Stationery       | 129,071          | 186,152          |
| Stock & supplies | 151,546          | 84,597           |
|                  | <b>1,199,069</b> | <b>1,261,825</b> |

## 7. PREPAYMENTS

|                      |                |                |
|----------------------|----------------|----------------|
| Advance to suppliers | 179,452        | 12,331         |
| Prepaid IP VPN rates | 116,900        | 139,861        |
|                      | <b>296,352</b> | <b>152,192</b> |

## 8. OTHER CURRENT ASSETS

|                                  |               |                |
|----------------------------------|---------------|----------------|
| Available for sale equity shares | 26,741        | 16,341         |
| Staff imprest                    | -             | 101,243        |
| Staff loan                       | -             | 19,960         |
|                                  | <b>26,741</b> | <b>137,544</b> |

Available for sale equity shares represent 7,428 equity shares of Twiga Portland Cement Company Limited purchased during the Initial Public Offering at a cost of TZS 435 per share. The Authority did not buy these shares with the aim of trading rather supporting establishment of Dar es Salaam Stock Exchange. The increase in value is due to revaluation of the share price at TZS 3,600 per share (2020: TZS 2,200).

## 9. (a) PROPERTY, PLANT AND EQUIPMENT

|                        | Office building<br>TZS'000 | Motor vehicles<br>TZS'000 | Telecom & Navaid<br>TZS'000 | Furniture and fittings<br>TZS'000 | Computer<br>TZS'000 | Office Equipment<br>TZS'000 | Land<br>TZS'000    | Total<br>TZS'000   |
|------------------------|----------------------------|---------------------------|-----------------------------|-----------------------------------|---------------------|-----------------------------|--------------------|--------------------|
| <b>Cost:</b>           |                            |                           |                             |                                   |                     |                             |                    |                    |
| At 1 July 2019         | 15,803,299                 | 5,469,254                 | 31,519,619                  | 1,959,867                         | 3,087,354           | 5,854,597                   | 170,460,560        | 234,154,550        |
| Additions              | 3,153,754                  | 717,403                   | 39,030,775                  | 79,082                            | 4,447,475           | 4,109,311                   | 274,679            | 51,812,479         |
| Disposal/ retirement   | -                          | -                         | -                           | -                                 | -                   | -                           | -                  | -                  |
| <b>At 30 June 2020</b> | <b>18,957,053</b>          | <b>6,186,657</b>          | <b>70,550,394</b>           | <b>2,038,949</b>                  | <b>7,534,829</b>    | <b>9,963,908</b>            | <b>170,735,239</b> | <b>285,967,029</b> |
| At 1 July 2020         | 18,957,053                 | 6,186,657                 | 70,550,394                  | 2,038,949                         | 7,534,829           | 9,963,908                   | 170,735,239        | 285,967,029        |
| Additions (cash)       | 202,635                    | -                         | 370,370                     | 130,834                           | 138,276             | 169,176                     | 271,598            | 1,282,889          |
| Additions (non-cash)   | 2,502,368                  | -                         | 19,727,546                  | -                                 | 2,456,675           | 1,925,066                   | 36,962             | 26,648,617         |
| Disposal/ retirement   | -                          | (1)                       | -                           | (2,510)                           | (3,016)             | (11,774)                    | -                  | (17,301)           |
| <b>At 30 June 2021</b> | <b>21,662,056</b>          | <b>6,186,656</b>          | <b>90,648,310</b>           | <b>2,167,273</b>                  | <b>10,126,764</b>   | <b>12,046,376</b>           | <b>171,043,799</b> | <b>313,881,234</b> |
| <b>Depreciation:</b>   |                            |                           |                             |                                   |                     |                             |                    |                    |
| At 1 July 2019         | 5,184,596                  | 3,234,081                 | 18,827,820                  | 1,505,443                         | 2,579,150           | 3,261,691                   | -                  | 34,592,781         |
| Disposal/retirement    | -                          | -                         | -                           | -                                 | -                   | -                           | -                  | -                  |
| Charge for the year    | 364,900                    | 849,378                   | 7,110,779                   | 160,971                           | 1,112,045           | 848,265                     | -                  | 10,446,338         |
| <b>At 30 June 2020</b> | <b>5,549,496</b>           | <b>4,083,459</b>          | <b>25,938,599</b>           | <b>1,666,414</b>                  | <b>3,691,195</b>    | <b>4,109,956</b>            | <b>-</b>           | <b>45,039,119</b>  |
| At 1 July 2020         | 5,549,496                  | 4,083,459                 | 25,938,599                  | 1,666,414                         | 3,691,195           | 4,109,956                   | -                  | 45,039,119         |
| Disposal/Retirement    | -                          | (1)                       | -                           | (2,260)                           | (3,016)             | (8,999)                     | -                  | (14,276)           |
| Charge for the year    | 410,681                    | 779,043                   | 9,709,476                   | 153,730                           | 1,725,804           | 943,374                     | -                  | 13,722,107         |
| <b>At 30 June 2021</b> | <b>5,960,177</b>           | <b>4,862,501</b>          | <b>35,648,075</b>           | <b>1,817,884</b>                  | <b>5,413,983</b>    | <b>5,044,330</b>            | <b>-</b>           | <b>58,746,949</b>  |
| <b>Net Book Value</b>  |                            |                           |                             |                                   |                     |                             |                    |                    |
| NBV 30 June 2021       | 15,701,878                 | 1,324,155                 | 55,000,235                  | 349,389                           | 4,712,781           | 7,002,046                   | 171,043,799        | 255,134,282        |
| NBV 30 June 2020       | 13,407,557                 | 2,103,198                 | 44,611,795                  | 372,535                           | 3,843,634           | 5,853,952                   | 170,735,239        | 240,927,910        |

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

#### 9. (b) CAPITAL WORK IN PROGRESS AS AT 30<sup>TH</sup> JUNE 2021

| CODE   | PROJECT                                  | OPENING<br>BALANCE<br>TZS “000 | ADDITIONAL<br>TZS “000 | RETIREMENT<br>TZS “000 | CLOSING<br>BALANCE<br>TZS “000 |
|--------|------------------------------------------|--------------------------------|------------------------|------------------------|--------------------------------|
| 320501 | ER DAR Mapping Project                   | -                              | 2,250                  | 2,250                  | -                              |
| 321104 | HR- Records Management Modelling Project | 165,786                        | 43,266                 | 209,052                | -                              |
| 321401 | RADAR Project                            | 18,005,110                     | 4,673,055              | 22,678,165             | -                              |
| 321407 | Dodoma Liaison Office Project            | 36,962                         | 257,019                | 293,982                | -                              |
| 321409 | GDP PROJECT                              | 174,391                        | 24,656                 | 199,047                | -                              |
| 321603 | BPMS Project                             | 10,363                         | -                      | 10,363                 | -                              |
| 321701 | CATC Building project                    | 182,975                        | 385,361                | 519,185                | 49,151                         |
| 321902 | ILS Project                              | 4,272,981                      | 897,941                | 5,170,923              | -                              |
| 321903 | Voice Recorder Project                   | 1,460                          | 151,939                | 11,310                 | 42,089                         |
|        | <b>TOTAL</b>                             | <b>22,850,028</b>              | <b>6,435,489</b>       | <b>29,094,277</b>      | <b>191,240</b>                 |

