



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



MINISTRY OF ENERGY

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

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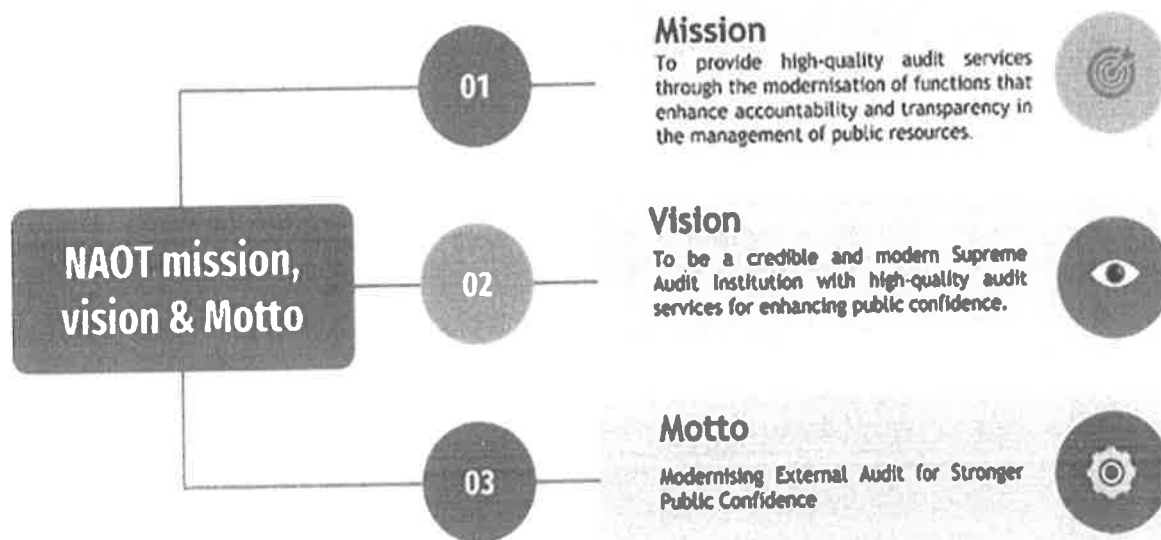
March 2024

AR/CG/VT.58/2022/23

About the National Audit Office

Mandate

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



Independence and objectivity

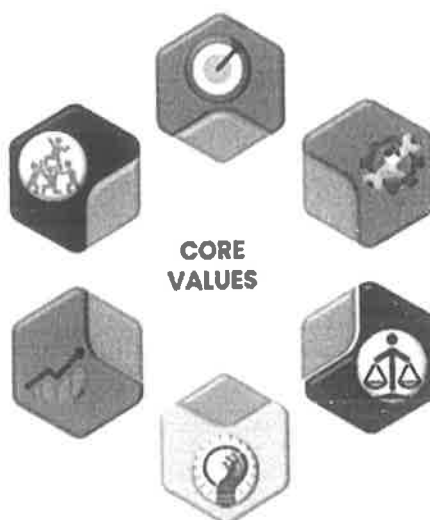
We are an impartial public institution, independently offering high-quality audit services to our clients in an unbiased manner.

Teamwork Spirit

We value and work together with internal and external stakeholders.

Results-Oriented

We focus on achievements of reliable, timely, accurate, useful, and clear performance targets.



Professional competence

We deliver high-quality audit services based on appropriate professional knowledge, skills, and best practices

Integrity

We observe and maintain high ethical standards and rules of law in the delivery of audit services.

Creativity and Innovation

We encourage, create, and innovate value-adding ideas for the improvement of audit services.

© This audit report is intended to be used by the Ministry of Energy and may form part of the annual general report, which once tabled to the National Assembly, becomes a public document; hence, its distribution may not be limited.

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Abbreviations

AFD	French Agency for Development
AfDB	African Development Bank
BPS	Bulk Procurement System
BTIP	Backbone Transmission Investment Project.
CAG	Controller and Auditor General
CNG	Compressed Natural Gas
EACOP	East African Crude Oil Pipeline
EAPP	Eastern Africa Power Pool
EPC	Engineering Procurement & contracting
ESIA	Environmental and Social Impact Assessment
EU	European Union
EUL	Estimated Useful Life
FPSF	Fuel Price Stabilization Fund
IPSAS	International Public Sector Accounting Standards
ISSAIs	International Standards of Supreme Audit Institutions
KV	Kilovolts
m a.s.l	Metres Above Sea Level
MDA	Ministries, Departments and Agencies
MoE	Ministry of Energy
MoF	Ministry of Finance
MW	Megawatt
PAA	Public Audit Act
PAR	Public Audit Regulation
PFA	Public Finance Regulations
PPA	Public Procurement Act
PPR	Public Procurement Regulations
PURA	Petroleum Upstream Regulatory Authority
SGR	Standard Gauge Railway
TANESCO	Tanzania Electric Supply Company Limited
TCF	Trillion Cubic Feet
TEITI	Tanzania Extractive Industries Transparency Initiative
TGS	Tanzania Geological Society
TPDC	Tanzania Petroleum Development Corporation

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Permanent Secretary,
Ministry of Energy,
Government City-Mtumba,
P. O. Box 2494,
40474 DODOMA.

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of the Ministry of Energy which comprise the statement of financial position as at 30 June 2023, the statement of financial performance, the 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 the Ministry of Energy as at 30 June 2023, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) Accrual basis of accounting and the manner required by the Public Finance Act, Cap. 348 [R.E 2020].

Basis for Opinion

I conducted my audit in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the section below entitled "Responsibilities of the Controller and Auditor General for the Audit of the Financial Statements". I am independent of the Ministry of Energy 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 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 Statement of Honourable Minister, Statement of Management Responsibility and Declaration by the Head of Finance but does not include the

financial statements and my audit report thereon which I obtained prior to the date of this auditor's report.

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

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Responsibilities of Management and those charged with Governance for the Financial Statements

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 scepticism 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 to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the entity to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

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

1.2 REPORT ON COMPLIANCE WITH LEGISLATION

1.2.1 Compliance with the Public Procurement Laws

Subject matter: Compliance audit on procurement of works, goods, and services
I performed a compliance audit on the procurement of works, goods, and services by the Ministry of Energy for the financial year 2022/23 as per the Public Procurement laws.

Conclusion

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

1.2.2 Compliance with the Budget Act and other Budget Guidelines

Subject matter: Budget formulation and execution

I performed a compliance audit on budget formulation and execution by the Ministry of Energy for the financial year 2022/23 as per the Budget Act and other Budget Guidelines.

Conclusion

Based on the audit work performed, I state that, except for the matters described below, Budget formulation and execution by the Ministry of Energy is generally in compliance with the requirements of the Budget Act and other Budget Guidelines.

1.2.3 Inadequate implementation of energy sector activities

According to the Presidential Notice on Ministerial Functions (Instrument) No. 144 of 22 April 2016 and its amendment of 7 October 2017; the Ministry of Energy is mandated to formulate and monitor the implementation of policies on energy, oil and gas. These responsibilities are also outlined in the Five-Year Strategic Plan 2021/22-2025/26 and have been cascaded into the annual budget for the financial year 2022/23.

My audit of the annual budget of the Ministry and its execution noted that, some fundamental activities including the formulation of regulations, policies, strategies and action plans related to the energy sector were not completed as planned in the annual budget. I am concerned that the Ministry of Energy oversees major projects

(flagship projects), hence there is a significant need to allocate adequate funds for the planning and management of strategies for the development of these projects taking into consideration energy sector contribute significantly to the national development. The allocated funds in the approved budget were inadequate to implement such activities. Failure to formulate Regulations and strategies as planned may result in regulatory inconsistencies, which will affect the overall governance of the energy sector in the country.



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

March 2024



2.0 FINANCIAL STATEMENTS

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

STATEMENT BY THE HONOURABLE MINISTER

1.0 INTRODUCTION



The Ministry of Energy (MoE) is a central Ministry established by the Presidential Notice on Assignment of Ministerial Functions (Instrument) No. 144 of 22 April 2016 and its amendment on 7 October 2017. The latter has mandated the Ministry to formulate and monitor the implementation of policies on energy, oil and gas. The Energy Sector's Policy and Legal Framework is detailed on National Energy Policy (2015); Electricity Act (2008); Petroleum Act (2015); EWURA Act (2001); REA Act (2005); and Power System Master Plan (2020 Update). Others are the Occupational Health and Safety Act (2003); Oil and Gas Revenue Management Act (2015); Tanzania Extractive Industry Transparency Initiatives (TEITI) Act (2015); Public-Private Partnership Policy (2009); and Public-Private Partnership Act (2010) and its Regulations (2011).

The Ministry is also responsible for energy and petroleum resources management; value addition in petroleum; oil and gas infrastructure development; bulk procurement of oil; Urban and Rural Electricity Programmes; Local Content in Energy and Petroleum; Renewable and Non-Renewable Sources of Energy; Performance Improvement and Development of Human Resources; Extra-Ministerial Departments, Parastatal Organisations, Agencies, Programmes and projects under MoE. Similarly, the Energy Sector plays an important role in the socio-economic development of any country.

1.1 Vision

A Ministry that provides universal access to modern energy services to Tanzanians for socio-economic growth in a sustainable manner.

1.2 Mission

To provide reliable, affordable, safe, efficient and environment-friendly modern energy services to all while ensuring the effective participation of Tanzanians in the Energy Sector.

1.3 Core Values

These are guiding principles and key characteristics for the attainment of the Ministry's Vision and Mission. They are:

Accountability: We are answerable for the quality of services provided; corruption practices; spending time and energy to ensure that customers are well-served

Integrity: We adhere to moral values, being truthful, sincere, fair and consistent in all dealings; respect for a person's dignity, being thoughtful of people's needs and supporting them in ways that protect their ways and self-esteem/dignity.

Teamwork: We work in a participatory manner that involves internal and external stakeholders to achieve institutional goals; and work in teams to increase effectiveness, efficiency and ownership.

Impartiality: We serve every customer without favouritism, or discrimination in terms of nepotism, sex, religion, race, tribalism, political ideology and geographical location.

Professionalism: We strive for service excellence, diligence in exercising our duties and properly using official information.

Transparency: We provide a platform or avenue for access to transparent information; and ensure transparency of processes and financial matters.

Result-oriented: We aim to achieve maximum results based on clear and measurable agreements made upfront.

Customer-focused: We strive to meet and exceed customer expectations regarding the products and services we are offering.

2.0 PLANS AND OVERALL PERFORMANCE DURING THE YEAR

In the year 2022/23, the Ministry had implemented its plan and budget in the following 12 priority areas:

- i) Implementing various projects of generation, transmission and distribution of electricity, including transmission electricity of the National Grid in the regions of Katavi, Kigoma and Kagera and a major project to strengthen the National Grid (National Grid Stabilization Project).
- ii) Implementing rural energy projects as well as starting the process of delivering electricity to the hamlets all over the country.
- iii) Completing the negotiation of the liquefied Natural Gas (LNG) Lindi project and starting preparations for its implementation.
- iv) Implementing renewable energy projects including geothermal, biogas, wind and solar as well as the best use of energy (Energy Efficiency and Conservation).
- v) Ensuring the availability of sufficient fuel in the country, including the establishment of a Strategic Petroleum Reserve and the Fuel Price Stabilization Fund (FPSF).
- vi) Strengthening Tanzania Petroleum Development Corporation (TPDC) and its Subsidiaries TANOIL Investments Limited (TANOIL) and Gas Company Tanzania Limited (GASCO);

- vii) Improving the infrastructure for receiving, unloading, storing and releasing fuel in Dar es Salaam, Tanga and Mtwara Ports and Customs Bonded Warehouse and Single Receiving Terminal from Ships.
- viii) Strengthening the performance of the institutions under the Ministry, particularly TANESCO, EWURA and PBPA, including services provided by those institutions.
- ix) Increasing participation of the Private Sector investment in the Energy Sector.
- x) Ensuring the participation of the locals in the oil and gas industry.
- xi) Stimulating activities of research and exploration of oil and natural gas.
- xii) Increasing the use of gas for cooking (LPG) and in vehicles and industries (CNG).

During the period under review, The Ministry successfully observed a stable supply of fuel and natural gas for thermal power generation and industrial and domestic consumption. In general, the total installed electricity capacity stands at 1,911.35MW; while access and connectivity in Tanzania Mainland is 78.4% and 37.7% respectively. Furthermore, out of 12,345 villages in the country, 10,593 villages have been connected to electricity, while a total of 4.0 billion litres of fuel and 92.54 billion cubic feet of natural gas were consumed for the period.

Furthermore, a total of 28.34 kilometres of natural gas pipeline was constructed to cater for industrial and domestic use in Dar es Salaam, Coast, Lindi and Mtwara regions. Cumulatively as at 30 June 2023, 171.41 km of low-pressure distribution pipeline was in place, which connects to 53 industries and 1,511 households. Vehicle conversion workshops to use natural gas fuel systems increased from 4 (DIT, DANGOTE, BQ and Anric Gas) to 6 whereby Exo Gas and NK have been added to the list.

During the year ended 30 June 2023, the Ministry collected the sum of TZS 12,072,560 from administration activities out of the budgeted amount of TZS 20,393,000 and TZS 62,844,334,099 from the extraordinary collection made by the Ministry of Finance (MOF) in the oil and gas account controllable by the MOF.

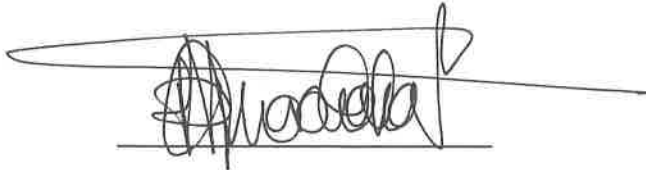
3.0 CHALLENGES

During the implementation of Milestones/Priority interventions, the following issues and constraints were encountered:

- (i) Inadequate employees at different cadres.
- (ii) Insufficient release of recurrent funds to enable running the office and project supervision.
- (iii) Late disbursement of funds in some projects.
- (iv) Increasing demand for electricity, particularly in rural areas.

4.0 WAY FORWARD

The Ministry will continue to coordinate, and facilitate activities in the Energy Sector, and review some project contracts and schedules as the need arises to increase supervision, efficiency and effectiveness to achieve the intended objectives.

A handwritten signature in black ink, appearing to read 'Doto Mashaka Biteko', is written over a horizontal line.

Dr. Doto Mashaka Biteko (MP)

Deputy Prime Minister and Minister for Energy

14 March 2024

Date

STATEMENT BY THE ACCOUNTING OFFICER

1.0 INTRODUCTION



I am delighted to present the financial statement of the Ministry of Energy (Vote 58) for the period ended 30 June 2023. The financial statements have been prepared in line with International Public Sector Accounting Standards (IPSAS) Accrual basis in accordance with the Public Finance Act, Cap 348 [R.E 2020] and the Treasury Circular No.3 of Financial Year

2022/23.

The financial statements presented include: Statement of Financial Position; Statement of Financial Performance; Statement of Comparison of Budget and actual amounts, Statement of Change in Net Assets, Cash Flow Statement and Notes to the Financial Statements. Schedules and other information about the Financial Statements as required by the above statute are also submitted.