#### AS AT 30<sup>TH</sup> JUNE 2020

| CODE   | PROJECT                                  | OPENING<br>BALANCE<br>TZS “000 | ADDITIONAL<br>TZS “000 | RETIREMENT<br>TZS “000 | CLOSING<br>BALANCE<br>TZS “000 |
|--------|------------------------------------------|--------------------------------|------------------------|------------------------|--------------------------------|
| 310101 | ATS WIP Project                          | 3,460,126                      | 972,668                | 4,432,794              | -                              |
| 321104 | HR- Records Management Modelling Project | 165,786                        | -                      | -                      | 165,786                        |
| 321401 | RADAR Project                            | 57,542,620                     | 12,562,883.92          | 52,100,394             | 18,005,110                     |
| 321407 | Dodoma Liaison Office Project            | 274,565                        | 32,586                 | 270,189                | 36,962                         |
| 321409 | GDP PROJECT                              | 44,379                         | 130,012                | -                      | 174,391                        |
| 321603 | BPMS Project                             | -                              | 10,363                 | -                      | 10,363                         |
| 321701 | CATC Building project                    | -                              | 182,975                | -                      | 182,975                        |
| 321902 | ILS Project                              | 1,294,308                      | 3,018,213              | 39,540                 | 4,272,981                      |
| 321903 | Voice Recorder Project                   | 1,460                          | -                      | -                      | 1,460                          |
|        | <b>TOTAL</b>                             | <b>62,783,244</b>              | <b>16,909,701</b>      | <b>56,842,917</b>      | <b>22,850,028</b>              |

**10. INTANGIBLE ASSETS**

|                           | <b>2020/21</b>   | <b>2019/20</b>     |
|---------------------------|------------------|--------------------|
|                           | <b>TZS'000</b>   | <b>TZS'000</b>     |
| <b>COST</b>               |                  |                    |
| At 1 July                 | 7,155,160        | 1,890,661          |
| Additions                 | 357,243          | 5,264,499          |
| <b>At 30 June</b>         | <b>7,512,403</b> | <b>7,155,160</b>   |
| <b>AMORTIZATION</b>       |                  |                    |
| At 1 July                 | 2,258,415        | (1,844,960)        |
| Adjustment at 1 July 2020 | (56,232)         | -                  |
| Charge for the year       | 385,131          | (413,454)          |
| <b>At 30 June</b>         | <b>2,587,314</b> | <b>(2,258,415)</b> |
| <b>NET BOOK VALUE</b>     |                  |                    |
| <b>At 30 June</b>         | <b>4,925,089</b> | <b>4,896,745</b>   |

**11. PAYABLES**

|                     |                   |                  |
|---------------------|-------------------|------------------|
| Trade payables      | 16,380,885        | 8,575,221        |
| Other payables *    | 590,768           | 114,592          |
| Unearned revenue ** | 446,843           | 65,621           |
|                     | <b>17,418,495</b> | <b>8,755,434</b> |

\* Other payables are comprised of liabilities the Authority incurs in relation to related parties transactions mainly with Tanzania Metrological Agency Tanzania (TMA) and Treasury register.

\*\* Unearned revenue comprises of revenue received from licensing fees which is amortized throughout the life of the license.

**12. EMPLOYEE BENEFITS****i. Retirement benefits**

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

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

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

**ii. Provision for gratuity - contract staff**

The Authority is paying 10% gratuity allowance from basic salary to all contract staff. Since its inception in 2003 gratuity account has never been evaluated to ensure actual gratuity payable has been booked. During the year gratuity was measured against contract staff and its shortfall was adjusted to capital as indicated above in accordance with IPSAS 3. Under the contract of employment, the Authority contributes to Social Security Funds for future retirement benefits for

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

### iii. Provision for long term service award

The authority provides long term service award for their employees who have served more than five years at different rates from TZS 750,000 to TZS 2,000,000 payable upon retirement. These operated as defined benefit plans. As at 30 June 2021 the Authority had 477 employees out of those 350 have been in employment for a period of five years or more and qualified for long term services award. The Authority has therefore made a provision of TZS 344.2 Million in reference to this liability compared with TZS 163.8 Million in 2019/20, is due to decrease in interest rate and computation base.

|                                | <b>2020/21</b> | <b>2019/20</b> |
|--------------------------------|----------------|----------------|
|                                | <b>TZS'000</b> | <b>TZS'000</b> |
| <b>Current liability</b>       |                |                |
| Gratuity payable               | -              | 17,707         |
| Investment Revaluation Reserve | 26,741         | 16,341         |
| Long Term Service Award        | -              | 9,500          |
|                                | <b>26,741</b>  | <b>43,548</b>  |
| <b>Non-Current Liability</b>   |                |                |
| Long Term Service Award        | <b>344,162</b> | <b>154,350</b> |

## 13. FUNDS HELD FOR SPECIAL PROJECT

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

## 14. DEFERRED REVENUE

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

As per Regulation issued by the Government in 2003 under Tanzania Civil Aviation Authority Act (Chapter 80 of the Laws [R.E. 2020]) (the "Act"). clause 7 that require annual contributions from each Air operators Certificate (AOC) holders, Approved Maintenance Organization (AMO), Aerodrome operators and ground handling services providers as specified in the schedule to the Civil Aviation Authority (Contribution and Administration of the Training Fund) Regulation, 2016, Annual contributions from the Authority for such sums, not less than a sum equivalent in Tanzanian shillings of fifty thousand United States dollars and any donations, grants or loans from any other sources.

|                             | <b>2020/21</b> | <b>2019/20</b>    |
|-----------------------------|----------------|-------------------|
|                             | <b>TZS'000</b> | <b>TZS'000</b>    |
| Opening balance             | 17,281,067     | 40,316,005        |
| Add: Radar grant received   | -              | -                 |
| Training fund received      | -              | -                 |
| Less: Radar grant amortised | (17,281,067)   | (17,281,067)      |
| Training fund amortised     | -              | (5,753,871)       |
|                             | <b>-</b>       | <b>17,281,067</b> |

## 15. DEFERRED CAPITAL GRANT

During the year 2019 the Authority received DVOR/DME for Tabora Airport which was installed by Tanzania Airport Authority (TAA) at a value of TZS 1,836,704,600. Capital Grant release during the year amounted to TZS 262,386,371 which was included in note 9 Property Plant and equipment under category of Telecom and Navaid

## 16. CAPITAL FUND

By the provisions contained in the Civil Aviation Act (Chapter 80 of the Laws [R.E. 2020]) (the "Act"), all movable and immovable properties which immediately before the commencement of the Act were vested in the former TCAA established under Executive Agencies Act no.3 of 1997, vested in the Tanzania Civil Aviation Authority subject to all interests, liabilities, charges, obligations and trusts affecting those properties. Consequently, the capital fund represents part of the net assets and liabilities then identified and taken over by the Authority after transferring residential buildings to Tanzania Building Agency in July 2003 and adjustment of receivables.

| Long term loan and reserve               | 2020/21<br>TZS'000 | 2019/20<br>TZS'000 |
|------------------------------------------|--------------------|--------------------|
| Long term loan (EIB)                     | 5,569,687          | 5,569,687          |
| Accumulated surplus                      | 1,702,745          | 1,702,745          |
| Project fund                             | 544,599            | 544,599            |
| Fixed assets revaluation reserve         | 13,358             | 13,358             |
|                                          | <b>7,830,389</b>   | <b>7,830,389</b>   |
| <b>Capital fund</b>                      |                    |                    |
| Total asset                              | 16,923,471         | 16,923,471         |
| Long term loan and reserve               | (7,830,389)        | (7,830,389)        |
|                                          | <b>9,093,082</b>   | <b>9,093,082</b>   |
| <b>Decrease in capital fund</b>          |                    |                    |
| Transfer of residential buildings to TBA | (2,339,831)        | (2,339,831)        |
|                                          | <b>6,753,251</b>   | <b>6,753,251</b>   |
| Transfer of 5H ILS to TGFA               | (37,593)           | (37,593)           |
| Transfer of PAPI to TAA                  | (21,429)           | (21,429)           |
|                                          | <b>6,694,229</b>   | <b>6,694,229</b>   |

## 17. REVENUE FROM EXCHANGE TRANSACTIONS

|                                                | 2020/21<br>TZS '000 | 2019/20<br>TZS'000 |
|------------------------------------------------|---------------------|--------------------|
| Aeronautical revenue                           | 28,720,253          | 45,251,566         |
| Revenue from training college                  | 700,746             | 538,983            |
| Safety regulation costs recovery               | 264,656             | 268,963            |
|                                                | <b>29,685,655</b>   | <b>46,059,512</b>  |
| Less: TMA Air navigation share 20%             | (4,535,102)         | (7,627,993)        |
| <b>Revenue from Exchange Transaction</b>       | <b>25,150,553</b>   | <b>38,431,519</b>  |
| <b>Cash receipt from exchange transactions</b> |                     |                    |
| Revenue from Exchange Transaction              | 29,685,655          | 38,431,519         |

|                                                   |                   |                   |
|---------------------------------------------------|-------------------|-------------------|
| Less: Trade Debtors for the year 2020/21 :2019/20 | (21,952,424)      | (16,994,487)      |
| Add: Trade Debtors for the year 2019/20 :2018/19  | 16,994,487        | 13,542,920        |
|                                                   | <b>24,727,718</b> | <b>34,979,952</b> |

**Aeronautical Revenue is made up of the following:**

|                         |                   |                   |
|-------------------------|-------------------|-------------------|
| Air Navigation Services | 22,675,510        | 38,141,517        |
| Landing & Parking Fees  | 6,032,559         | 7,103,480         |
| A.I.P. Sales            | 12,184            | 6,569             |
|                         | <b>28,720,253</b> | <b>45,251,566</b> |

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

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

| <b>Safety Regulation Costs Recovery</b>       | <b>2020/21</b>  | <b>2019/20</b>  |
|-----------------------------------------------|-----------------|-----------------|
|                                               | <b>TZS ‘000</b> | <b>TZS ‘000</b> |
| Flight Safety Documents                       | 21,481          | 10,778          |
| Airworthiness Certification Cost Received     | 182,168         | 198,234         |
| Personnel Certification Costs Received        | 20,908          | 1,253           |
| Flight Ops Certification Cost Received        | 21,185          | 7,382           |
| Airport Certification Cost Received           | 11,438          | 23,176          |
| Aviation Security Certification Cost Received | 7,476           | 28,140          |
|                                               | <b>264,656</b>  | <b>268,963</b>  |

**18. REVENUE FROM NON-EXCHANGE TRANSACTIONS**

|                            | <b>2020/21</b>    | <b>2019/20</b>    |
|----------------------------|-------------------|-------------------|
|                            | <b>TZS’000</b>    | <b>TZS’000</b>    |
| Safety regulation fees     | 1,354,846         | 1,509,650         |
| Economic regulation fees   | 5,393,336         | 2,903,236         |
| Embarking passengers’ fees | 7,221,581         | 15,862,794        |
|                            | <b>13,969,763</b> | <b>20,275,680</b> |

**Cash receipt from non-exchange transactions**

|                                                   |                   |                   |
|---------------------------------------------------|-------------------|-------------------|
| Revenue from non-exchange transaction             | 13,969,763        | 20,275,680        |
| Less: Trade Debtors for the year 2020/21 :2019/20 | (2,664,763)       | -                 |
| Add: Trade Debtors for the year 2019/20 :2018/19  | 3,318,557         | -                 |
|                                                   | <b>14,623,556</b> | <b>20,275,680</b> |

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

|                                          | <b>2020/21</b>   | <b>2019/20</b>   |
|------------------------------------------|------------------|------------------|
|                                          | <b>TZS'000</b>   | <b>TZS'000</b>   |
| <b>Safety Regulation Fees</b>            |                  |                  |
| Airworthiness Certification              | 623,490          | 813,787          |
| Personnel Licensing Certification        | 354,649          | 320,767          |
| Flight Operation Fees                    | 106,589          | 95,682           |
| Airport/Aerodrome Certification Services | 233,121          | 211,744          |
| Aviation Security Certification Fee      | 36,995           | 67,670           |
|                                          | <b>1,354,846</b> | <b>1,509,650</b> |
| <b>Economic Regulation Fees</b>          |                  |                  |
| Air Service Licensing                    | 183,229          | 376,094          |
| Short Term Licensing Fee                 | 4,258,917        | 1,424,841        |
| Administration Fees                      | 927,979          | 646,364          |
| Ground handling Licensing                | 23,211           | 455,937          |
|                                          | <b>5,393,336</b> | <b>2,903,236</b> |

## 19. OTHER REVENUE

|                                        | <b>2020/21</b>    | <b>2019/20</b>    |
|----------------------------------------|-------------------|-------------------|
|                                        | <b>TZS'000</b>    | <b>TZS'000</b>    |
| Fines and penalties                    | 144,519           | 58,620            |
| English proficiency fee                | 7,817             | 2,391             |
| Interest earned                        | -                 | -                 |
| Rent recovery                          | 6,400             | 16,881            |
| Sale of tender documents               | 2,927             | 8,989             |
| Miscellaneous income *                 | 82,710            | 86,702            |
| Foreign exchange gain                  | -                 | 160,252           |
| Un-realized exchange gain              | 3,381             | 34,311            |
| Debt relief **                         | 69,978            | -                 |
| Gratuity expense - provision           | 4,811             | -                 |
| Provision for long service award       | -                 | 149,895           |
| Other revenue – equipment grants       | 17,281,067        | 17,281,067        |
|                                        | <b>17,603,611</b> | <b>17,799,108</b> |
| <b>Other receipts during the year:</b> |                   |                   |
| Other income                           | 17,603,611        | 17,799,108        |
| Add: Unearned revenue                  | 446,843           | -                 |
| Less: Non-cash items                   | (17,359,238)      | (17,625,525)      |
|                                        | <b>691,216</b>    | <b>173,583</b>    |

\* Miscellaneous Income refers to revenue other than the main sources of TCAA revenue which includes dividends, sale of publication, sale of tender and other income of the same nature.