2.0 IMPLEMENTATION OF THE PLAN AND BUDGET DURING THE YEAR 2022/23

2.1 Overview of the Approved Budget

During the Financial Year 2022/23, the Ministry continued to implement its mandates through strategic objectives and targets as per the Strategic Plan (2021/22-2025/26). The budget performance during the year is as shown in Table 1 below:

Table 1: Implementation of plan and budget

S/N	Details	Expenditure type	2022/23 TZS	2021/22 TZS
1	Original budget	Development - Local	2,655,556,128,000	2,178,756,128,000
		Development - Foreign	167,473,448,000	180,000,000,000
		Recurrent	82,951,357,000	27,224,681,000
		Own source	20,393,000	20,393,000
		Total	2,906,001,326,000	2,386,001,202,000
	Final Budget	Development - Local	2,259,736,750,611	2,310,646,766,477
		Development - Foreign	167,473,448,000	180,000,000,000
		Recurrent	61,181,921,078	27,172,307,073
		Own source - Administration	20,393,000	20,393,000
		Total	2,488,412,512,689	2,517,819,073,550
2	Exchequer received	Development - Local	2,063,984,715,981	2,377,336,299,230
		Development - Foreign	134,224,781,004	0
		Recurrent	25,499,241,031	26,962,167,845
		Total	2,223,708,738,016	2,404,298,467,075
3		Administration	12,072,560	11,625,267

S/N	Details	Expenditure type	2022/23 TZS	2021/22 TZS
	Own source - Actual	Extraordinary collection from oil and gas by MOF	62,844,334,099	249,347,730,103
		Long outstanding deposits	1,519,140,583	0
		Total	64,375,547,242	249,359,355,370

2.2 Achievements of the Ministry of Energy

2.2.1 Implementation of Power Generation Projects

2.2.1.1 Julius Nyerere Hydro Power Project 2,115 MW

The project aims to increase power generation capacity to the National Grid system by generating 2,115 MW of power from the Rufiji River at the Julius Nyerere Hydro Power site. During the period under review, activities implemented include main dam - 97.36%; headrace tunnel (power waterways) - 100%; mechanical building (powerhouse) - 74.53%; switchyard - 99.23%; dams (saddle dam) - 94.53%; permanent bridge - 96.87%; employee houses (employer operation village) - 97.90%; permanent roads - 43.34% and the reservoir impoundment which started on 22nd December 2022 reached 163.49 m.a.s.l as at 30th June 2023. The full reservoir level is 184 m.a.s.l. In general, project implementation has reached 89.06 per cent. The project is expected to be completed by June 2024.

2.2.1.2 Kinyerezi I Extension - Gas-fired Power Project - 185 MW

This project involves the supply, installation, testing and commissioning of a natural gas-based power generating plant of 185MW Kinyerezi I - extension. During the period under review, the construction of the project had reached 95.2 per cent whereby the first three plants (GT5, GT6 and GT7) out of four (4) have been activated and connected to the National Grid (generating a total of 135MW). Also, generator unit GT8 which was under commissioning and testing during the same period will be ready by the end of October 2023 for generating at full capacity of 185 MW.

2.2.1.3 Rusumo Hydro Power Project - 80 MW

The objective of the project is to generate 80 MW from Rusumo waterfalls at Kagera River. The project is implemented by three countries namely Tanzania, Rwanda and Burundi and the electricity to be generated will equally be distributed among the countries. The project also involves the construction of a 220-kV transmission line from Rusumo to Nyakanazi. The implementation status stood at 99.7% by the end of June 2023 and the Project will be completed by September 2023.

2.2.1.4 Ruhudji Hydro Power Project - 358 MW

Under this project about 358MW of electricity will be generated using the Ruhudji River with the construction of a 400kV double circuit transmission

line at a length of 170 kilometres from Ruhudji (Njombe) to Kisada substation (Iringa). During the period under review: the valuation exercise for land acquisition and draft valuation report was completed; an update of the transmission line feasibility study was completed; and a scoping study for ESIA was completed as well as fieldwork for full ESIA and draft ESIA report submitted to NEMC for review and approval were done.

2.2.1.5 Rumakali Hydro power Project - 222MW

Under this project about 222MW of electricity will be generated using the Rumakali River with the construction of a 220kV double circuit transmission line at a length of 65 kilometres from the Rumakali switch yard to the Iganjo substation (Mbeya). Activities implemented during the period included: valuation exercise for land acquisition and draft valuation report; updating of the transmission line feasibility study; and scoping study for ESIA completed as well as fieldwork for full ESIA and draft ESIA report submitted to NEMC.

2.2.1.6 Malagarasi Hydropower Project - MW 49.5

The project aimed at constructing a 49.5 MW hydropower project at Malagarasi River in Kigoma, with a 132kV transmission line, 54 kilometres from the project area to Kidahwe in Kigoma. Implemented activities during the period were: continuation of compensation payment to 524 PAPs along the transmission line; completion of procurement of Project Management Consultant (PMC) and EPC Contractor for the construction of the transmission line; and preparation for site clearance and soil investigation for the transmission line.

2.2.1.7 Shinyanga Solar PV Project 150MW

The contract for EPC was signed on 29 May 2023. Contractor Sinohydro from China started the detailed design. For Consultancy services, negotiation with the successful bidder was conducted and a draft contract was submitted to the French Agency for Development (AFD) for No Objection. Furthermore, the compensation funds have been secured from the Ministry of Finance. The RAP agent from the Bank continued to carry out RAP activities before starting issuing compensation payments.

2.2.2 Implementation of Power Transmission Projects:

2.2.2.1 JNHPP - Chalinze 400kV Transmission Line Project

Construction of a 400kV transmission line with a length of 160 km from Julius Nyerere Hydropower Project (JNHPP) to Chalinze including installation, testing, and commissioning. As at the end of June 2023, the overall project was at 98% and is expected to be completed by September 2023.

2.2.2.2 Chalinze 400/220/132kV Substation

During the period, the following activities were conducted: the design progress has reached 87.60%; procurement of materials is 92.88% and Construction works have been completed by 63.9%. The overall project progress report is 80.5% and is expected to be completed by October 2023.

2.2.2.3 Singida - Arusha - Namanga 400 kV Transmission Line Project

The implementation of the project is in progress whereby the construction of the transmission line has reached 98%, the Substation 95% and the electrification of villages 100%. The overall project has reached 98.5% and is expected to be completed and commissioned in September 2023.

2.2.2.4 Rusumo - Nyakanazi 220 kV Transmission Lines

During the period, the following activities were implemented: The casting of the foundation was completed by 100%, the Erection of towers was completed by 100%, the stringing works were completed by 100%, and procurement of materials was completed by 100%. The overall project progress is 100% completed and it is ready to receive power from the Rusumo hydropower plant.

2.2.2.5 Construction of 220 kV Transmission Line for Standard Gauge Railway (SGR) Operation Lot II

This project is aimed at constructing a 220kV transmission line with a length of 416.2Km from Msamvu, Morogoro to Kitinku, Singida to operationalize phase II of Standard Gauge Railway - SGR. The project is divided into two Lots (Lot 2-1: Morogoro-Ihumwa (240.2Kms and Lot 2-2: Ihumwa - Kintiku 176Kms. The project is financed by the Government of Tanzania 100%. The overall project progress for the transmission line from Morogoro to Ihumwa (Lot 2-1) reached 98.09% and the transmission line from Ihumwa to Kitinku (Lot 2-2) reached 99%. The project is expected to be completed and commissioned by 30 August 2023.

2.2.2.6 North West Grid (Nyakanazi-Kigoma) 400kV Transmission Line Project

The project involves construction of 400kV, 280 km of transmission line from Nyakanazi to Kigoma with associated substations (new substation at Kigoma and extension of Nyakanazi substation) and rural electrification to 18 villages at Kigoma and Kasulu districts. During the period under review, the following activities were implemented: EPC Contractor for transmission line contractor has completed 80% of the mobilization of Civil and erection equipment including the establishment of stores, Complete detailed survey, soil investigation, construction of 417 foundations (57%), 246 towers erected (31%). Bush clearing and access roads are under progress and the overall progress of the transmission line component was 67%.

2.2.2.7 Construction of 33 kV Voltage Transmission Line from Nyakanazi - Kakonko - Kasulu

During the period, construction of the 33kV power transmission line from Nyakanazi - Kakonko - Kasulu - Kigoma was 99% completed.

2.2.2.8 Construction of the 400 kV Transmission Line from Iringa - Mbeya - Tunduma to Sumbawanga (Tanzania-Zambia Transmission Interconnector Project (TAZA))

The Government of the United Republic of Tanzania through the TANESCO is implementing the Tanzania - Zambia Transmission Interconnector Project (TAZA). The implementation of the TAZA project involves among others construction of 616km of 400kV double circuit Transmission Line and associated substations from Iringa through Tunduma to Sumbawanga and a 4km spur line from Tunduma substation to the Zambian border. The TAZA project is financed by the World Bank (WB - USD 455 Million), the French Agency for Development (AFD - USD 115 Million), the European Union (EU - USD 30 Million) through AFD, and the Government of Tanzania (GoT - USD 10 Million).

The project will extend the Tanzania 400kV backbone Transmission Line to interconnect with the transmission grids of Tanzania and Zambia and create the first high-voltage link between the Southern African Power Pool (SAPP) and the Eastern Africa Power Pool (EAPP) through the ongoing Kenya - Tanzania Power Interconnection Project (KTIPI) for a bi-directional regional power trade. It will also strengthen the capacity of TANESCO to become an operating member of SAPP and to actively participate in intra and inter-pool power trade among EAPP and SAPP member countries. Further, the project will advance regional integration between Eastern and Southern Africa while accruing tangible economic benefits to Tanzania through enhanced power supply options and increasing revenues from power trade. The project is expected to commence in 2023/24.

During the period under review, the following activities were implemented:

- i. The Attorney General and the World Bank have already issued their review comments to the Draft Negotiated Contracts for Lot 1: Iringa - Kisada; Lot 2: Kisada - Mbeya; Lot 3: Mbeya - Tunduma; and Lot 4: Tunduma - Sumbawanga. However, the signing of the same is subject to the clearance by the World Bank of the Draft Complaint Responses which do respond to the Complainant on the reasons for disqualification of its bids.
- ii. The binds Evaluation reports for Iringa, Kisada, Mbeya, and Sumbawanga Substations Contractors were completed and submitted to the World Bank for review and approval.
- iii. TANESCO completed the evaluation of Technical Proposals submitted by bidders to undertake a study on the identification of the needs for TANESCO's Transmission System Readiness for Interconnection.

- iv. TANESCO managed to pay compensation to 4,705 Project Affected Persons (PAPs) out of 6,500 PAPs equivalent to 72.4%. The exercise is ongoing.
- v. The implementation of CMS for Phase-I was completed by 80% while the Phase-II was at 20% of its implementation
- vi. TANESCO managed to engage three individual consultants to support the implementation of the TAZA project: Procurement Specialist; Gender Specialist; and Safeguards Specialist.

2.2.2.9 Chalinze - Kinyerezi 400kV Transmission Line

During the year under review, compensation payment was made to 991 PAPs out of 1,237 which is equivalent to 80.11%. The remaining PAPs will be paid after settling issues related to ownership of the properties.

2.2.3 Implementation of Rural Energy Projects

During the reporting period, 2,319 out of 4,071 villages have been electrified making a total of 10,593 electrified out of 12,345 villages equivalent to 85.8% of all villages in the country.

2.2.4 PETROLEUM EXPLORATION AND DEVELOPMENT PROJECT

2.2.4.1 Hydrocarbon Exploration - Mnazi Bay North

During the year the Government was in the approval process of the Production Sharing Agreement (PSA) which will lead to the offering of licences and drilling of wells.

2.2.4.2 Hydrocarbon Exploration - Eyasi Wembere

During the period under review, a surface geochemical survey was completed in which 1,136 modules were installed in the ground for collecting data. Geochemical analysis of the sample confirmed the existence of a working petroleum system within the Block and has aided in identifying the specific areas that warrant further exploration. Further, the procurement of a contractor for acquiring 260-line km of 2D seismic data and a consultant for data QC has been completed.

2.2.4.3 East African Crude Oil Pipeline (EACOP)

Erection of the Thermal Insulation Coating Plant completed and the Government has paid a total amount of USD 164.5 million (53%) as of June 2023 as compared to USD 95.5 million (31%) reported in June 2022 as part of its equity contribution of USD308m. Also, the construction of replacement houses of 201 has been completed out of 369 houses.

2.2.4.4 Liquefied Natural Gas Project Development

Negotiation Teams for the Host Government Agreement (HGA) and Amended Production Sharing Agreement (PSA) concluded the discussions and the same were initiated on 19 May 2023. Also, the Government has commenced the process of establishing an LNG Project Office.

2.2.4.5 Distribution of Natural Gas in Dar es Salaam, Coast and Lindi Regions

Lindi Region

- Implementation of a Mother Pressure Reduction Station (MPRS), Odorization Unit and a 10.04 km Natural Gas Main Trunk line from BVS 3 to Mnazi Mmoja including a 3.8 km electric power line to BVS 3 from Mahumbika Mnazi Mmoja was completed which enabled 209 houses to start utilizing natural gas for cooking.
- The contract that engages REA to finance natural gas distribution in rural households was signed for the implementation of a project to connect 451 households at Mnazi Mmoja and 529 households in Mkuranga.

Coast Region

- Concluded Gas Sales Agreement (GSA) with DANGOTE for the sale of natural gas to their CNG station planned to be installed in Mkuranga whereby a contractor for installation of CNG facilities has been procured.
- Sapphire Float Glass Ltd in Mkuranga near Goodwill was connected to use natural gas.

Dar es Salaam Region

- Concluded GSA negotiations for the sale of natural gas to Chemi & Cotex industries, and five hotels (Ramada, Giraffe, Serene, Jangwani and Landmark) in Africana area, Mbezi Beach.
- Construction of the Mwenge - Mbezi Beach trunk line and other related facilities reached 71.2%.
- Contractor (SINOMA Engineering) for installing CNG facilities including a Mother Station with CNGV refuelling dispensers in the UDSM (Sam Nujoma Road), Daughter Stations at Muhimbili and Kairuki Pharmaceutical, and supply of CNG virtual pipeline skids and trailers has been procured.
- Vehicle conversion workshops to use natural gas increased from four (DIT, DANGOTE, BQ and Anric Gas) to six whereby Exo Gas and NK have been added.

Mtwara

Acquisition of 20 meters wide, 34.2km wayleave from Ntorya to Madimba Gas Processing Plant was completed and all affected persons were compensated.

3.0 CHALLENGES

During the implementation of Milestones/Priority interventions, the following issues and constraints were encountered:

- (i) Inadequate employees at different cadres;
- (ii) Insufficient release of recurrent funds to enable running the office and project supervision;
- (iii) Late disbursement of funds in some projects; and
- (iv) Increasing demand for electricity, particularly in rural areas.