\*\*Debt relief relates to a loan liability the Authority had with African Civil Aviation Commission which was fully waived by African Civil Aviation Commission as at 30 June 2021.

## 20. SALARIES, ALLOWANCES AND OTHER STAFF BENEFITS

|                                                           | 2020/21<br>TZS'000 | 2019/20<br>TZS'000 |
|-----------------------------------------------------------|--------------------|--------------------|
| Salaries expense                                          | 15,674,350         | 15,306,103         |
| Long service award expenses                               | 32,500             | 9,500              |
| Provision for Long Service Award- Expense                 | 180,312            | -                  |
| Casual labour & wages                                     | 50,473             | 47,458             |
| Leave passage                                             | 1,312,867          | 1,257,560          |
| PSSSF employer contribution                               | 2,300,792          | 2,209,586          |
| SDL TCAA contribution                                     | 605,974            | 662,868            |
| NHIF - TCAA contribution                                  | 460,462            | 441,912            |
| Gratuity expense-provision                                | -                  | 36,793             |
| Workmen's compensation                                    | 75,730             | 73,652             |
| House allowance                                           | 176,960            | 167,500            |
| House water allowance                                     | 1,200              | 1,200              |
| Meal and ration Allowance                                 | 684,707            | 689,117            |
| Shift and on call Allowance                               | 168,242            | 174,987            |
| Transport allowance                                       | 131,209            | 135,288            |
| Acting allowance                                          | 100,774            | 58,325             |
| Furniture allowance                                       | 142,000            | 101,000            |
| Outfit allowance                                          | -                  | 7,800              |
| Management allowance                                      | 37,306             | 35,668             |
| Special allowance to pilots & AME                         | 181,513            | 180,000            |
| Extra duty/overtime                                       | 577,648            | 1,015,104          |
| Cashier allowance                                         | 6,900              | 9,600              |
| Entertainment allowance                                   | 6,000              | 10,042             |
| House electricity allowance                               | 99,718             | 86,898             |
| House telephone                                           | 86,148             | 75,394             |
| Staff retirement expenses                                 | 70,695             | 68,533             |
| Staff recruitment expenses                                | 33,243             | 43,251             |
| Staff uniforms                                            | 210,737            | 3,904              |
| Death & condolences                                       | 80,485             | 12,536             |
| Subsistence allowance                                     | 27,901             | 118,902            |
| Transfer of staff expenses                                | 105,916            | 223,302            |
| Per diem relieve duties                                   | 3,593              | 20,582             |
|                                                           | <b>23,626,355</b>  | <b>23,284,365</b>  |
| <b>Employee costs paid during the year:</b>               |                    |                    |
| Salaries, allowances and other staff costs                | 23,626,355         | 23,284,365         |
| Less: Unpaid salaries and other benefits 2020/21: 2019/20 | (614,246)          | (378,993)          |
| Add: Unpaid salaries and other benefits 2019/20: 2018/19  | 378,993            | 14,941             |
|                                                           | <b>23,391,102</b>  | <b>22,920,313</b>  |

Salaries, Allowances & Other Staff Benefit are expenses incurred by the Authority to cover employee salary, allowances, benefits and other regulatory activities done by employees.

## 21. REGULATORY EXPENSES

|                                         | 2020/21          | 2019/20          |
|-----------------------------------------|------------------|------------------|
|                                         | TZS'000          | TZS'000          |
| Airworthiness Inspections-Scheduled     | 28,903           | 79,531           |
| Accident Investigation                  | 13,817           | 58,255           |
| Search & Rescue                         | 5,484            | 62,478           |
| Per Diem Inspection Economic Regulation | 7,151            | 18,795           |
| Consumer Complaint Handling             | 2,100            | 5,213            |
| Adhoc Inspection-AIW & AMO              | 25,196           | 122,564          |
| Adhoc Inspection Aerodromes &Ans        | 206,577          | 93,847           |
| Adhoc Inspections-ANS                   | 27,785           | 47,503           |
| Routine Audit -MET & SAR                | -                | 7,352            |
| Adhoc Inspections-Flight Operations     | 5,772            | 27,945           |
| Ramp Inspection Expenses                | 6,128            | 7,194            |
| AMO/ATO Inspection Expenses             | 9,564            | 68,404           |
| Basa Meetings                           | 6,154            | 80,029           |
| Airport Security Audit-Scheduled        | 28,014           | 15,396           |
| Airport Inspection -Scheduled           | 9,759            | 19,799           |
| Aviation security Screeners Exp         | 16,268           | 31,597           |
| Aviation Security Board                 | 73,331           | 23,667           |
| Sensitisation Workshops                 | 55,758           | 93,145           |
| Flight OPs Inspection-Scheduled         | 1,716            | 40,904           |
| Allowances Review of Laws & Regulations | 185,661          | 80,901           |
| Advertisements-Licensing                | 18,911           | 11,328           |
| Aviation Security Expenses              | 14,529           | 54,752           |
| Perdiem Domestic Inspection             | 68,417           | 40,822           |
| Air Ticket Foreign Inspection           | -                | 145,483          |
| Air Ticket Domestic Inspection          | 135,999          | 101,546          |
| Instrument rating Test                  | 50,055           | 40,390           |
| Sitting Allowance ATC Rating Board      | 9,954            | 24,430           |
| SADC/ICAO Office Expense                | -                | 454,007          |
| Study and Survey                        | 137,048          | 10,865           |
| English Proficiency Test                | 18,080           | 14,374           |
| Per Diem CASSOA Meetings                | 10,096           | 259,489          |
| Air Ticket CASSOA Meetings              | -                | 58,338           |
|                                         | <b>1,178,227</b> | <b>2,200,343</b> |

## 22. AIR NAVIGATION EXPENSES

|                                           | 2020/21          | 2019/20          |
|-------------------------------------------|------------------|------------------|
|                                           | TZS'000          | TZS'000          |
| Procedures Design                         | 86,543           | 66,016           |
| Leased Circuits                           | 562,977          | 546,127          |
| Printing Flight Strips and Log Books      | 45,754           | 138,940          |
| Safety Management System                  | 48,942           | 30,510           |
| Technical Site Upkeep                     | 8,875            | 29,392           |
| Per Diem Routine Station Visits           | 193,071          | 229,437          |
| Commission Charges IATA                   | 293,164          | 783,997          |
| Per Diem EAC Upper Air Space Task Force   | 22,854           | 89,043           |
| Air Ticket EAC Upper Air Space Task Force | -                | 3,149            |
| Per Diem CANSO Meetings                   | -                | 448,896          |
| Air Ticket CANSO Meetings                 | -                | 11,845           |
| Repair & Maintenance Tech Building        | 5,849            | 43,426           |
| Repairs & Maintenance Telecomm & NAVAID   | 791,387          | 898,902          |
| Repairs & Maintenance Flight Calibration  | -                | 222,720          |
| Realised Exchange Gain/Loss               | 237,268          | -                |
|                                           | <b>2,296,684</b> | <b>3,542,400</b> |

## 23. CATC RUNNING EXPENSES

|                             |                |                |
|-----------------------------|----------------|----------------|
| CATC Student Allowances     | -              | 25,663         |
| CATC Teaching Allowance     | 88,400         | 19,400         |
| CATC Other Running Expenses | 177,425        | 250,637        |
| Accreditation to NACTE      | -              | 17,235         |
| CATC Promotion Tour         | -              | 23,023         |
| CATC Re-Imbursement         | 394,783        | 577,096        |
|                             | <b>660,608</b> | <b>913,054</b> |

## 24. ADMINISTRATIVE EXPENSES

|                            | 2020/21 | 2019/20 |
|----------------------------|---------|---------|
|                            | TZS'000 | TZS'000 |
| Per Diem Training Local    | 463,911 | 353,227 |
| Per Diem Training Abroad   | 681,002 | 450,577 |
| Office Telephones & Fax    | 77,843  | 48,081  |
| Postage Charges            | 19,909  | 38,425  |
| Courier Charges            | 15,477  | 13,225  |
| Email and Internet Expense | 172,081 | 181,494 |
| Stationery Consumables     | 297,805 | 347,893 |
| Advertisement & Publicity  | 57,932  | 133,508 |

|                                                  |         |         |
|--------------------------------------------------|---------|---------|
| Newspapers & Periodicals                         | 28,584  | 56,468  |
| Mobile Phones                                    | 331,681 | 335,106 |
| HIV/AIDS Seminars                                | -       | 2,180   |
| Per Diem EAC Meetings                            | -       | 61,529  |
| Per Diem Regional Task Force                     | 189,608 | 155,254 |
| Per Diem ICAO & other International Meetings     | 1,206   | 411,793 |
| Sitting Allowance Facilitation Meetings          | 391,905 | 466,671 |
| Sitting Allowance Disciplinary Committee         | 59,305  | 2,645   |
| Advertisement -Recruitment                       | 1,183   | -       |
| Advertisement-Tender                             | 3,269   | 6,599   |
| Sitting Allowance Ministerial Planning Meetings  | 53,743  | 220,310 |
| Printing Annual Reports                          | 13,503  | 8,654   |
| Water Sewerages                                  | 9,979   | 17,134  |
| Website Design & Hosting Expenses                | 2,570   | 58,639  |
| Membership Fee to Professional Bodies            | 21,791  | 8,174   |
| Conference Facility Domestic                     | 6,277   | 190,600 |
| Air Ticket Local                                 | 448,001 | 506,480 |
| Air Ticket Foreign                               | -       | 762,262 |
| Participation & Tuition Fee Local                | 119,269 | 159,952 |
| Food and Refreshment                             | 263,587 | 164,713 |
| Participation & Tuition Fee Foreign              | 13,607  | 324,047 |
| Surface and Marine Transport                     | -       | -       |
| Electrical Supplies Expense                      | 47,941  | 4,908   |
| Cleaning of Offices -(Indoor)                    | 123,431 | 99,042  |
| Cleaning of Surroundings (Outdoor)               | 59,293  | 67,350  |
| Computer Consumables                             | 329,921 | 228,048 |
| Fumigation Expenses                              | 29,319  | 48,046  |
| Office Sundries                                  | 236,702 | 431,649 |
| Sitting Allowance Tender Board meetings Expenses | 156,162 | 150,630 |
| Per Diem Seminars & Workshops Local              | 265,642 | 300,515 |
| Per Diem Seminars & Workshops Abroad             | -       | 41,532  |
| Legal Charge                                     | 1,192   | -       |
| Visa Expenses                                    | -       | 6,436   |
| Fine & Penalty paid                              | -       | -       |
| Electricity Charges                              | 521,304 | 474,433 |
| Water Charges                                    | 38,501  | 39,440  |
| Consultancy Fees                                 | 10,363  | 15,018  |
| Technical Guidance Material                      | 225,451 | 325,345 |
| Sitting Allowance Budget Preparation             | 100,227 | 122,776 |
| Provision for Doubtful Debts                     | -       | -       |
| Per Diem Internal Audit Expenses                 | 14,690  | 22,171  |
| Audit Fees                                       | 187,000 | 170,000 |
| Audit Team Expenses                              | 41,010  | 22,550  |

|                                            |         |           |
|--------------------------------------------|---------|-----------|
| Sitting Allowance Strategic Plan           | 69,953  | 38,810    |
| Cash Handling Expenses                     | 8,848   | 12,650    |
| Security Charges                           | 443,590 | 455,858   |
| Repairs & Maintenance Buildings            | 272,693 | 493,164   |
| Repairs & Maintenance-Furniture & Fittings | 70,396  | 78,752    |
| Repairs & Maintenance Computer             | 181,249 | 166,832   |
| Motor Vehicle - Fuel & Oils                | 400,404 | 534,852   |
| Repairs & Maintenance - Motor Vehicles     | 403,372 | 567,527   |
| Generator Fuels & Oils                     | 69,433  | 99,548    |
| Duty Mileage Allowance                     | 435     | 5,186     |
| Insurance Aviation House                   | -       | 0         |
| Motor Vehicle - Hire Charges               | 367,365 | 314,997   |
| Motor Vehicle - License & Parking          | 8,539   | 6,293     |
| Motor Vehicle -Night security Charges      | 17,528  | 17,815    |
| Motor Vehicle- Cleaning                    | 38,376  | 38,211    |
| Repairs & Maintenance Equipment            | 263,326 | 342,894   |
| Publications of Journals                   | -       | 2,320     |
| Government Hospitality                     | 30,550  | 62,182    |
| Donations & Assistances                    | -       | -         |
| Publicity and Promotional                  | 33,966  | 31,885    |
| Social Responsibility                      | 1,804   | 19,098    |
| Medical Expenses                           | 55,143  | 62,233    |
| Computer Software                          | -       | 0         |
| Software User License                      | -       | -         |
| Computer Software Upgrade                  | -       | -         |
| Land Rent                                  | 2,311   | -         |
| Property Tax and Rates                     | 9,827   | -         |
| Coding of Fixed Assets                     | 47,175  | 13,014    |
| Familiarization Tour & Bench Marking       | 7,390   | 71,130    |
| Mayday Celebrations                        | 35,323  | -         |
| Utumishi Week Exhibition                   | -       | -         |
| Other Exhibitions                          | 22,161  | 48,479    |
| World Women's Day Event                    | 8,325   | 5,730     |
| TUGHE Expenses                             | 10,532  | 18,203    |
| Workers Council expenses                   | 95,823  | 105,651   |
| Shimiwi & Other Sports                     | 6,810   | 3,991     |
| ICAD & Other Events                        | -       | 57,450    |
| MoT Expenses                               | 20,344  | 66,476    |
| Asset Disposal Expenses                    | 2,378   | 5,490     |
| Stock Taking Expense                       | 22,820  | 16,621    |
| Bank Charges                               | 43,729  | 79,299    |
| Fixed Assets Revaluation Expense           | -       | 90,363    |
| Bad Debts                                  | 449,542 | 3,254,217 |

|                                  |                  |                   |
|----------------------------------|------------------|-------------------|
| Loss on disposal of fixed assets | -                | -                 |
|                                  | <b>9,654,637</b> | <b>15,242,750</b> |