4.0 WAY FORWARD

The Ministry will continue to undertake remedial actions to make sure that the objectives set are being accomplished. These measures include; continuing with the follow-up of employment permits from the President Office - Public Service Management (PO-PSM); continuing with the follow-up of disbursement of funds from Ministry of Finance (MoF) and Development Partners pledges; and increasing the pace of electricity distribution and connection particularly in rural areas.

5.0 REVENUE AND EXPENDITURE FOR 2022/23

In the financial year 2022/23, the Ministry of Energy (Vote 58) estimated to collect a sum of TZS 2,488,412,512,689 of which: TZS 2,488,392,119,689 from the exchequer; and TZS 20,393,000 from administrative activities. The final approved exchequer expenditure budget of TZS 2,488,392,119,689 was intended to implement various programs and projects. Out of this spending, TZS 2,427,210,198,611 was for Development and TZS 61,181,921,078 was for Recurrent Expenditure. The Development Budget comprised of TZS 2,259,736,750,611 as local funds and TZS 167,473,448,000 as foreign funds.

6.0 MINISTRY COMMITTEES

In order to exercise good governance in the Ministry and improve service delivery, the Accounting Officer has constituted several committees. These include the Ministerial Tender Board, HIV/AIDS Committee, Foreign Employment Committee and Ministerial Audit Committee. These committees are all fully functional.

6.1 Ministerial Audit Committee Membership

The Accounting Officer effective from 21 October 2021, appointed the Audit Committee members. The committee deals with all matters relating to finances under the Public Finance Act, Cap. 348 [R.E 2020]. Committee members are as shown in Table 2 below:

Table 2: Audit Committee members

Name	Title	Age (Yrs)	Position	Qualification/ Discipline	Appointment Date
CPA Clement L. Timothy	Chairman	52	CIA MOF	MSc. Audit Management and Consultancy, CPA (T),	20/02/2019
Ms. Bahati C. Mtono	Secretary	41	ADHRM	MSc. Human Resource Management	09/02/2023
Mr. Oscar J. Kashaigili	Member	49	ADME	MSc. Economics and Finance	09/02/2023
Mr. Lusajo K. Mwakaliku	Member	43	ADPB	MSc. Energy Economics and Policy	21/10/2021
Eng. Salum Inegeja	Member	55	Principal Engineer I	MSc. Petroleum Engineering	09/02/2023

Name	Title	Age (Yrs)	Position	Qualification/ Discipline	Appointment Date
Ms. Mwanamani B. Kidaya	Member	52	Principal Geologist	MSc. Petroleum Geoscience	21/10/2021

6.2 Ministerial Audit Committee Functions

During the period, Audit Committee conducted four (04) ordinary meetings with described functions as shown in Table 3 and Table 4 below:

Table 3: Attendance of Audit Committee members

S/N	Name	Ordinary meetings attendance			
		07/11/2022	11/08/2022	11/05/2023	30/06/2023
1	CPA Clement L. Timothy	P	P	P	P
2	Ms. Bahati C. Mtono	A	A	P	P
3	Mr. Oscar J. Kashaigili	A	A	P	P
4	Mr. Lusajo K. Mwakaliku	P	P	P	P
5	Eng. Salum Inegeja	A	A	P	P
6	Ms. Mwanamani B. Kidaya	P	P	P	P

KEY: P - Present

A - Absent with apology

Table 4: Audit Committee functions

No.	Activity/Function planned	Implementation
1.	Review and approve the Annual Internal Audit Plan, Internal Audit Charter and Audit Committee Charter for the year 2022/23.	The Committee reviewed and approved the 2022/23 Internal Audit Plan, Internal Audit Charter and Audit Committee Charter.
2.	Review all Internal Audit Reports on the follow-up of audit queries raised on various activities under the Ministry.	The Committee reviewed all Internal Audit Reports on the follow-up of audit queries raised on various activities under the Ministry.
3.	Advise the Accounting Officer on the actions to be taken on the matters of concern, which arose in the Internal Audit reports and the report of the Controller and Auditor General concerning the Ministry.	The Committee advised the Accounting Officer on the actions to be taken on the matters of concern raised in the Internal Audit report and the report of the Controller and Auditor General concerning the Ministry.

7.0 EMPLOYEES WELFARE

The Ministry believes that employees are key to public service delivery in this regard the Ministry believes that a committed, capable and motivated workforce is central to quality service delivery. It is for that reason that the Ministry remains fully focused on recruiting, engaging and maintaining high-level employees in terms of qualification, professionalism, experience and integrity by supporting its employees to participate in different programs organized within and outside the Ministry to acquire the necessary skills for capacity improvement and delivery quality services. Furthermore, The Ministry provided other necessary employee benefits to its employees e.g., leave

allowances, Extra duty allowances, as well as meal Allowances for those living with HIV/AIDS.

7.1 NUMBER OF EMPLOYEES

The number of employees as of 30 June 2022 has been altered from 158 to 172 as a result of data cleaning in HCMIS, hence the Ministry seek users of financial statements to adopt 172 employees instead of 158 as of that date. During the year the average number of permanent employees has increased to 185 compared to 172 explained earlier on. The increase resulted from the following movements during the years:

- (i) 5 employees were compulsorily retired;
- (ii) 20 employees were transferred to the Ministry;
- (iii) 8 employees were transferred to other Ministries;
- (iv) 7 employees were newly employed; and
- (v) 1 employee died.

Table 5: Number of employees

S/N	Details	2023	2022
1	Female	78	70
2	Male	107	102
	TOTAL	185	172



ACCOUNTING OFFICER

14 March 2024

Date

STATEMENT OF MANAGEMENT RESPONSIBILITY

Management of the Ministry of Energy is responsible for the preparation of these Financial Statements for the period ended 30 June 2023, which give a view of the Ministry's state of affairs and its operation results in accordance with International Public Sector Accounting Standards (IPSAS) on Accrual Basis, in conformity with the provision of the Public Finance Act, Cap. 348 [R.E 2020].

These responsibilities include: designing, implementing and maintaining internal controls relevant to the preparation and presentation of financial statements that are free from material misstatement, whether on account of fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances which provide reasonable assurance that the transactions recorded are within statutory authority and properly record the use of all public financial resources accordingly. This mandate was given as per the Ministers (Discharge of Ministerial functions) Act (cap 299) Government No.144 published on 07 October 2017, which specifies the functions and responsibilities of the Government entities, business and other matters.

The government budget for the Vote was approved for the fiscal period from 1 July 2022 to 30 June 2023 and the Vote continued to operate in the same manner as in the approved budget for the period ended 30 June 2023.

To the best of our knowledge, the system of internal control has operated adequately throughout the reporting period and the records and underlying accounts provide a reasonable basis for the preparation of the Financial Statements for the period ended 30 June 2023. Procurement of goods works consultancy and non-consultancy services to the extent that they are reflected in these financial statements has been done in accordance with the Public Procurement Act, Cap 410 and its Regulations of 2013 (as amended in 2016).

The Management accepts the responsibility for the integrity of these financial statements, the information they contain and their compliance with the Public Finance Act, Cap. 348 [R.E 2020] and its Regulations; International Public Sector Accounting Standards (IPSAS) Accrual's basis; and Guidelines issued from time to time by Paymaster General and Accountant General.

Management is taking responsibility for building confidence in users of these financial statements that they portray the true and fair view of the state of affairs of the reporting entity. In our opinion, nothing has come to the attention of the Management that the financial statements do not present all material respect of the operations of the entity and will not remain a going concern for the next twelve months from the date of these statements.



Eng. Felchesmi J Mramba
ACCOUNTING OFFICER

14 March 2024
Date

DECLARATION BY THE HEAD OF FINANCE AND ACCOUNTS UNIT

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 by a declaration issued by the Head of Finance and Accounts Unit responsible for the preparation of financial statements of the entity concerned.

It is the duty of a Professional Accountant to assist Management in discharging the responsibility of preparing financial statements of an entity showing a true and fair view of the entity's position and performance in accordance with International Public Sector Accounting Standards (IPSAS) Accrual's basis and statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements rests with the management as per the Statement of Management Responsibility on the earlier page.

I, **CPA Michael P. Marandu** being Chief Accountant of the Ministry of Energy hereby acknowledge my responsibility of ensuring that financial statements for the period ended 30 June 2023 have been prepared in compliance with applicable accounting standards and statutory requirements.

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

Signed by: 

Position: **CHIEF ACCOUNTANT**

NBAA Membership No: ACPA-5055

Date: 14 March 2024

COMMENTARY ON THE FINANCIAL STATEMENTS

1.0 Introduction

This report describes comprehensively the information regarding financial results for the period ended 30 June 2023 for the fiscal year 2022/23 for the Ministry of Energy. The Ministry has consistently endeavoured to achieve the Strategic Plan through the Medium-Term Expenditure Framework, which covered 12 months from 01 July 2022 to 30 June 2023. Commentary to the financial statements provides a picture of information on the financial and physical performance for the financial year 2022/23.

2.0 Overview of Financial Statements

2.1 Revenue

2.1.1 Approved budget and Exchequer received

During the year under review, the Ministry received a sum of TZS 2,223,708,738,115 out of TZS 2,488,392,119,689 approved budget compared to TZS 2,404,298,467,075 and TZS 2,517,819,073,550 received and budgeted respectively in the year 2021/22 as shown in Table 6 below:

Table 6: Approved budget and Exchequer received

S/N	Details	Expenditure type	2022/23 TZS	2021/22 TZS
1	Approved budget	Development	2,427,210,198,611	2,490,646,766,477
		Recurrent	61,181,921,078	27,172,307,073
		Total	2,488,392,119,689	2,517,819,073,550
2	Exchequer received	Development	2,198,209,496,985	2,377,336,299,230
		Recurrent	25,499,241,130	26,962,167,845
		Total	2,223,708,738,115	2,404,298,467,075

2.1.2 Other Revenue

These comprise of recovery of public money from payments made in previous years whereby direct remittances are made to the Government Consolidated Fund through the National Revenue Database (NRD) every month. During the period ended 30 June 2023 non-tax revenue collected amounted to TZS 12,072,560 and other miscellaneous revenue resulted from the surrendering of TZS 1,519,140,583 long outstanding deposit to the GCF.

Details	2022/23 TZS	2021/22 TZS
Actual Collection	12,072,560	11,625,267
Miscellaneous receipts	1,519,140,583	0
	1,531,213,143	11,625,267

3.0 Expenditure

The Ministry incurred several expenses in the Interim period that ended 30 June 2023. These expenditures included those of headquarters and subventions transferred to institutions under the Ministry.

3.1 Payments by Third Parties

Payment by third parties for the period under review was TZS 123,085,971,078 as analysed in the direct-to-project fund's statement. Nevertheless, in the year 2021/22 was TZS 352,112,529,655.

3.2 Supplies and Consumable Goods

The Approved estimates of supplies and consumable goods during the period ended 30 June 2023 amounted to TZS 10,307,321,479 of which TZS 6,929,147,106 were spent.

Comparative Analysis	2022/23 TZS	2021/22 TZS
Approved estimates	10,307,321,479	359,479,009,980
Actual expenditure	6,929,147,106	480,050,712,282

3.3 Current grants, transfers and Subsidies

The approved estimates for the current transfers and subsidies for the period ended 30 June 2023 was TZS 2,457,673,816,256. The actual expenditure was TZS 2,210,195,513,098 which were transferred to TPDC, REA, TANESCO and other Institutions under the Ministry.

Comparative Analysis	2022/23 TZS	2021/22 TZS
Approved estimates:		
- Subsidies	2,046,818,263,269	2,144,254,937,393
- Grants and transfers	410,855,552,987	
	<u>2,457,673,816,256</u>	<u>2,144,254,937,393</u>
Actual expenditure:		
- Subsidies	1,877,359,046,539	1,913,573,752,815
- Grants and transfers	332,836,466,559	
	<u>2,210,195,513,098</u>	<u>1,913,573,752,815</u>

3.4 Purchase/Constructions of Property, Plant and Equipment

During the period ended 30 June 2023, the Ministry spent TZS 86,777,172 to acquire Non-Current Assets. Compared to the previous year 2021/2022 which was TZS 776,702,160.

Comparative Analysis	2022/23 TZS	2021/22 TZS
Actual expenditure	86,777,172	776,702,160

4.0 Intangible Assets

Intangible assets were not yet acquired during the period under review.

5.0 Outstanding Liabilities

Outstanding Liabilities as at 30 June 2023 was TZS 1,832,193,951 compared to TZS 2,954,216,878 of the financial year 2021/22. However, liabilities of the year 2021/22 have been restated from TZS 672,146,057 as explained under paragraph 15 of this commentary.

6.0 Commitments

As at 30 June 2023, the Ministry had commitments related to Miscellaneous Deposit of TZS 136,948,975,968 compared to TZS 25,720,174,170 for the financial year 2021/22

7.0 Losses

There are no losses arose up to the period ending 30 June 2023.

8.0 Guarantee

The Ministry has not guaranteed it during the period ending 30 June 2023.

9.0 Outstanding Loans

At the closure of the period, no loans were outstanding.

10.0 Extra Ordinary items

During the period there were no extraordinary items recorded.

11.0 Related Party Disclosure

The only related party disclosure during the period ended 30 June 2023 were remunerations of key management personnel of the Ministry of Energy. Key management personnel of the Ministry include Hon. Minister, Hon. Deputy Minister, Permanent Secretary, Deputy Permanent Secretary, Commissioners, Assistant Commissioners, Directors, Assistant Directors, Chief Accountant and Chief Internal Auditor.

Their remunerations included Salaries and allowances (telephones, housing, furniture and electricity). During the year ended 30 June 2023, a total of TZS 1,355,697,360 was spent on key management personnel as compared to TZS 1,281,752,100 for the year ended 30 June 2022.

12.0 Political and charitable donations

During the year under review, there were no political or charitable donations made by the Ministry.

13.0 Auditors

The Controller and Auditor General (CAG) is the statutory auditor for the Ministry under the provisions of Article 143 of the Constitution of the United Republic of Tanzania of 1977 (as amended 2005).

14.0 Taxpayers Funds

The taxpayer's fund as at 30 June 2023 remained the same as for the period ending 30 June 2022.

Comparative Analysis	2022/23	2021/22
	TZS	TZS
Taxpayer's fund	33,065,745,404	33,065,745,404

15.0 Correction of Prior Period Errors

During the year ended 30 June 2022, the Ministry could not record the following information in books of accounts due to late awareness. Hence, in compliance with IPSAS 3 Accounting Policies, Changes in Accounting Estimates and Errors; the comparative amounts for the prior period presented in the financial statements have been restated to accommodate this information.

- In 2022/23 a special exchequer was received and paid a sum of TZS 2,127,775,185 in respect resolution made in 2021/22 on claims by the contractor Eltel Group Oy for incorrect tax charge by TANESCO when implementing a project on rehabilitation of electricity infrastructure project in Dar es Salaam city;
- Recovery of staff advances received in 2021/22 were not accounted for due to technical faults; and
- Accounting for retention money payable to National Housing Corporation (NHC) for construction of office building phase II at Mtumba Government City.

Table 7: Restated items in financial statements for the year ended 30 June, 2022

S/N	Description	Original Amount 30 June, 2022	Restated Amount 30 June, 2022	Difference	Reason for Restatement
		TZS	TZS	TZS	
1	Payables and Accruals	672,146,057	2,954,216,878	2,282,070,821	Claims by Eltel Group Oy for incorrect tax charge by TANESCO TZS 2,127,775,184; recovery of staff advances during the year 2021/22 TZS 4,968,963 and retention money TZS 154,295,637
2	Receivables	39,150,248	34,181,286	4,968,963	
3	Accumulated Surpluses / Deficits	(22,988,322,374)	(25,121,066,521)	(2,132,744,147)	
4	Work In Progress	5,826,380,332	5,980,675,969	154,295,637	

14 March 2024


Eng. Felchesmi J. Mramba
ACCOUNTING OFFICER

Date

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

		2022/23	2021/22
		TZS	Restated
	Note	TZS	TZS
ASSETS			
Current Asset			
Cash and Cash Equivalents	62	136,949,415,304	25,721,002,330
Receivables	67	1,007,952,675	34,181,285
Prepayments	69	585,228,456	744,175,523
Inventories	70	156,481,672	177,581,240
Total Current Asset		138,699,078,107	26,676,940,378
Non-Current Asset			
Property, Plant and Equipment	77	3,773,887,899	3,961,453,582
Work In Progress	82	11,344,411,269	5,980,675,969
Total Non-Current Asset		15,118,299,168	9,942,129,551
TOTAL ASSETS		153,817,377,275	36,619,069,929
LIABILITIES			
Current Liabilities			
Payables and Accruals	89	1,832,193,951	2,954,216,878
Deferred Income	93	1,399,412,151	0
Deposits	94	136,948,975,968	25,720,174,170
Total Current Liabilities		140,180,582,070	28,674,391,048
TOTAL LIABILITIES		140,180,582,070	28,674,391,048
Net Assets		13,636,795,205	7,944,678,882
NET ASSETS			
Capital Contributed by:			
Taxpayer's fund		33,065,745,404	33,065,745,404
Accumulated/ (Deficits)		(19,428,950,199)	(25,121,066,521)
TOTAL NET ASSETS		13,636,795,205	7,944,678,882



Permanent Secretary

14 March 2024
Date

STATEMENT OF FINANCIAL PERFORMANCE FOR THE PERIOD ENDED 30 JUNE 2023

<i>Classification of Expenses by Nature</i>		2022/23	2021/22
	Note	TZS	Restated TZS
REVENUE			
Revenue			
Revenue Grants	16	2,227,099,464,227	2,409,976,562,809
Revenue from Exchange Transactions	17	62,844,334,099	249,347,730,103
Other Revenue	31	1,526,244,180	6,656,305
Total Revenue		2,291,470,042,506	2,659,330,949,217
TOTAL REVENUE		2,291,470,042,506	2,659,330,949,217
EXPENSES AND TRANSFERS			
Expenses			
Wages, Salaries and Employee Benefits	34	5,846,114,010	6,257,543,845
Use of Goods and Service	35	3,714,494,079	4,348,895,849
Maintenance Expenses	36	322,747,661	484,301,085
Loss on Disposal of Assets	44	23,967,607	118,513,585
Other Expenses	52	454,740,747	676,883,855
Depreciation of Property, Plant and Equipment	77	844,412,915	1,007,388,137
Total Expenses		11,206,477,019	12,893,526,356
Transfer			
Subsidies	58	1,877,359,046,538	1,597,164,840,646
Grants and Transfers	59	332,836,466,559	319,374,187,354
Other Transfers	60	64,375,936,066	249,358,527,209
Total Transfer		2,274,571,449,163	2,165,897,555,209
TOTAL EXPENSES AND TRANSFERS		2,285,777,926,182	2,178,791,081,565
Surplus		5,692,116,323	480,539,867,652



Permanent Secretary

14 March 2024
Date

STATEMENT OF CHANGES IN NET ASSET FOR THE PERIOD ENDED 30 JUNE 2023

	Tax Payer's Fund TZS	Accumulated Surplus/(Deficit) TZS	Total TZS
Opening Balance as at 01 Jul 2022	33,065,745,404	(25,121,066,521)	7,944,678,882
Addition Capital Injected	0	0	0
Other Reserve	0	0	0
Other Appropriations	0	0	0
Minority Interest	0	0	0
Surplus/ (Deficit) for the Year	0	5,692,116,323	5,692,116,323
Closing Balance as at 30 Jun 2023	33,065,745,404	(19,428,950,199)	13,636,795,205
Opening Balance as at 01 Jul 2021	33,065,745,404	(505,660,934,174)	(472,595,188,770)
Addition Capital Injected	0	0	0
Other Reserve	0	0	0
Other Appropriations	0	0	0
Minority Interest	0	0	0
Surplus/ (Deficit) for the Year	0	480,539,867,652	480,539,867,652
Closing Balance as at 30 Jun 2022	33,065,745,404	(25,121,066,521)	7,944,678,882



Permanent Secretary

14 March 2024
Date

STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 30 JUNE 2023

	2023 TZS	2022 TZS
CASH FLOW FROM OPERATING ACTIVITIES		
RECEIPTS		
Revenue Grants	2,223,708,738,116	2,404,150,182,477
Revenue from Exchange Transactions	62,844,334,099	249,347,730,103
Other Revenue	1,526,244,180	6,656,305
Increase in Deposit	111,228,801,799	0
Total Receipts	2,399,308,118,194	2,653,504,568,885
PAYMENTS		
Wages, Salaries and Employee Benefits	5,699,022,794	6,847,587,240
Use of Goods and Service	6,929,147,106	478,820,711,175
Subsidies	1,877,359,046,539	1,597,164,840,646
Social Benefits	0	0
Other Transfers	64,375,936,066	249,358,527,209
Other Expenses	454,740,747	676,883,855
Maintenance Expenses	322,747,661	484,301,086
Grants and Transfers	332,836,466,559	319,374,187,354
Decrease in Deposit	0	99,644,089,468
Total Payments	2,287,977,107,472	2,752,371,128,033
NET CASH FLOW GENERATED FROM OPERATING ACTIVITIES	111,331,010,722	(98,866,559,148)
CASH FLOW USED IN INVESTING ACTIVITIES		
Investing Activities		
Advance Payment for Acquisition of Property Plant and Equipment	0	(581,150,667)
Acquisition of Property, Plant and Equipment	(86,777,173)	(195,551,493)
Total Investing Activities	(86,777,173)	(776,702,160)
NET CASH FLOW USED IN INVESTING ACTIVITIES	(86,777,173)	(776,702,160)
Net Increase	111,244,233,549	(99,643,261,308)
Cash Surrendered to Holding Account	0	0
Cash Surrendered to PMG	15,820,575	
Cash and cash equivalent at the beginning of the period	25,721,002,330	125,364,263,638
Cash and cash equivalent at the end of the period	136,949,415,304	25,721,002,330



Permanent Secretary

14 March 2024
Date

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE PERIOD ENDED 30 JUNE 2023

	Budgeted Amount			Actual Amount on Comparison Basis (A)	TZS Different Final Budget & Actual (B- A) TZS
	Original Budget	Reallocations/ Adjustments	Final Budget (B)		
	TZS	TZS	TZS	TZS	TZS
RECEIPTS					
Revenue Grants	2,905,980,933,000	(417,588,813,311)	2,488,392,119,689	2,223,708,738,116	264,683,381,573
Revenue from Exchange Transactions	0	0	0	62,844,334,099	(62,844,334,099)
Other Revenue	20,393,000	0	20,393,000	1,531,213,143	(1,510,820,143)
Increase in Deposit	0	0	0	111,228,801,799	(111,228,801,799)
Total Receipts	2,906,001,326,000	(417,588,813,311)	2,488,412,512,689	2,399,313,087,157	89,099,425,532
PAYMENTS					
Wages, Salaries and Employee Benefits	6,354,510,000	983,337,470	7,337,847,470	5,699,022,794	1,638,824,676
Use of Goods and Service	10,098,089,000	209,232,479	10,307,321,479	6,929,147,106	3,378,174,373
Subsidies	2,363,158,903,000	(316,340,639,731)	2,046,818,263,269	1,877,359,046,539	169,459,216,730
Social Benefits	1,400,000	(1,400,000)	0	0	0
Other Transfers	20,393,000	0	20,393,000	64,375,936,066	(64,355,543,066)
Other Expenses	3,733,639,000	(854,019,255)	2,879,619,745	454,740,747	2,424,878,998
Maintenance Expenses	824,904,000	(243,790,000)	581,114,000	322,747,661	258,366,339
Grants and Transfers	510,735,643,000	(99,880,090,013)	410,855,552,987	332,836,466,559	78,019,086,428
Decrease in Deposit	0	0	0	0	0
Advance Payment for Acquisition of Property Plant and Equipment	0	0	0	0	0
Acquisition of Property, Plant and Equipment	11,073,845,000	(1,461,444,262)	9,612,400,738	86,777,173	9,525,623,565
Total Payment	2,906,001,326,000	(417,588,813,311)	2,488,412,512,689	2,288,063,884,645	200,348,628,043
Net Receipts/(Payments)	0	0	0	111,249,202,512	(111,249,202,511)


Permanent Secretary

14 March 2024
Date

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

1.0 General Information

The Ministry of Energy was established under the Ministerial Functions Act (Cap 299), Government Notice No. 144 amended and published on 7 October 2017 which specifies the functions and responsibilities for the Government entities, business and other matters to be carried out by the Ministry. Among the main responsibilities are to put in place Energy policies, legal framework programmes, and projects and facilitate their implementation to maximize the contribution of these sectors to the economy. Other information is shown in Table 8 below:

Table 8: General Information

<u>PRINCIPAL PLACE OF BUSINESS</u> Ministry of Energy, Nishati Street, Government City Mtumba, P.O. Box 2494, 40474 DODOMA - TANZANIA.	<u>ACCOUNTING OFFICER OF THE VOTE</u> Permanent Secretary, Ministry of Energy, Nishati Street, Government City Mtumba, P.O. Box 2494. 40474 DODOMA - TANZANIA
<u>LAWYERS</u> Attorney General, Attorney General's Chambers, P.O. Box, 9050, DAR ES SALAAM - TANZANIA	<u>AUDITOR</u> The Controller and Auditor General, The National Audit Office, Audit House, 4 Ukaguzi Road, P.O. Box 950, 41104 Tambukareli, DODOMA - TANZANIA
<u>BANKERS</u> Bank of Tanzania, 18 Jakaya Kikwete Road, P.O. Box 2303, 41104 DODOMA - TANZANIA.	

2.0 Basis of Preparation

These Financial Statements comply with International Public Sector Accounting Standards (IPSAS) - Accrual Basis of Accounting and have been prepared on a going concern basis with accounting policies consistently applied throughout the period. The preparation of these Financial Statements is also in accordance with Public Finance Act, Cap. 348 [R.E 2020] and are presented in Tanzania Shillings (TZS) rounded into the nearest Shillings.

3.0 Authorization Date

The financial statements of the Ministry of Energy for the year ended 30 June 2023 have been approved by the Management on 30 August 2023 and submitted to the Controller and Auditor General for audit. The authorised date for the issue of Financial Statements is after the CAG sign the financial statements and the reports are tabled to the National Assembly.



ACCOUNTING OFFICER

4.0 Reporting Entity

The Financial Statements are set to present Vote 58 - Ministry of Energy (MoE) established under the Ministerial Functions Act, Cap. 299 Government Notice No. 144 amended and published on 07 October 2017.

5.0 Public Sector Entities

The Ministry is composed of the following controlled entities:

Table 9: Public Sector Entities

S/N	NAME OF SIGNIFICANCE CONTROLLED ENTITY	PERCENTAGE CONTROLLED	AUTHORITY
01	Tanzania Electric Supply Company Limited (TANESCO)	100	Company Act Cap. 12 (Revised Edition 2002).
02	Rural Energy Agency (REA)	100	Rural Energy Act, 2005.
03	Tanzania Petroleum Development Corporation (TPDC)	100	Public Corporation Act No.17 through Govt. Notice No.140 of 30 May 1969.
04	Petroleum Upstream Regulatory Authority (PURA)	100	Petroleum Act 2015 section 11
05	Petroleum Bulk Procurement Agency (PBPA)	100	Executive Agencies Act, CAP 245, through Government Notice No.423 of 2015.
06	Electricity and Water Utilities Regulatory Authority (EWURA)	100	Instrument through GN No.384 of 7 May 2021

6.0 Summary of Significant Accounting Policies

The following principal accounting policies have consistently been applied in the preparation of these financial statements in all years unless otherwise stated.

6.1 Functional and presentation currency

Items included in the financial statements are been measured in the currency of the primary economic environment in which the Government operates (the functional currency). The presentation currency of these financial statements is Tanzanian Shillings (TZS), which is the Government's functional and presentation currency.

6.2 Foreign currency transactions and balances

Foreign currency transactions are been translated into Tanzanian Shillings using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are been recognized in the statement of financial performance.

6.3 Cash and cash equivalents

Cash and cash equivalent in the statement of financial position comprise cash at banks. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above.

6.4 Employment benefits

Employee benefits include salaries, pensions and other related - employment costs. Employee benefits are recognized on an accrual basis. The Government operates a defined contribution plan. Different plans and contribution rates for employers and employees are detailed below:

Table 10: Employment benefits

No	Name of the Fund	Employer Contribution	Employee Contribution
1	NHIF	3%	3%
2	PSSSF	15%	5%
3	WCF	0.5%	-

6.5 Government grants

Government grants recognized as an asset shall be recognized as revenue, except to the extent that a liability is also recognized in respect of the same. As an entity satisfies a present obligation recognized as a liability in respect of an inflow from a non-exchange transaction recognized as an asset, it shall reduce the carrying amount of the liability recognized and recognized an amount of revenue equal to that reduction.

6.6 Property, Plants and Equipment

Property, plants and equipment is stated at cost, excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value. Such cost includes the cost of any replacement parts in accordance with the related recognition criteria. Depreciation is calculated on a straight-line basis over the useful life of the assets.

6.7 Depreciation

The Government has adopted a straight-line method for depreciating Public Assets, which is allocated systematically over the useful life of the respective assets as issued in the Government Asset Guideline of 2019 and the accounting policies applicable. The depreciable amount of an asset shall be allocated on a systematic basis over its estimated useful life. The prevailing International Standard for depreciation shall be applied over the useful life of the assets.

In accordance with the Generally Acceptable Valuation Principles (GAVP), depreciation for valuation purposes shall be the adjustment made to the replacement cost to reflect physical deterioration functional and economic obsolescence.

6.8 Estimated Useful Life (EUL)

Assets have an economic life peculiar to themselves depending on make, constant handling and operational use. Due to periodical maintenance and repairs, some assets are in use beyond the EUL. Assets expected life are projected in ranges as follows:

Table 11: Estimated Useful Life

Description	Years
Administration assets	
Leasehold land	Over the lease term
Buildings	50
Plant and machinery	15
Furniture, fixtures and equipment	5
Motor vehicles	
Light duty (below 5 tons)	5
Motor cycle	7
Document processing equipment e.g. Photocopiers, Mail handling equipment, checks handling equipment and shredders	7
Uninterruptible Power Supplies (UPS)	7
Computer hardware	5

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the de-recognition of the asset (calculated as the difference between the net disposal proceeds and the asset's carrying amount) is included in the statement of financial performance in the year the asset is derecognized.