## 25. TECHNICAL AUDIT EXPENSES

|                               |              |                |
|-------------------------------|--------------|----------------|
| ICAO & Others Technical Audit | 2,531        | 59,647         |
| ISO 9000 Certification        | 6,119        | 112,047        |
|                               | <b>8,650</b> | <b>171,694</b> |

## 26. BOARD EXPENSES

|                                      |                |               |
|--------------------------------------|----------------|---------------|
| Sitting Allowance Board of Directors | 57,870         | 45,233        |
| Air Ticket Board Members             | 12,756         | -             |
| Per Diem Board Meetings              | 5,000          | 6,740         |
| Board Fee                            | 52,000         | 22,863        |
| Air time Board Member                | 13,889         | 12,392        |
| Finance and Admin Committee of Board | 29,460         | -             |
| Audit Committee of Board             | 24,610         | 50            |
| Regulatory Committee of Board        | 23,720         | -             |
|                                      | <b>219,305</b> | <b>87,278</b> |

## 27. CONTRIBUTION TO GOVERNMENT AND OTHER BODIES

|                                             | <b>2020/21</b>   | <b>2019/20</b>    |
|---------------------------------------------|------------------|-------------------|
|                                             | <b>TZS'000</b>   | <b>TZS'000</b>    |
| Contribution to CGF                         | 6,533,514        | 8,752,026         |
| Contribution to ICAO                        | 110,937          | 119,498           |
| Contribution to CCC                         | 496,343          | 375,459           |
| Contribution to CASSOA                      | 1,049,145        | 1,070,440         |
| Pilot & AME training                        | 93,097           | 63,583            |
| Contribution to AFCAC                       | 81,459           | 169,799           |
| Contribution to Fair Competition Tribunal   | -                | 120,000           |
| Contribution to fair Competition Commission | 30,000           | 120,000           |
| Contribution to CANSO                       | 46,220           | 33,259            |
| Contribution to AATO                        | 17,146           | 28,495            |
| Contribution to Professional Associations   | 30,000           | 30,260            |
| Membership Fee Train Air Plus               | 12,331           | 49,878            |
| SADC/COSCAP Membership                      | 12,485           | -                 |
| Contribution to AFPP                        | 22,870           | -                 |
|                                             | <b>8,535,547</b> | <b>10,932,697</b> |

## 28. DEPRECIATION AND AMORTIZATION

|                                  |         |         |
|----------------------------------|---------|---------|
| Depreciation - Motor Vehicles    | 779,043 | 849,378 |
| Depreciation Building            | 294,207 | 278,506 |
| Depreciation Technical Buildings | 116,474 | 86,394  |

|                                     |                   |                   |
|-------------------------------------|-------------------|-------------------|
| Depreciation - Office Equipment     | 943,374           | 848,265           |
| Depreciation - Furniture & Fittings | 153,730           | 160,971           |
| Depreciation - Telecomm & NAVAID    | 9,709,476         | 7,110,779         |
| Depreciation Computers              | 1,725,804         | 1,112,045         |
|                                     | <b>13,722,108</b> | <b>10,446,338</b> |

#### Amortization

|                                                     |                   |                   |
|-----------------------------------------------------|-------------------|-------------------|
| Amortization- Software                              | 385,131           | 413,454           |
| <b>Total Depreciation and Amortization expenses</b> | <b>14,107,239</b> | <b>10,859,792</b> |

### 29. PAYMENT TO SUPPLIERS

|                                          | <b>2020/21</b> | <b>2019/20</b> |
|------------------------------------------|----------------|----------------|
|                                          | <b>TZS'000</b> | <b>TZS'000</b> |
| Air Ticket Foreign Inspection            | -              | 145,483        |
| Air Ticket Domestic Inspection           | 135,999        | 101,546        |
| Per Diem CASSOA Meetings                 | 10,096         | 259,489        |
| Air Ticket CASSOA Meetings               | -              | 58,338         |
| Procedures Design                        | 86,543         | 66,016         |
| Leased Circuits                          | 562,977        | 546,127        |
| Printing Flight Strips and Log Books     | 45,754         | 138,940        |
| Technical Site Upkeep                    | 48,942         | 29,391         |
| Air Ticket EAC Upper Airspace            | -              | 3,149          |
| Air Ticket CANSO Meetings                | -              | 11,845         |
| Repair & Maintenance Tech Building       | 5,849          | 43,426         |
| Repairs & Maintenance Telecomm & NAVAID  | 787,139        | 898,902        |
| Repairs & Maintenance Flight Calibration | -              | 222,720        |
| Office Telephones & Fax                  | 77,843         | 48,081         |
| Postage Charges                          | 19,909         | 38,425         |
| Courier Charges                          | 15,477         | 13,225         |
| Email and Internet Expense               | 172,081        | 181,494        |
| Stationery Consumables                   | 297,805        | 347,893        |
| Advertisement & Publicity                | 57,414         | 133,508        |
| Newspapers & Periodicals                 | 28,584         | 56,468         |
| Advertisement -Recruitment               | 1,183          | -              |
| Advertisement-Tender                     | 3,269          | 6,599          |
| Printing Annual Reports                  | 13,503         | 8,654          |
| Water Sewerages                          | 9,979          | 17,134         |
| Website Design & Hosting Expenses        | 2,570          | 58,639         |
| Membership Fee to Professional Bodies    | 21,791         | 8,174          |
| Conference Facility Domestic             | 6,277          | 190,600        |
| Air Ticket Local                         | 431,709        | 506,480        |
| Air Ticket Foreign                       | -              | 762,262        |
| Participation & Tuition Fee Local        | 119,269        | 159,952        |
| Food and Refreshment                     | 258,260        | 164,713        |