At each financial year-end, the residual values and useful lives of property, plant, and equipment are reviewed and adjusted if appropriate. When each major inspection is performed, its cost is recognized in the carrying amount of property, plant, and equipment replacement if the recognition criteria are satisfied.

6.9 Land

The land consists of (i) undeveloped land, and (ii) developed land (if the land element is material); where the Government has obtained ownership documents such as title deeds. If the cost can be measured reliably, the land is then measured on a cost basis. If the land element is not material, developed land is grouped with buildings under property, plant and equipment in the 'land' and 'buildings' categories. The land is not depreciated.

6.10 Provisions

Provisions are recognized when the Government has a present obligation (legal or constructive) as a result of a past event, an outflow of resources embodying economic benefits will probably be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Government expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

The expense relating to any provision is presented in the surplus/deficit net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

6.11 Deferred Revenue

Deferred recurrent revenue comprises Cash recurrent, of which funds are not yet expensed at the end of the financial year, and its terms as deferred recurrent revenue and deferred development revenue comprises of funds not yet expensed as at the end of the year for Development activities.

6.12 Inventories

Inventories specifically stationeries and other consumables are stated at the lower cost and Net Realizable Value. Costs incurred in bringing each product to its present location and condition are determined on a first-in, first-out basis.

6.13 Related Party Disclosures

Parties are considered to be related if one party can control the other party or exercise significant influence over the other party in making financial and operating decisions. They include relationships with subsidiaries, associates, joint ventures and key Management personnel. For the Ministry of Energy, key management personnel include Hon. Minister, Hon. Deputy Minister, Permanent Secretary, Deputy Permanent Secretary, Commissioners, Assistant Commissioners, Directors, Assistant Directors, Chief Accountant and Chief Internal Auditor. Some of the Government's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements.

6.14 Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, receivables are carried at amortized cost using the effective interest method less any allowance for impairment. Gains and losses are recognized in surplus/deficit when the receivables are derecognized or impaired through the amortization process.

6.15 Impairment of financial assets

The Government assesses whether a financial asset or group of financial assets is impaired at each statement of financial position date.

6.16 Assets carried at amortized cost

Suppose there is objective evidence that an impairment loss on assets carried at amortized cost has been incurred. In that case, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through the use of an allowance account.

The amount of the loss shall be recognized in surplus/deficit. 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, to the extent that the carrying value of the asset does not exceed its amortized cost at the reversal date. Any subsequent reversal of an impairment loss is recognized in surplus/deficit.

About trade receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Government will not be able to collect all of the amounts due under the original terms of the invoice. The carrying amount of the receivable is reduced through the use of an allowance account. Bad debts are derecognized when they are assessed as uncollectible.

7.0 Events after the reporting date

Events after the reporting period are favourable and unfavourable events that occur between the end of the reporting period and the date when the financial statements are authorised for issue. Two types of events can be identified:

- i. Those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period); and
- ii. Those that are indicative of conditions that arose after the reporting period (non-adjusting events after the reporting period).

8.0 Taxpayer's funds

This is money invested by the government to satisfy individual or collective needs or to create future benefits. It includes all monies invested in capital expenditure.

9.0 Disclosure of Revenue

The revenue collected by the Ministry as of 30 June 2023 is shown in the statements of the Honourable Minister, Accounting Officer and the comparison of the budget and actual to the financial statement is comprised of the actual amount collected from the Administration activities, long outstanding deposit surrendered to the Government Consolidated Fund extraordinary revenue resulted from oil and gas collected by the Ministry of Finance in a special account maintained by it.

10.0 Significant Accounting Judgments, estimates and assumptions

The preparation of the Government's financial statements 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 reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

10.1 Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet 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 discussed below.

10.2 Impairment of non-financial assets

The Government assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value-in-use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate to calculate the present value of those cash flows.

10.3 Exchange rates

Table 12: End of the year foreign currency exchange rates - source BOT

Currency	30 June 2023		30 June, 2022	
	Buying	Selling	Buying	Selling
United States Dollar (USD)	2,315.9406	2,339.1	2,292.7327	2,315.66
British Pound (GBP)	2,924.5698	2,954.5172	2,803.095	2,831.589
Euro (EUR)	2,530.8599	2,557.1041	2,421.8135	2,446.4948
Swedish Kronor (SEK)	214.433	216.5172	225.5295	227.7332
Japanese Yen (JPY)	16.0384	16.1931	16.8126	16.977

11.0 Risks management

The Government is subject to several financial and operational risks, hazards and strategic risks and is responsible for ensuring appropriate risk management strategies and policies are in place within any mandate provided by legislation. All types of risk associated with Government activities are managed by the Head of Departments through the established MOE Risk Register.

i. Interest rate risk

Interest rate risk refers to the risk of loss due to adverse movement in interest rates. In general, interest rate risk is managed strategically by issuing a mix of fixed and floating-rate debt.

ii. Foreign exchange risk

Foreign exchange risk refers to the risk of loss due to adverse movements in foreign exchange rates. A range of instruments is currently being used to minimize the Government's exposure to foreign exchange risk, which includes currency.

iii. Liquidity risk

Liquidity risk refers to the loss due to the lack of liquidity preventing quick or cost-effective liquidation of products, positions or portfolios. Liquidity risk is managed on an individual entity basis, which generally requires entities to hold assets of appropriate quantity and quality to meet all their obligations as they fall due.

The entities within the Government reporting entity manage their exposure to credit risk by:

- (i) Maintaining credit exposure only with highly rated institutions, for which the probability of default is low. The creditworthiness of counter-parties is continuously monitored;
- (ii) Ensuring diversification of credit exposure by limiting the exposure to any one financial institution; and
- (iii) In some instances, requiring a form of collateral from counterparties.

12.0 Original and Final Approved Budget and Composition of Actual and Budget Amounts

The approved budget is on a cash basis for the period ended 30 June 2023 and financial year 2021/22. On the other hand, there have been considerable variations between the final budget and actual amounts mainly due to under release of funds during the year as shown in Table 13 below:

Table 13: Analysis of Budget and Actual Amounts

Details	Final Budget	Actual Amounts	Variation	Variation
	TZS	TZS	TZS	%
Revenue Grants	2,488,392,119,689	2,223,708,738,116	264,683,381,573	11
Revenue from Exchange Transactions	20,393,000	62,844,334,099	(62,823,941,099)	
Other Revenue	0	1,531,213,143	(1,531,213,143)	
Increase in Deposit	0	111,228,801,799	(111,228,801,799)	
Total Receipts	2,488,412,512,689	2,399,313,087,157	89,099,425,532	4
PAYMENTS				
Wages, Salaries and Employee Benefits	7,337,847,470	5,699,022,794	1,638,824,676	22
Use of Goods and Service	10,307,321,479	6,929,147,106	3,378,174,373	33
Subsidies	2,046,818,263,269	1,877,359,046,539	169,459,216,730	8
Other Transfers	20,393,000	64,375,936,066	(64,355,543,066)	
Other Expenses	2,879,619,745	454,740,747	2,424,878,998	84
Maintenance Expenses	581,114,000	322,747,661	258,366,339	44
Grants and Transfers	410,855,552,987	332,836,466,559	78,019,086,428	19
Acquisition of Property, Plant and Equipment	9,612,400,738	86,777,172	9,525,623,566	99
Total Payment	2,488,412,512,689	2,288,063,884,644	200,348,628,044	8

In addition, variations on revenue from exchange transactions, other revenue and increases in deposits shown on the above Table 13 arose due to unbudgeted revenue from the sale of gas which is extraordinary revenue received in the special account at the Ministry of Finance, long outstanding deposit surrendered to the Government Consolidated Fund and deposits movement during the year respectively.

13.0 FUTURE CHANGES IN ACCOUNTING POLICIES

Standards issued but not yet effective up to the date of issuance of the financial statements are listed below. These listings of standards issued are those which the Ministry is reasonably expecting to have an impact on disclosures, financial position or performance when applied at a future date:

- i) **IPSAS 41 - Financial Instruments:** This standard establishes new requirements for classifying, recognizing and measuring financial instruments to replace those in IPSAS 29, Financial Instruments: Recognition and Measurement. Due to the COVID-19 pandemic, the effective date of this Standard has been deferred to January 1, 2023, from January 1, 2022. The Government is currently assessing the impact of the standard;
- ii) **IPSAS 42 - Social Benefits:** This standard guide 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. Due to the COVID-19 pandemic, the effective date of this Standard has been deferred to January 1, 2023, from January 1, 2022. The Government is currently assessing the impact of the standard;
- iii) **IPSAS 43 - Leases:** The IPSASB approved IPSAS 43, Leases with an effective date of January 1, 2025. IPSAS 43 supersedes IPSAS 13, Leases and introduces the right-of-use model for lessees, aligning with IFS 16, Leases. The IPSASB will continue consideration of public sector-specific leasing issues, such as concessionary leases, in its Other Lease-Type Arrangements project.
- iv) **Improvements to IPSAS, 2021:** The IPSASB approved Improvements to IPSAS, 2021 with an effective date of January 1, 2023, except for the Interest Rate Benchmark Reform related amendments to IPSAS 29, Financial Instruments: Recognition and Measurement, which had an effective date of January 1, 2022.
- v) **IPSAS 46- Measurements:** This standard establishes new requirements on how to determine fair value, the effective date of this Standard was January 1, 2025.
- vi) **IPSAS 47 Revenue:** This standard guides how to account for revenue transactions to the public sector, this standard will replace three standards namely IPSAS 9, Revenue from exchange transactions; IPSAS 11, Construction contracts and IPSAS 23, Revenue from non-exchange transactions. The effective date for this Standard will be 1 January 2026.
- vii) **IPSAS 48 Transfer Expenses:** This standard guides how to account for expenditures without exchange.
- viii) **CONCEPTUAL FRAMEWORK:** The IPSASB has introduced minor changes to the definition of Asset and Liability and also, they have improved the area of Qualitative characteristics by introducing Prudence.

14.0 CONTINGENT LIABILITIES/ASSETS

Contingent Liability arising has to amount to TZS 428,397,100,000 as of 30 June 2023 comprising legal case namely: -

The Ministry has a contingent liability of USD 185,000,000 equivalent to TZS 432,733,500,000 in ICSID Case No ARB/15/41 ICSID Standard Chartered Bank VS the Government whereby the plaintiff is claiming such amount for TANESCO's non-compliance with its obligation under the Power Purchase Agreement with IPTL. The parties are negotiating for an amicable settlement.

Commitments

As at 30 June 2023, the entity had no operating lease commitment.

Capital Commitment

The Ministry has no capital commitment as at 30 June 2023.

Guarantees

As at 30 June 2023, the entity had no guarantees.

Related Party Disclosure

Compensation of key Management personnel

Key Management personnel comprise the Hon. Minister, Hon. Deputy Minister, Permanent Secretary, Deputy Permanent Secretary and Senior Management group. The aggregate remuneration for the period in terms of salaries and other benefits was TZS 1,355,697,360 as shown in Table 14 below:

Table 14: Key management personnel

S/N	Major class	Number of personnel	Salary for one-year TZS	Statutory allowance for one-year TZS	Total (TZS)
1	Ministers	2	130,680,000	33,120,000	163,800,000
2	Permanent Secretaries	2	263,297,360	33,120,000	296,417,360
3	Senior Management	15	686,550,000	208,930,000	895,480,000
		19	1,080,527,360	275,170,000	1,355,697,360

LAND

Ministry of Energy has Land at Mtumba granted by the Government where its current headquarters building has been built of which its value is not yet ascertained. The value will be accounted for in the next financial year.

Correction of Prior Period Errors

The following adjustments were made to restate the previous year's Audited Financial Statements in respect of claims which were not recorded in the books of accounts in the previous years.

Table 15: Correction of prior period errors

	DETAILS	DR TZS	CR TZS
1	Subsidies - Transfer to TANESCO	2,127,775,185	0
	Payables and Accruals	0	2,127,775,185
		2,127,775,185	2,127,775,185
	Being: Claims by Eltel Group Oy for incorrect tax charge by TANESCO		
2	Recovery of Public Money	4,968,963	
	Staff advances and imprest		4,968,963
		4,968,963	4,968,963
	Being: Staff advances recovered during the year ended 30 June 2022		
3	Work In Progress	154,295,637	

	DETAILS	DR TZS	CR TZS
	Payable consumable Supplies Addition		154,295,637
		154,295,637	154,295,637
	Being: retention money payable to National Housing Corporation (NHC) for the construction of office building phase II at Mtumba Government City during the FY 2021/22		

Presentation of Budget Information in Financial Statements

The financial statements for the Ministry are prepared on an accrual basis using a classification based on the nature of expenses in the statement of financial performance. The financial statements differ from the budget which is approved on a cash basis and which deals only with the general government sector which excludes government business enterprises and certain other non-market government entities and activities.

A reconciliation between the actual amounts on a comparable basis as presented in the Statement of Comparison of Budget and Actual Amounts and the actual amounts in the Statement of Cash Flows for the period ended 30 June 2023 is presented below.