|                                            |                  |                   |
|--------------------------------------------|------------------|-------------------|
| Participation & Tuition Fee Foreign        | 13,607           | 324,047           |
| Electrical Supplies Expense                | 47,941           | 4,908             |
| Cleaning of Offices -(Indoor)              | 123,431          | 99,042            |
| Cleaning of Surroundings (Outdoor)         | 59,293           | 67,350            |
| Computer Consumables                       | 329,921          | 228,048           |
| Fumigation Expenses                        | 29,319           | 48,046            |
| Office Sundries                            | 237,726          | 431,649           |
| Legal Charge                               | 1,192            | -                 |
| Visa Expenses                              | -                | 6,436             |
| Electricity Charges                        | 521,304          | 474,433           |
| Water Charges                              | 38,501           | 39,440            |
| Consultancy Fees                           | -                | 15,018            |
| Technical Guidance Material                | 225,451          | 325,345           |
| Sitting Allowance Budget Preparation       | 100,227          | 122,776           |
| Audit Fees                                 | 187,000          | 170,000           |
| Cash Handling Expenses                     | 8,848            | 12,650            |
| Security Charges                           | 443,590          | 455,858           |
| Repairs & Maintenance Buildings            | 272,693          | 493,164           |
| Repairs & Maintenance-Furniture & Fittings | 70,394           | 78,752            |
| Repairs & Maintenance Computer             | 60,889           | 166,832           |
| Motor Vehicle - Fuel & Oils                | 400,046          | 534,852           |
| Repairs & Maintenance - Motor Vehicles     | 403,372          | 567,527           |
| Generator Fuels & Oils                     | 69,433           | 99,548            |
| Duty Mailage Allowance                     | 435              | 5,186             |
| Motor Vehicle - Hire Charges               | 367,365          | 314,997           |
| Motor Vehicle - License & Parking          | 8,539            | 6,293             |
| Motor Vehicle -Night security Charges      | 17,528           | 17,815            |
| Motor Vehicle- Cleaning                    | 38,376           | 38,211            |
| Repairs & Maintenance Equipment            | 263,325          | 342,894           |
| Publications of Journals                   | -                | 2,320             |
| Government Hospitality                     | 30,550           | 62,182            |
| Publicity and Promotional                  | 33,966           | 31,885            |
| Social Responsibility                      | 1,804            | 19,098            |
| Medical Expenses                           | 55,143           | 62,233            |
| Land Rent                                  | 2,311            | -                 |
| Property Tax and Rates                     | 9,827            | -                 |
| Coding of Fixed Assets                     | 47,175           | 13,014            |
| Familiarization Tour & Bench Marking       | 7,390            | 71,130            |
| Mayday Celebrations                        | 35,323           | -                 |
| Bank Charges                               | 43,729           | 79,299            |
| Air Ticket Board Members                   | 12,756           |                   |
| Air Time Board Member                      | 13,889           | 12,393            |
| <b>Sub Total</b>                           | <b>7,853,828</b> | <b>11,072,343</b> |

|                                      |                  |                   |
|--------------------------------------|------------------|-------------------|
| Less: Trade Payable 2020/21 :2019/20 | (2,146,624)      | (930,693)         |
| Add: Trade Payable 2019/20 : 2018/19 | 930,693          | -                 |
| Add: Prepayment to suppliers         | 148,969          | -                 |
|                                      | <b>6,786,866</b> | <b>10,141,650</b> |

### 30. OTHER PAYMENTS

|                                         | <b>2020/21</b> | <b>2019/20</b> |
|-----------------------------------------|----------------|----------------|
|                                         | <b>TZS'000</b> | <b>TZS'000</b> |
| Airworthiness Inspections-Scheduled     | 28,903         | 79,531         |
| Accident Investigation                  | 13,817         | 58,255         |
| Search & Rescue                         | 5,484          | 62,478         |
| ICAO & Others Technical Audit           | 2,531          | 59,647         |
| ISO 9000 Certification                  | 6,119          | 112,047        |
| Per Diem Board Meetings                 | 5,000          | 6,740          |
| Per Diem Inspection Economic Regulation | 7,151          | 18,795         |
| Consumer Complaint Handling             | 2,100          | 5,213          |
| Adhoc Inspection-AIW & AMO              | 25,196         | 122,564        |
| Adhoc Inspection Aerodromes &Ans        | 206,577        | 93,847         |
| Adhoc Inspections-ANS                   | 27,785         | 47,503         |
| Routine Audit -MET & SAR                | -              | 7,352          |
| Adhoc Inspections-Flight Operations     | 5,772          | 27,945         |
| Ramp Inspection Expenses                | 6,128          | 7,194          |
| AMO/ATO Inspection Expenses             | 9,564          | 68,404         |
| Basa Meetings                           | 6,154          | 80,029         |
| Airport Security Audit-Scheduled        | 28,014         | 15,396         |
| Airport Inspection -Scheduled           | 9,759          | 19,799         |
| Aviation security Screeners Exp         | 16,268         | 31,597         |
| Aviation Security Board                 | 73,331         | 23,667         |
| Sensitisation Workshops                 | 55,758         | 93,145         |
| Flight OPs Inspection-Scheduled         | 1,716          | 40,904         |
| Allowances Review of Laws & Regulations | 185,661        | 80,901         |
| Advertisements-Licensing                | 18,911         | 11,328         |
| Aviation Security Expenses              | 14,529         | 54,752         |
| Periderm Domestic Inspection            | 52,402         | 40,822         |
| Instrument rating Test                  | 50,055         | 40,390         |
| Sitting Allowance ATC Rating Board      | 9,954          | 24,430         |
| SADC/ICAO Office Expense                | -              | 454,007        |
| Study and Survey                        | 4,078          | 10,867         |
| English Proficiency Test                | 18,080         | 14,375         |
| Safety Management system                | 8,875          | 30,510         |
| Per Diem Routine Station Visits         | 193,071        | 229,437        |
| Commission Charges IATA                 | 293,164        | 783,997        |
| Per Diem EAC Upper Air Space task Force | 22,854         | 89,042         |

|                                                  |           |           |
|--------------------------------------------------|-----------|-----------|
| Per Diem CANSO Meetings                          | 10,096    | 448,896   |
| CATC Student Allowances                          | -         | 25,663    |
| CATC Teaching Allowance                          | 88,400    | 19,400    |
| CATC Other Running Expenses                      | 177,425   | 250,637   |
| Accreditation to NACTE                           | -         | 17,235    |
| CATC Promotion Tour                              | -         | 23,023    |
| CATC Re-Imbursement                              | 394,783   | 577,097   |
| Per Diem Training Local                          | 416,879   | 353,227   |
| Per Diem Training Abroad                         | 32,005    | 450,577   |
| Mobile Phones                                    | 331,681   | 335,106   |
| HIV/AIDS Seminars                                | -         | 2,180     |
| Per Diem EAC Meetings                            | -         | 61,529    |
| Per Diem Regional Task Force                     | 189,608   | 155,254   |
| Per Diem ICAO & other International Meetings     | 1,206     | 411,793   |
| Sitting Allowance Facilitation Meetings          | 329,862   | 466,671   |
| Sitting Allowance Disciplinary Committee         | 59,305    | 2,645     |
| Sitting Allowance Ministerial Planning Meetings  | 41,006    | 220,310   |
| Sitting Allowance Tender Board meetings Expenses | 154,162   | 150,630   |
| Per Diem Seminars & Workshops Local              | 238,664   | 300,515   |
| Per Diem Seminars & Workshops Abroad             | -         | 41,532    |
| Per Diem Internal Audit Expenses                 | 14,690    | 22,171    |
| Audit Team Expenses                              | 41,010    | 22,550    |
| Sitting Allowance Strategic Plan                 | 69,953    | 38,810    |
| Other Exhibitions                                | 22,161    | 48,479    |
| World Women's Day Event                          | 8,325     | 5,730     |
| TUGHE Expenses                                   | 10,532    | 18,203    |
| Workers Council expenses                         | 95,823    | 105,651   |
| Shimiwi & Other Sports                           | 6,810     | 3,991     |
| ICAD & Other Events                              | -         | 57,452    |
| MoT Expenses                                     | 20,344    | 66,476    |
| Asset Disposal Expenses                          | 2,378     | 5,490     |
| Stock Taking Expense                             | 22,820    | 16,620    |
| Sitting Allowance Board of Directors             | 57,870    | 45,233    |
| Finance and Admin Committee of Board             | 29,460    | -         |
| Board Fee                                        | 52,000    | 22,863    |
| Audit Committee of Board                         | 24,610    | 50        |
| Contribution to CGF                              | 6,532,589 | 8,752,026 |
| Contribution to ICAO                             | 110,937   | 119,498   |
| Contribution to CCC                              | 496,343   | 375,459   |
| Contribution to CASSOA                           | 1,049,145 | 1,070,440 |
| Pilot & AME training                             | 93,097    | 63,583    |
| Contribution to AFCAC                            | 81,459    | 169,799   |
| Contribution to Fair Competition Tribunal        | -         | 120,000   |