Table 16: Reconciliation of Actual Amount on Comparable Basis and Actual Amounts in the Financial Statements

	Operating	Financing	Investing	Total
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	111,331,010,722	0	(86,777,173)	111,244,233,549
Basis Differences		0		
Timing Differences	NA	NA	NA	NA
Entity Differences		0		
Actual Amount in the Statement of Cash Flows	111,331,010,722	0	(86,777,173)	111,244,233,549

RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS/(DEFICIT) FOR THE PERIOD ENDED 30 JUNE, 2023

	2023 TZS	2022 TZS
Surplus/ Deficit for the Period	5,692,116,323	480,539,867,652
Add/ (Less) Non-Cash Item		
Current Grants from Other General Government	(4,805,958,838)	(5,826,380,332)
Units-non monetary		
Depreciation of Property, Plant and Equipment	844,412,915	1,007,388,137
Loss on Disposal of Assets	23,967,607	118,513,585
Add/ (Less) Change in Working Capital		
Deferred Income	1,415,232,726	0
Inventories	21,099,568	9,832,463
Increase in deposits	111,228,801,799	(99,644,089,468)
Payables and Accruals	(1,692,686,389)	(475,051,524,882)
Prepayments	(422,203,600)	(11,728,498)
Receivables	(973,771,389)	(8,437,804)
Net Cash Flow from Operating Activities	111,331,010,722	(98,866,559,148)



 Permanent Secretary

14 March 2024
 Date

	TZS 2023	TZS 2022
103 - Advance Payment for Acquisition of Property Plant and Equipment		
Prepayments Assets - Monetary	0	(581,150,667)
Payment	0	(581,150,667)
16 - Revenue Grants		
Government Grant Personal Emolument	14,793,106,356	13,162,745,254
Government Grant Development Foreign	134,224,781,004	352,950,029,655
Government Grant Development Local	2,063,639,096,500	2,024,265,377,602
Government Grant Other Charges	9,636,521,530	13,772,029,965
Revenue Grants - Non-Monetary	4,805,958,838	5,826,380,333
Revenue	2,227,099,464,227	2,409,976,562,809
Add/Less (Change in Working Capital)		
Development Deferred Income Addition	345,619,481	0
Recurrent Deferred Income Addition	1,069,613,245	0
Revenue Grants - Non-Monetary	(4,805,958,838)	(5,826,380,332)
	(3,390,726,112)	(5,826,380,332)
Receipt	2,223,708,738,116	2,404,150,182,477
17 - Revenue from Exchange Transactions		
Sale of Gas	62,844,334,099	249,347,730,103
Revenue	62,844,334,099	249,347,730,103
Receipt	62,844,334,099	249,347,730,103
31 - Other Revenue		
Miscellaneous Revenue	1,519,140,583	0
Recovery of Public Money	7,103,597	6,656,305
Revenue	1,526,244,180	6,656,305
Receipt	1,526,244,180	6,656,305
34 - Wages, Salaries and Employee Benefits		
Acting Allowance	15,905,000	9,975,000
Casual Labourers	1,800,000	6,260,000
Civil Servants	3,438,951,609	3,061,231,488
Court Attire Allowance	6,000,000	7,000,000
Electricity Allowance	59,800,000	62,295,000
Extra-Duty	917,940,000	1,536,244,000
Furniture Expenses	32,000,000	121,377,000
Honoraria	545,548,100	859,244,714
Household Appliances	1,090,000	6,763,500
Housing allowance Expenses	143,190,000	150,800,000
Leave Travel	73,064,682	77,067,206
Medical and Dental Refunds	4,576,619	10,036,337
Moving Expenses	28,717,000	7,540,000
Outfit Allowance	3,000,000	300,000
Sitting Allowance	504,871,000	267,634,600
Special Allowance	9,100,000	3,000,000

Subsistence Allowance	1,640,000	7,860,000
Telephone Allowance	58,920,000	62,915,000
Expenses	5,846,114,010	6,257,543,845

Add/Less (Change in Working Capital)		
Staff Claim Addition	(147,091,216)	590,043,395
	(147,091,216)	590,043,395
Payment	5,699,022,794	6,847,587,240

35 - Use of Goods and Service

Accommodation Training - Domestic	0	1,320,000
Advertising and Publication - Communication & Information	3,284,500	126,837,000
Air Travel Tickets Training - Domestic	147,531,255	11,958,000
Air Travel Tickets Training - Foreign	11,000,000	26,175,980
Air Travel Tickets Travel - In-Country	189,780,076	147,005,615
Air Travel Tickets Travel Out Of Country	80,579,305	96,330,295
Cleaning Supplies - Use of goods and Services	2,340,000	606,000
Computer Software - Use of goods and Services	0	18,506,530
Computer Supplies and Accessories	16,916,000	17,245,976
Conference Facilities	13,136,500	19,557,000
Diesel	58,194,042	519,157,826
Educational Radio and TV broadcasting programming	6,250,000	0
Electricity - Utilities Supplies and Services	63,064,152	75,999,121
Entertainment - Hospitality Supplies and Services	73,749,250	79,300,000
Exhibition, Festivals and Celebrations	2,910,000	22,998,000
Food and Refreshments	814,061,924	773,019,688
Gifts and Prizes	15,000,000	12,000,000
Ground Transport (Bus, Train, Water)	9,754,000	0
Ground travel (bus, railway taxi, etc)	109,124,260	109,280,356
Travel - In - Country		
Internet and Email connections	47,561,372	28,541,909
Newspapers and Magazines	2,949,400	7,709,900
Office Consumables (papers, pencils, pens and stationaries)	193,374,610	187,810,484
Outsourcing Costs (includes cleaning and security services)	109,145,034	107,002,999
Per Diem - Domestic	1,360,756,137	1,686,642,405
Per Diem - Foreign	198,181,678	96,263,647
Posts and Telegraphs	1,992,750	3,000,000
Printing and Photocopying Costs	32,660,178	22,830,692
Publicity	0	7,810,000
Remuneration of Instructors	3,700,000	4,000,000
Rent - Housing	21,600,000	17,914,301
Research and Dissertation Training - Domestic	2,500,000	0
Special Foods (diet food)	0	1,200,000
Sporting Supplies	4,000,000	3,900,000
Subscription Fees	2,990,000	3,664,000

Telephone Charges (Land Lines)	577,688	2,121,037
Training Allowances	10,174,000	5,000,000
Training Materials	14,221,194	8,130,000
Tuition Fees Training - Domestic	62,218,000	67,727,500
Tuition Fees Training - Foreign	10,500,000	10,859,091
Uniforms and Ceremonial Dresses	12,008,000	5,500,000
Uniforms -Clothing, Bedding, Footwear and Services	0	2,699,700
Visa Application Fees	649,239	0
Water Charges	6,059,537	10,131,796
Wire, Wireless, Telephone, Telex Services and Facsimile	0	1,139,000

Expenses	3,714,494,079	4,348,895,849
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Add/Less (Change in Working Capital)		
Advance Payment	0	(151,296,358)
Cleaning supplies	0	11,000
Consumables	(72,226,728)	94,876,651
Foodstuffs	(30,931,890)	(98,289,914)
Imprest Receivable - Staff	978,740,352	13,406,767
IT and Computer Accessories	0	(6,419,200)
Printed matters	82,059,050	0
Prepayment Consumables	422,203,600	163,024,856
Spare parts and tyres	0	(11,000)
Staff advances and imprest	(4,968,963)	(4,968,963)
Supplies of goods and services in Addition	1,839,848,546	474,461,528,116
Withholding Tax Payable Addition	(70,941)	(46,629)
	3,214,653,026	474,471,815,326
Payment	6,929,147,105	478,820,711,175

36 - Maintenance Expenses

Air conditioners	0	5,351,500
Computers, printers, scanners, and other computer-related equipment	6,061,367	7,731,100
Fax machines and other small office equipment	0	2,226,000
Fire Protection Equipment	0	640,000
Motor Vehicles and Water Craft	271,476,295	380,514,835
Outsource maintenance contract services - Buildings	2,670,000	0
Outsource maintenance contract services - Vehicles and Transportation Equipment	0	15,991,650
Photocopiers	0	4,124,000
Tyres and Batteries	42,540,000	67,722,001
Expenses	322,747,661	484,301,085

Payment	322,747,661	484,301,085
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43 - Social Benefits

Expenses	0	0
Payment	0	0

44 - Loss on Disposal of Assets

Losses on disposal of property, plant and equipment	23,967,607	118,513,585
	23,967,607	118,513,585

50 - Subsidy to MPs

Expenses	0	0
Payment	0	0

52 - Other Expenses

Burial Expenses	13,930,000	16,379,172
consultancy fees	0	3,000,000
Special Operation Service	383,174,309	603,814,151
Sundry Expenses	57,636,438	53,690,532
Expenses	454,740,747	676,883,855
Payment	454,740,747	676,883,855

58 - Subsidies

Petroleum Upstream Regulatory Authority	1,112,292,350	1,562,841,150
Tanzania Electric Supply Company Limited (TANESCO)	1,784,153,075,569	1,572,386,825,388
Tanzania Petroleum Development Corporation - Subsidies	92,093,678,619	23,215,174,108
Expenses	1,877,359,046,538	1,597,164,840,646
Payment	1,877,359,046,538	1,597,164,840,646

59 - Grants and Transfers

Grants to Rural Energy Agency (REA)(Capital - Cash)	259,908,185,350	0
Petroleum Up-stream Regulatory Authority	2,078,765,464	1,618,363,000
Rural Energy Agency (REA)	70,849,515,745	317,755,824,354
Expenses	332,836,466,559	319,374,187,354
Payment	332,836,466,559	319,374,187,354

60 - Other Transfers

Capital Transfer to NRD	64,375,936,066	249,358,527,209
Expenses	64,375,936,066	249,358,527,209
Payment	64,375,936,066	249,358,527,209

61 - Deposit

Deposit General Payable Addition	(111,612,502,947)	100,049,206,871
Unapplied Deposit Account Addition	383,701,148	(405,117,402)
Revenue	(111,228,801,799)	99,644,089,468
Revenue	(111,228,801,799)	99,644,089,468

62 - Cash and Cash Equivalents

BOT 14 Series Collection Account	0	828,160
Deposit Cash Account	136,927,013,555	25,314,510,608
Own source Collection Account -CRDB	439,336	0

Unapplied Cash Account	21,962,413	405,663,561
	136,949,415,304	25,721,002,330
67 - Receivables		
Imprest Receivable - Staff	985,117,120	6,376,767
Staff advances and imprest	22,835,556	27,804,518
	1,007,952,675	34,181,286
69 - Prepayments		
Non-Monetary Prepayment	(581,150,667)	0
Prepayment Consumables	585,228,456	163,024,856
Prepayments Assets - Monetary	581,150,667	581,150,667
	585,228,456	744,175,523
70 - Inventories		
Cleaning supplies	11,000	11,000
Consumables	69,217,047	141,443,775
Foodstuffs	0	30,931,890
IT and Computer Accessories	1,721,000	1,721,000
Learning Materials Addition	1,426,000	1,426,000
Printed matters	82,059,050	0
Spare Parts	2,047,575	2,047,575
	156,481,672	177,581,240
71 - Cash Surrendered to PMG		
Transfer to PMG - DEV	9,625,405	
Transfer to PMG - Recurrent	6,195,170	
Payment	15,820,575	
77 - Acquisition of Property, Plant and Equipment		
Hardware: servers and equipment (incl. desktops, laptops etc.) Monetary	(68,422,000)	(148,490,476)
Office equipment Monetary	(13,688,000)	0
Office Furniture and Fittings Monetary	0	(21,847,000)
Office Furniture Monetary	(2,343,000)	0
Other Office equipment Monetary	(2,324,173)	(25,214,018)
Payment	(86,777,173)	(195,551,493)
Payment	(86,777,173)	(195,551,493)
94 - Deposits		
Deposit General Payable Addition	136,927,013,555	25,314,510,608
Unapplied Deposit Account Addition	21,962,413	405,663,561
	136,948,975,968	25,720,174,170



Permanent Secretary Date

14 March 2024

AGE ANALYSIS FOR THE YEAR ENDED 30 JUNE 2023

67 - Receivable	2023					2022				
	30-Jun-23	30-Jun-22	Up To 1 Month	1 - 3 Months	3 - 12 Months	1 - 3 Years	Up To 1 Month	1 - 3 Months	3 - 12 Months	1 - 3 Years
Imprest	985,117,120	6,376,767	0	94,405,325	884,335,027	6,376,767	(75,849,836)	(17,567,941)	106,824,544	(7,030,000)
Receivable - Staff										
Staff advances	22,835,556	27,804,518	0	0	0	22,835,556	0	0	0	27,804,518
and imprest										
Total	1,007,952,675	34,181,285	0	94,405,325	884,335,027	29,212,323	(75,849,836)	(17,567,941)	106,824,544	20,774,518
89 - Payable										
	2023									
	30-Jun-23	30-Jun-22	< 30DAYS	>30<60 DAYS	>60<90 DAYS	>90<365 DAYS	>365 DAYS < 2 YEARS			
Staff Claim	558,845,773	411,636,987	49,220,400	51,191,832	9,809,350	79,428,203	5,769,200	363,426,787		
Addition										
Supplies of										
goods and										
services in										
Addition	548,389,079	2,388,284,254	48,043,398	13,390,282	20,525,650	214,118,806	112,597,497	139,713,447		
Retention										
Money	724,959,099	154,295,637	95,508,533	-	-	475,154,929	154,295,637	-		
Total	1,832,193,951	2,954,216,878	192,772,331	64,582,113	30,335,000	768,701,939	272,662,334	503,140,234		

DEFERRED INCOME STATEMENT FOR THE DATE ENDED 30 JUN 2023

93-Deferred income

GFS Description	Open Balance	Fund Received	Amortised	Transfer to PMG	Transfer To Holding	Balance
Development Deferred Income	0	2,075,123,525,908	2,074,777,906,426	9,625,405	0	335,994,076
D-fund Deferred	0	123,085,971,078	123,085,971,078	0	0	0
Recurrent Deferred Income	0	25,499,241,031	24,429,627,786	6,195,170	0	1,063,418,075
TOTAL	0	2,223,708,738,016	2,222,293,505,389	15,820,575	0	1,399,412,151



Permanent Secretary

14 March 2024

Date

STATEMENT OF APPROPRIATION ACCOUNT FOR THE PERIOD ENDED 30 JUNE 2023

SUB VOTE	SUB VOTE DESCRIPTION	APPROVED ESTIMATE JULY, 2022	ACTUAL EXPENDITURE JUNE, 2023	VARIANCE	EXP AS % OF APPROPRIATED ESTIMATES	ACTUAL EXPENDITURE JUNE, 2022
		TZS	TZS	TZS	TZS	TZS
		A	B	C=(A-B)	D	E
58 1001	Administration and HR Management	3,518,284,000	3,275,936,528	242,347,472	93	2,710,805,000
58 1002	Finance and Account	871,559,000	691,788,092	179,770,908	79	917,092,000
58 1003	Policy and Planning	1,211,656,000	741,229,528	470,426,472	61	3,104,608,000
58 1004	Internal Audit Unit	487,795,000	334,000,624	153,794,376	68	417,837,000
58 1005	Legal Services	506,103,000	353,014,211	153,088,789	70	523,498,000
58 1006	Government Communication Unit	475,726,000	261,557,132	214,168,868	55	476,857,000
58 1007	Procurement Management Unit	471,158,000	320,955,359	150,202,641	68	446,970,000
58 1008	Environment Management unit	345,769,000	167,719,869	178,049,131	49	333,329,000
58 1009	Management Information System	524,216,000	272,141,467	252,074,533	52	509,052,000
58 3001	Electricity and Renewable Energy	2,114,972,000	1,846,777,534	268,194,466	87	2,057,189,417,787
58 3002	Petroleum and Gas	19,224,719,000	15,289,780,690	3,934,938,310	80	287,328,681,020
GROUND TOTAL		29,751,957,000	23,554,901,035	6,197,055,965	79	2,353,958,146,807

STATEMENT OF VOTE ACCOUNT FOR THE PERIOD ENDED 30 JUNE 2023

Particulars	2022/23		2021/22		Total	Total
	Recurrent	Development	Recurrent	Development		
	TZS	TZS	TZS	TZS		
Original Approved Estimates	82,944,357,000	2,823,029,576,000	27,224,681,000	2,358,756,128,000	2,385,980,809,000	
Add/Less						
Reallocation	(21,862,435,922)	(397,947,152,574)	(52,373,927)	131,890,638,477	131,838,264,550	
Net Approved Estimates	A	2,425,082,423,426	27,172,307,073	2,490,646,766,477	2,517,819,073,550	
Exchequer Received	25,499,241,130	2,198,209,496,985	26,962,167,845	2,377,336,299,230	2,404,298,467,075	
Less: Net Expenditure	25,493,045,960	2,198,199,871,580	26,934,775,220	2,377,215,407,257	2,404,150,182,477	
Less: Unretired imprest	-	-	-	-	-	
Unutilized Exchequer	6,195,170	9,625,405	27,392,625	120,891,973	148,284,598	
Unutilized Budget	E=A-C	226,882,551,846	237,531,853	113,431,359,220	113,668,891,073	
Represented by:						
Cash in hand with PMG						
Less: Amount payable			-	-	-	
Cash Transferred to Holding						
Balance in Hand with PMG						