|                                              |                     |                    |
|----------------------------------------------|---------------------|--------------------|
| Contribution to fair Competition Commission  | 30,000              | 120,000            |
| Contribution to CANSO                        | 46,220              | 33,259             |
| Contribution to AATO                         | 17,146              | 28,495             |
| Contribution to AFPP                         | 22,870              | -                  |
| SADC/COSCAP Membership                       | 12,485              | -                  |
| Contribution to Professional Associations    | 30,000              | 30,260             |
| Membership Fee Trainair Plus                 | 12,331              | 49,878             |
| Met Charges                                  | 4,657,888           | -                  |
| <b>Sub Total</b>                             | <b>17,551,139</b>   | <b>18,673,292</b>  |
| <b>Less: Other Payable 2020/21 : 2019/20</b> | <b>(14,209,696)</b> | <b>(6,008,951)</b> |
| <b>Add: Other Payable 2019/20 : 2018/19</b>  | <b>6,008,951</b>    | <b>-</b>           |
|                                              | <b>9,499,363</b>    | <b>12,664,341</b>  |

### 31. RELATED PARTY TRANSACTIONS AND BALANCES

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

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

The transactions entered into with related parties during the year and balances outstanding with related parties at the end of the year are set out below:

#### (a) Due from related parties

|                                               | 2020/21          | 2019/20           |
|-----------------------------------------------|------------------|-------------------|
|                                               | TZS'000          | TZS'000           |
| Air Tanzania Company Limited                  | 4,905,479        | 4,274,794         |
| Commandant - SAK                              | -                | 3,131             |
| Commanding Officer 601 KJ Ngerengere Morogoro | 3,000            | 3,000             |
| 603 Air Transportation Station                | -                | 12,680            |
| Commanding Officer 603 KJ                     | -                | 62,750            |
| Kilimanjaro Airport Development Company       | 1,391,942        | 2,973,387         |
| Ministry of Natural Resources & Tourism       | 53,329           | 107,320           |
| Ngorongoro Conservation Area                  | 2,109            | -                 |
| Tanzania National Parks                       | 160,046          | 79,279            |
| Tanzania Airport Authority                    | 1,826,482        | 2,670,205         |
| Tanzania Wild Life Research Institute         | 11,601           | 10,910            |
| Zanzibar Airport Authority                    | 3,840            | 5,760             |
|                                               | <b>8,357,828</b> | <b>10,203,216</b> |

#### (b) Due to related party

|                                |                  |                  |
|--------------------------------|------------------|------------------|
| Tanzania Meteorological Agency | 1,951,753        | 1,412,926        |
| TEMESA                         | 16,012           | -                |
|                                | <b>1,967,765</b> | <b>1,412,926</b> |

#### (c) Compensation to the members of the board of directors and key management personnel

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

|                                              | 2020/21        | 2019/20        |
|----------------------------------------------|----------------|----------------|
|                                              | TZS'000        | TZS'000        |
| <b>Key management Compensation</b>           |                |                |
| Salaries                                     | 555,349        | 555,349        |
| Allowances                                   | 124,558        | 124,558        |
| <b>Total</b>                                 | <b>679,907</b> | <b>679,907</b> |
| <b>Board members Emoluments</b>              |                |                |
|                                              | 2020/21        | 2019/20        |
|                                              | TZS '000'      | TZS '000'      |
| i. Membership Fees                           | 52,000         | 22,863         |
| ii. Air time                                 | 13,889         | 12,393         |
| iii. Air Ticket for Board Meetings           | 12,756         | -              |
| iv. Per Diem Board Meetings                  | 5,000          | 6,740          |
| v. Sitting allowances                        | 57,870         | 45,545         |
| vi. Finance and Admin committee of the Board | 29,460         | -              |
| vii. Audit committee of Board                | 24,610         | 50             |
| viii. CATC advisory Board                    | -              | -              |
|                                              | <b>195,585</b> | <b>87,591</b>  |

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

### 32. CAPITAL COMMITMENTS

|                                 | 2020/21           | 2019/20          |
|---------------------------------|-------------------|------------------|
|                                 | TZS'000           | TZS'000          |
| Approved but not contracted for | 8,278,326         | 1,102,822        |
| Approved and contracted for     | 10,068,141        | 6,015,428        |
|                                 | <b>18,346,467</b> | <b>7,118,250</b> |

### 33. CONTINGENT LIABILITIES

The Authority has one pending court case. Directors have assessed that liability is expected to occur and have made calculation of total wage bill amount to TZS.110.9 million as of 30 June 2021.

### 34. ULTIMATE OWNER OF THE AUTHORITY

The Tanzania Civil Aviation Authority is a body corporate established under The Civil Aviation Act No. 10 of 2003, now Civil Aviation Act, (Chapter 80 of the Laws [R.E. 2020]) (the "Act").


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

### 35. REPORTING CURRENCY

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

### 36. DATE OF AUTHORISATION FOR ISSUE

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



*The Authority has continued to implement measures to ensure that air transport remains safe and sustainable. The authority implements the International Civil Aviation Organization (ICAO) Council Aviation Recovery Taskforce (CART) strategy which is aimed at providing practical, aligned guidance to governments and industry operators in order to resuscitate the international air transport sector with a Restart, Recovering and Resilience strategy to ensure sustainability of the aviation globally.*

**Hamza S. Johari - DG, TCAA**



**TCAA** 



**Tanzania Aviation Authority**

Aviation House, Nyerere/ Kitunda Road Junction, Banana Ukonga Area

P.O. Box 2819, Dar es Salaam, Tanzania

Tel: +255 22 219 8196 | Fax: +255 22 284 4304/ 284 4300

Email: [tcaa@tcaa.go.tz](mailto:tcaa@tcaa.go.tz) | Website: [www.tcaa.go.tz](http://www.tcaa.go.tz)