EXCHEQUER RELEASED LIST FOR THE PERIOD ENDED 30 JUNE 2023

DATE	MINISTRY/ DEPARTMENT	EXCHEQUER NUMBER	EXCHEQUER AMOUNT	WITHDRAWN AMOUNT	NET EXCHEQUER AMOUNT
Exchequer Type: 101 - Wages and Salaries					
20-Jul-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1196	1,175,722,538	0	1,175,722,538
19-Aug-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1307	1,198,313,908	0	1,198,313,908
20-Sep-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1434	1,189,208,908	0	1,189,208,908
19-Oct-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1559	1,193,739,643	0	1,193,739,643
21-Nov-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1703	1,198,391,643	0	1,198,391,643
21-Dec-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1815	1,204,463,643	0	1,204,463,643
20-Jan-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1965	1,208,765,643	0	1,208,765,643
21-Feb-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/2106	1,214,488,840	0	1,214,488,840
20-Mar-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/2292	1,244,559,120	0	1,244,559,120
19-Apr-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/2481	1,257,179,120	0	1,257,179,120
22-May-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/2675	1,338,079,120	0	1,338,079,120
21-Jun-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/2813	1,370,249,233	0	1,370,249,233
		Sub Total [Wages and Salaries]:	14,793,161,356	0.00	14,793,161,356
Exchequer Type: 102 - Other Charges					
28-Jul-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1221	1,252,151,750	0	1,252,151,750
29-Aug-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1325	1,252,151,750	0	1,252,151,750
28-Sep-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1473	1,252,151,750	0	1,252,151,750
29-Oct-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1598	1,130,336,925	0	1,130,336,925
30-Nov-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1731	338,540,563	0	338,540,563
29-Dec-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1840	643,077,625	0	643,077,625
27-Jan-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1984	643,077,625	0	643,077,625
27-Feb-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/2126	947,614,688	0	947,614,688
13-Mar-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/2222	708,670,000	0	708,670,000
30-Mar-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/2338	947,614,688	0	947,614,688
02-May-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/2550	947,614,688	0	947,614,688
31-May-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/2728	643,077,625	0	643,077,625
		Sub Total [Other Charges]:	10,706,079,675	0.00	10,706,079,675

Exchequer Type: 201 - Local

08-Jul-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1157	2,127,775,184	0	2,127,775,184
20-Jul-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1190	152,900,339,798	0	152,900,339,798
28-Jul-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1224	20,887,981,718	0	20,887,981,718
18-Aug-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1297	116,322,029,093	0	116,322,029,093
29-Aug-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1322	24,879,590,228	0	24,879,590,228
15-Sep-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1410	123,809,021,324	0	123,809,021,324
17-Sep-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1419	21,311,942,100	0	21,311,942,100
20-Sep-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1433	1,486,612,215	0	1,486,612,215
27-Sep-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1462	9,506,793,000	0	9,506,793,000
28-Sep-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1478	44,513,948,195	0	44,513,948,195
21-Oct-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1567	727,843,000	0	727,843,000
24-Oct-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1571	126,982,652,894	0	126,982,652,894
29-Oct-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1602	48,389,960,978	0	48,389,960,978
11-Nov-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1682	16,429,658,699	0	16,429,658,699
18-Nov-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1693	20,878,830,000	0	20,878,830,000
21-Nov-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1629	513,500,000	0	513,500,000
25-Nov-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1707	102,488,521,117	0	102,488,521,117
30-Nov-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1734	14,184,301,064	0	14,184,301,064
05-Dec-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1771	1,391,256,495	0	1,391,256,495
08-Dec-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1784	11,897,208,046	0	11,897,208,046
13-Dec-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1790	26,892,082,054	0	26,892,082,054
16-Dec-2022	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1813	245,707,789,294	0	245,707,789,294
03-Jan-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1880	1,416,220,171	0	1,416,220,171
17-Jan-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1951	126,711,329,917	0	126,711,329,917
27-Jan-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/1989	106,105,547,183	0	106,105,547,183
24-Feb-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/2114	30,176,900,000	0	30,176,900,000
27-Feb-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/2129	46,501,092,518	0	46,501,092,518
27-Feb-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/2137	66,817,737,330	0	66,817,737,330
06-Mar-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/2189	18,848,695,063	0	18,848,695,063

24-Mar-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/2308	66,183,726,220	0	66,183,726,220
30-Mar-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/2332	39,340,661,529	0	39,340,661,529
04-Apr-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/2360	2,196,768,792	0	2,196,768,792
13-Apr-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/2451	2,607,236,788	0	2,607,236,788
20-Apr-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/2494	11,594,656,281	0	11,594,656,281
21-Apr-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/2493	84,269,833,300	0	84,269,833,300
27-Apr-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/2395	1,117,387,022	0	1,117,387,022
27-Apr-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/2401	21,361,052,109	0	21,361,052,109
02-May-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/2553	37,162,296,368	0	37,162,296,368
31-May-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/2706	102,212,971,619	0	102,212,971,619
31-May-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/2720	26,148,182,333	0	26,148,182,333
29-Jun-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/2876	118,968,184,940	0	118,968,184,940
29-Jun-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/2880	20,014,600,000	0	20,014,600,000
Exchequer Type: 202 - Foreign		Sub Total [Local]:	2,063,984,715,981	0.00	2,063,984,715,981
30-May-2023	00580000 - MINISTRY OF ENERGY	EB/AG/159/22/2700	11,138,809,926	0	11,138,809,926
04-Sep-2023	00580000 - MINISTRY OF ENERGY	RW/1078/2022/2023	123,085,971,078	0	123,085,971,078
		Sub Total [Foreign]:	134,224,781,004	0.00	308,383,049,725
Grand Total:			2,223,708,738,016	0.00	2,223,708,738,016

STATEMENT OF COMPOSITION OF FUNDS - DEVELOPMENT FOR THE PERIOD ENDED 30 JUNE 2023

SUB VOTE	PROJECT NAME	DONOR	APPROVED ESTIMATE 2021/2022			FUND RELEASES			ACTUAL EXPENDITURE			AMOUNT UNDERSPENT			BUDGET BALANCE	
			LOCAL	FOREIGN	TOTAL	LOCAL	FOREIGN	TOTAL	LOCAL	FOREIGN	TOTAL	LOCAL	FOREIGN	TOTAL	LOCAL	FOREIGN
			TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil
3001	Tanzania Energy Sector Reform															
	50MW Shinyanga Solar PV Project	FR/AFD-Loan	2,000	9,546	11,546	1,825	-	1,825	1,825	-	1,825	-	-	-	175	9,546
	Geothermal	GR	-	4,790	4,790	-	-	-	-	-	-	-	-	-	-	4,790
	National Grid Stabilization Project	GoT	187,977	-	187,977	99,053	-	99,053	99,053	-	99,053	-	-	-	88,924	-
3001	Rural Energy Agency/Rural Energy Fund (REA/REF)	FR	298,593	12,280	310,873	294,054	-	294,054	294,054	-	294,054	-	-	-	4,539	12,280
	Rural Energy Agency/Rural Energy Fund (REA/REF)	NR	-	12,310	12,310	-	-	-	-	-	-	-	-	-	-	12,310
	Rural Energy Agency/Rural Energy Fund (REA/REF)	EU	-	12,114	12,114	-	11,139	11,139	-	11,139	11,139	-	-	-	-	975
3001	Transfer to TANESCO		2,128	-	2,128	2,128	-	2,128	2,128	-	2,128	-	-	-	-	-
	Rehabilitation of HALE Hydropower Plant	SW	-	9,249	9,249	-	-	-	-	-	-	-	-	-	-	9,249
	Grid Rehabilitation and Upgrading	FR	-	6,137	6,137	-	-	-	-	-	-	-	-	-	-	6,137
	Iringa-Shinyanga 400 kV Backbone Transmission	GoT/AFD B-Loan	45,000	-	45,000	-	-	-	-	-	-	-	-	-	45,000	-

SUB VOTE	PROJECT CT CODE	PROJECT NAME	DONOR	APPROVED-ESTIMATE 2021/2022			FUND RELEASES			ACTUAL EXPENDITURE			AMOUNT UNDERSPENT			BUDGET BALANCE	
				LOCAL	FOREIGN	TOTAL	LOCAL	FOREIGN	TOTAL	LOCAL	FOREIGN	TOTAL	LOCAL	FOREIGN	TOTAL	LOCAL	FOREIGN
				TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil
3001	3163	Kinyerezi II - 240 MW	JBIC	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3001	3164	Kinyerezi Expansion (MW 185)	GOVT	59,000	-	59,000	59,000	-	59,000	59,000	-	59,000	-	-	-	-	-
	3165	Ruhudji Hydropower Project	Got, China	13,000	-	13,000	191	-	191	191	-	191	-	-	-	12,839	-
3001	3166	North - West Grid extension 400kV Transmission line (Mbeya-Sumbawanga-Mpanda-kigoma Nakanyazi)		-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Phase I: Iringa-Mbeya-Tunduma-Sumbawanga	WB	16,430	27,208	43,638	16,430	-	16,430	16,430	-	16,430	-	-	-	-	27,208
		Phase II: Kigoma-Nyakanazi	AB	-	6,641	6,641	-	6,641	-	-	-	-	-	-	-	-	6,641
		Construction of substation for Kigoma-Nyakanazi Transmission line	ED	-	40	40	-	-	-	-	-	-	-	-	-	-	40
			KW	-	6,031	6,031	-	-	-	-	-	-	-	-	-	-	6,031
	3167	Rumakati Hydropower Project	Got, China	7,000	-	7,000	-	-	-	-	-	-	-	-	-	7,000	-

SUB VOTE	PROJECT CODE	PROJECT NAME	APPROVED ESTIMATE 2021/2022			FUND RELEASES			ACTUAL EXPENDITURE			AMOUNT UNDERSPENT			BUDGET BALANCE	
			LOCAL	FOREIGN	TOTAL	LOCAL	FOREIGN	TOTAL	LOCAL	FOREIGN	TOTAL	LOCAL	FOREIGN	TOTAL	LOCAL	FOREIGN
			TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil
	3168	Kikonge Hydropower Project	1,000	-	1,000	-	-	-	-	-	-	-	-	-	1,000	-
	3169	Rusumo Hydropower project	3,300	8,543	11,843	-	-	-	-	-	-	-	-	-	3,300	8,543
	3172	Rufiji Hydropower Project	1,418,364	-	1,418,364	1,410,624	-	1,410,624	1,410,622	-	1,410,622	2	-	2	7,741	-
	3174	Malagarasi Hydro Power Project	200	11,774	11,974	121	-	121	121	-	121	-	-	-	79	11,774
	3175	Singida-Arusha-Namangab400kV transmission Line(Tanzania-Kenya Interconnectio n)	154	6,670	6,824	154	-	154	154	-	154	-	-	-	(0)	6,670
	3179	Central-East Gril (Rufiji-Chalinze-Kinyerezi-DodomaZ)400K v Transmission line	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Kinyereze-Chalinze 400 kv Transimmission	13,082	-	13,082	9,416	-	9,416	9,416	-	9,416	-	-	-	3,666	-
		Rufiji Chalinze Transimmission	155,000	-	155,000	90,818	-	90,818	90,818	-	90,818	-	-	-	64,182	-
	3180	Rural Energy Agency (REA)	97,400	-	97,400	-	-	-	-	-	-	-	-	-	97,400	-
3002	3115	Petroleum Sub-Sector Development	-	-	-	-	-	-	-	-	-	-	-	-	-	-

SUB VOTE	PROJECT CODE	PROJECT NAME	DONOR	APPROVED ESTIMATE 2021/2022			FUND RELEASES			ACTUAL EXPENDITURE			AMOUNT UNDERSPENT			BUDGET BALANCE	
				LOCAL	FOREIGN	TOTAL	LOCAL	FOREIGN	TOTAL	LOCAL	FOREIGN	TOTAL	LOCAL	FOREIGN	TOTAL	LOCAL	FOREIGN
				TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil
		Petroleum Development (Eyasi-Wembere) Project	GoT	1,000	-	1,000	892	-	892	892	-	892	-	-	-	108	-
		Hydrocarbon Exploration in Mnazi Bay Project North	GoT	3,600	-	3,600	-	-	-	-	-	-	-	-	-	3,600	-
		New TAZAWA pipeline construction contribution of feasibility study	GoT	500	-	500	-	-	-	-	-	-	-	-	-	500	-
		Institutional Support Project for Domestic Resources	AfDB-Loan	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	3155	LNG Development Project	GoT	4,000	-	4,000	3,280	-	3,280	3,280	-	3,280	-	-	-	720	-
3002	3162	Construction of Natural Gas Pipeline from Mtwarara - Dar es Salaam (Gas Distribution Network in Dar es Salaam)	GoT	1,048	-	1,048	-	-	-	-	-	-	-	-	-	1,048	-
3002	3176	East Africa Crude oil pipeline (Uganda-Tanzania)	GoT	79,886	-	79,886	75,485	-	75,485	75,485	-	75,485	0	-	0	4,401	-
1003	3177	Energy Sector Development	GoT	1,500	-	1,500	514	-	514	505	-	505	9	-	9	987	-

SUB VOT E	PROJE CT CODE	PROJECT NAME	APPROVED ESTIMATE 2021/2022			FUND RELEASES			ACTUAL EXPENDITURE			AMOUNT UNDERSPENT			BUDGET BALANCE	
			LOCAL	FOREIGN	TOTAL	LOCAL	FOREIGN	TOTAL	LOCAL	FOREIGN	TOTAL	LOC AL	FOR EIGN	TOTAL	LOCAL	FOREIGN
			TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil	TZS 'Mil
		and Coordination														
1001	6389	Construction of Office Building	8,536	-	8,536	-	-	-	-	-	-	-	-	-	8,536	-
TOTAL			2,419,699	133,335	2,553,033	2,063,985	11,139	2,075,124	2,063,974	11,139	2,075,112	11	-	11	355,714	122,196

STATEMENT OF LOSSES FOR THE YEAR ENDED 30 JUNE 2023

Vote	Losses of public money, stores and Nugatory Expenditure			Abandonment e.g., Revenue	Book Adjustments	Sub Total	Total
58	Cash	Nugatory Expenditure	Stores	Subtotal			
Total	-	-	-	-	-	-	-



ACCOUNTING OFFICER

14 March 2024

Date

STATEMENT OF DIRECT-TO-FUND PROJECTS FOR THE PERIOD ENDED 30 JUNE 2023

S/N	INSTITUTION	DONOR	DESCRIPTION	AMOUNT IN TZS
1	TANESCO	AfDB & JICA	KENYA-TANZANIA POWER INTERCONNECTION PROJECT (KTIPI)	23,837,537,667
2	TANESCO	AfDB	PROJECT: NORTH-WEST GRID (400KV NYAKANAZI-KIGOMA TRANSMISSION LINE PROJECT)	7,880,034,807
3	TANESCO	AfDB	PROJECT: REGIONAL RUSUMO FALL - TRANSMISSION LINE	6,006,116,085
4	TANESCO	AFD, KfW & EU	GEITA NYAKANAZI 220 KV TL PRPJCT	4,245,293,817
	SUBTOTAL			41,968,982,377
1	REA	EUROPEAN UNION(EURO)	REA- TURNKEY III PROJECT	12,279,822,000
2	REA	NORWAY(USD)	DENSIFICATION	12,310,387,000
3	REA	EUROPEAN UNION(EURO)	REA-IFAKARA SUBSTATION	12,113,916,000
4	REA	WORLD BANK	TREEP	40,960,799,401
5	REA	WORLD BANK	STRATEGIC CLIMENT FUND	3,452,064,300
	SUBTOTAL			81,116,988,701
	GRAND TOTAL			123,085,971,078

**STATEMENT OF CONFIRMATION OF EXCHEQUER RECEIVED DURING THE PERIOD
ENDED 30 JUNE 2023**

**THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF FINANCE**

Telephone: 0262963110
Fax: 0262963109
Email Address: minister@hazina.go.tz
Web site: www.hazina.go.tz
(All official communications should be
addressed to the Permanent Secretary
Treasury).
In reply please quote:



Government City – Mtumba,
Treasury Avenue,
P.O. Box 2802,
40468 DODOMA
TANZANIA.

Ref.No.EB/AG/159/22/57

14th JULY 2023

To: Permanent Secretary,
Ministry of Energy and Minerals (VT 58),
P.O.BOX
DODOMA.

**RE: CONFIRMATION OF EXCHEQUER ISSUES FOR THE FINANCIAL
YEAR 2022/2023**

Please confirm in writing the following as early as possible.

A: Exchequer Issues - Issued to you from 1st July, 2022 to 30th June, 2023
are as follows;

i) Supply Vote	Shs	25,499,241,030.51
ii) Development Vote	Shs	2,198,209,496,985.23
iii) C.F.S.	Shs	

B: Your net approved estimates as at this day of 30th June, 2023 are as
shown below:

i) Supply Vote	Shs	61,182,521,078.31
Less: Appropriation in Aid	Shs	
Net approved estimate	Shs	
ii) Development Vote	Shs	2,427,210,198,611.02
iii) C.F.S.	Shs	

A. Rutaharatwa

For: PERMANENT SECRETARY – TREASURY

ASSET MOVEMENT FOR THE PERIOD ENDED 30 JUNE 2023 77 - Property, Plant and Equipment

Cost/Revaluation (TZS '000,000)

At 01-Jul-2022	Addition Monetary	Addition Non-Monetary	Transfers	Adjustment	Disposal	30-Jun-2023	01-Jul-2022	Charge during the year - Depreciation	Charge during the year - Impairment	Adjustment	Transfer	Disposal	30-Jun-2023	Carrying Value
1,355	68	13	0	0	0	1,436	742	192	0	0	0	0	933	503
Hardware: servers and equipment (incl. desktops, laptops etc.)														
Motor Vehicles	0	581	0	0	985	3,985	2,980	442	0	0	0	961	2,460	1,524
Office buildings and structures	0	0	0	0	0	1,031	86	24	0	0	0	0	110	921
Office Equipment	16	0	0	0	0	1,032	582	90	0	0	0	0	672	360
Office Furniture and Fittings	2	0	0	0	0	917	582	80	0	0	0	0	662	255
Plant and Machinery	0	0	0	0	0	618	390	18	0	0	0	0	408	211
TOTAL	87	594	0	0	985	9,019	5,362	844	0	0	0	961	5,245	3,774



Cost/Revaluation (TZS '000,000)

Accumulated Depreciation and Impairment (TZS '000,000)

14/3/2024
Date

Controller and Auditor General

AR/CG/MFAEAC/APRM/2022/23

	At 01- July- 2021	Addition Monetary	Addition Non- Monetary	Transfers	Adjustment	Disposal	30- Jun- 2022	01- Jul- 2021	Charge during the year - Deprecia- tion	Charge during the year - Impairment	Adjustme nt	Transf er	Dispos al	Carryl ng Value	
Hardware: servers and equipment (incl. desktops, laptops etc.)	1,207	148	0	0	0	0	1,355	508	234	0	0	0	0	613	30- Jun- 2022
Motor Vehicles	4,983	0	0	0	0	574	4,389	2,928	507	0	0	0	455	1,409	01- Jul- 2021
Office buildings and structures	1,031	0	0	0	0	0	1,031	62	24	0	0	0	0	945	30- Jun- 2022
Office Equipment	883	22	0	0	0	0	1,016	473	109	0	0	0	0	333	01- Jul- 2021
Office Furniture and Fittings	980	25	0	0	0	0	915	467	115	0	0	0	0	433	30- Jun- 2022
Plant and Machinery	618	0	0	0	0	0	618	371	19	0	0	0	0	228	01- Jul- 2021
TOTAL	9,701	196	0	0	0	574	9,323	4,809	1,007	0	0	0	455	3,981	30- Jun- 2022

ASSET MOVEMENT FOR THE PERIOD ENDED 30 JUNE 2023

82 - Work in Progress

Accumulated Depreciation and Impairment (TZS '000,000)

Cost/Revaluation (TZS '000,000)

	At 01-Jul-2022	Addition Monetary	Transfers	Adjustment	Disposal	30-Jun-2023	01-Jul-2022	Charge during the year - Depreciation	Charge during the year - Impairment	Adjustment	Transfer	Disposal	30-Jun-2023	Carrying Value
Buildings other than dwellings - WIP	5,981	0	5,364	0	0	0	0	0	0	0	0	0	0	11,344
TOTAL	5,981	0	5,364	0	0	0	0	0	0	0	0	0	0	11,344

	At 01-Jul-2021	Addition Monetary	Transfers	Adjustment	Disposal	30-Jun-2022	01-Jul-2021	Charge during the year - Depreciation	Charge during the year - Impairment	Adjustment	Transfer	Disposal	30-Jun-2022	Carrying Value
Buildings other than dwellings - WIP	0	5,981	0	0	0	5,981	0	0	0	0	0	0	0	5,981
TOTAL	0	5,981	0	0	0	5,981	0	0	0	0	0	0	0	5,981

PERFORMANCE REPORT FOR THE PERIOD ENDED 30 JUNE 2023

1001 ADMINISTRATION AND GENERAL

OBJECTIVE CODE AND NAME: A: Services Improved and HIV/AIDS Infections Reduced.

CODES AND LINKAGE					Description	CUMULATIVE STATUS ON MEETING THE PHYSICAL TARGET					EXPENDITURE STATUS					REMARKS ON IMPLEMENTATION
Target Code	F Y P	M	P	R	Target Description	Actual Progress	Estimated % Completed	On Track	At Risk	Unknown	Annual Budget	Actual Release	Cumulative Actual Expenditure	Variance (Approved Budget Vs Actual Expenditure)	% Spent	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
A015	/	/	/	/	HIV/AIDS workplace preventive programs developed and implemented by June 2025	Two meetings have been conducted	97%				9,350,000.00	9,070,000.00	9,070,000.00	280,000.00	97%	
A025					HIV/AIDS awareness programs prepared and implemented by June 2025	Supportive services provided to employees living with HIV/AIDS by June 2023	0%				0.00	0.00	0.00	0.00	0%	
A035					Programmed for addressing NCDs and other critical infectious diseases implemented by June 2025	Provide physical exercises to the employees affected by communicable and non-communicable diseases	100%				600,000.00	600,000.00	600,000.00	0.00	100%	
OBJECTIVE CODE AND NAME: B: Enhance, Sustain and Effective Implementation of the National Anti-Corruption Strategy																
B015					National Anti-Corruption Strategy and Action Plan Phase III (NACSAP III) implemented by June 2025	MoE staff could not be trained in adherence to government ethics due to insufficient funds.	0%				0.00	0.00	0.00	0.00	0%	
B025					Monitoring implementation of Anti-Corruption practices and Integrity pledge by June 2025		97%				6,200,000.00	6,000,000.00	6,000,000.00	200,000.00	97%	
H015					Human Resource Development Plans for 160 staff prepared and implemented by June 2025.	•Employment committee meetings have been conducted • Long-term and short-term Training have been provided to department employees					168,269,136.83	154,978,345.39	168,269,136.83	0.00	100%	
025					Working environment enhanced and capacity building	(xiii) Air tickets for leaders' trips were purchased. (xiv) Office cleaning and security contracts were	84%				1,345,428,777.00	1,136,770,127.18	1,134,262,188.23	211,166,588.77	84%	

[illegible]

[illegible]

[illegible]

H035					Health, Safety and Environmental Standards enhanced in the Energy Sector by	•Environmental Audit at TAN GREEN ENERGY LTD on the use of waste tyres to generate industrial oil as part of EIA Sector Comments •Environmental Audit of the 7.5 MW Somanga Gas Power Plant and provision of Ministry's comments on the implementation and the projects including measurements to reduce GHG emissions	74%				74,029,000.00	55,161,998.10	55,073,000.00	18,956,000.00	74%	
					Sub Total 1008		76%				167,769,000.00	128,545,289.00	128,079,468.90	39,689,531.10	76%	
1009; ENVIRONMENTAL MANAGEMENT UNIT																
OBJECTIVE D: Sustainable Development and Management of Mineral Resources for National Benefit Improved																
H015					ICT operating capacity enhanced and communication Infrastructure	_Web hosting bill paid _Internet and VPN bills paid _Three (3) ICT working draft documents were prepared and now are waiting for approval from the ICT Steering Committee and Accounting Officer. _Corporate antivirus software for 250 users bought and installed _Government Mailing system storage space has been procured	64%				333,967,000.00	215,946,489.73	215,339,866.61	118,627,133.39	64%	
H035					Staff welfare matters and entitlements provided and improved by June 2025	_ Office consumables bought _Computer, printer, scanner acquired	27%				18,600,000.00	5,000,000.00	5,000,000.00	13,600,000.00	27%	
					Sub Total 1009						352,567,000.00	220,946,489.73	220,339,866.61	132,227,133.39	62.49588493	
3001 ; ELECTRICITY Development																
C01D					Total grid installed capacity increased from 1,605.86 MW to 4,915 MW by June 2025	. Monitor implementation of Flagship hydropower projects (JNHPP 2115 MW, Rumakali 222 MW and Ruhudji 358 MW) is in progress.	91%				1,729,562,944.729.69	1,582,255,279,032.45	1,582,253,379,198.10	147,309,565,531.59	91%	
C02D					Transmission lines increased from 5,896.3 km to 9,351 km by June 2025	. Facilitate implementation of the Peri-Urban Electrification Project under REA Phase III Turnkey Project has been done.	42%				276,256,971,611.70	116,818,475,544.78	116,818,475,544.78	159,438,496,066.92	42%	

C0 3D					Overall electricity connection increased from 39.9% to 60% by June 2025	Facilitate implementation of power distribution projects under TANESCO and REA (Incl. TTGRUP, Urban and Rural electrification) have always been done.	68%				432,697,125,000.00	294,891,076,095.02	294,891,076,094.98	137,806,048,905.02	68%	
C0 4D					The National Grid network will be interconnected with the Southern African Power Pool (SAPP) and Eastern African Power Pool (EAPP) by June 2025	<ul style="list-style-type: none"> Facilitate implementation of 400 kV transmission line project Iringa-Mbeya - Tunduma - Sumbawanga is in progress where contractors for implementing the project are at the awarding stage. Facilitate implementation of 400 kV transmission line project Masaka - Mwanza is in progress where preparation of the technical feasibility study is at the final stage. 										
D0 1S					Renewable Energy Strategy developed and implemented by 2025	Final submission of the Inception Report of the National Renewable Energy Strategy and its Implementation Roadmap has been validated. Facilitate development of a clean cooking action plan is in progress, currently roadmap strategy for clean cooking has been made; promotion of clean cooking technology is in progress.										
D0 2S					The percentage share of renewable energy to total energy increased from 80 MW to 350 MW by June 2025	Facilitate the development of renewable energy projects have been done accordingly. 50 MW Shinyanga Solar PV: PAP compensation 90% completion; EPC Contractor procurement is at final stages and Consultant procurement is at the final stage, other projects are at early stages of implementation										

D035					Geothermal legal and regulatory framework developed by June 2025	• Drill Rig for drilling of test wells has been procured and the process of seeking exemption of charges for drilling in forest areas has been submitted to the Ministry of Finance. • A draft proposal for the development of the Geothermal Resources Act has been submitted to the Inter-ministerial Technical Committee for approval.					15,336,329,000.00	1,825,250,098.81	1,825,250,098.81	13,511,078,901.19	12%	
					Sub total Development 3001		81%				2,453,853,370,341.39	1,993,964,830,672.25	1,993,962,930,837.86	444,554,110,503.53	81%	
3001 ; Electricity					Recurrent											
OBJECTIVE CODE AND NAME: C - SUSTAINABLE DEVELOPMENT AND MANAGEMENT OF ENERGY RESOURCES FOR NATIONAL DEVELOPMENT ENHANCED.																
C01D					Total grid Installed capacity increased from 1,605.86 MW to 4,915 MW by June 2025	• Monitor implementation of Flagship hydropower projects (JNHPP 2115 MW, Rumakali 222 MW and Ruhudji 358 MW) is in progress.	94%				121,050,000.00	113,897,418.82	113,897,418.55	7,152,581.45	94%	
C02D					Transmission lines increased from 5,896.3 km to 9,351 km by June 2025	• Facilitate implementation of the Peri-Urban Electrification Project under REA Phase III Turnkey Project has been done.	91%				153,600,000.00	139,806,542.17	139,805,725.92	13,794,274.08	91%	
C03D					Overall electricity connection increased from 39.9% to 60% by June 2025	• Facilitate implementation of power distribution projects under TANESCO and REA (Incl. TTGRUP, Urban and Rural electrification) have always been done.	0%				15,669,000,000.00	66,183,803.00	66,181,662.00	15,602,818,338.00	0%	
C04D					The National Grid network will be interconnected with the Southern African Power Pool (SAPP) and Eastern African Power Pool (EAPP) by June 2025	• Facilitate implementation of 400 kV transmission line project Iringa-Mbeya - Tunduma - Sumbawanga is in progress where contractors for implementing the project are at the awarding stage. • Facilitate implementation of 400 kV transmission line project Masaka - Mwanza is in progress where preparation of the technical feasibility study is at the final stage.					16,083,541,131.50	51,122,734.87	51,122,734.87	16,032,418,396.63	0%	

D0 15					Renewable Energy Strategy developed and implemented by 2025	Final submission of the Inception Report of the National Renewable Energy Strategy and its Implementation Roadmap has been validated. Facilitate development of a clean cooking action plan is in progress, currently roadmap strategy for clean cooking has been made; promotion of clean cooking technology is in progress.					662,828,000.00	479,439,838.65	478,073,360.00	184,754,640.00	72%	
D0 25					The percentage share of renewable energy to total energy increased from 80 MW to 350 MW by June 2025	Facilitate the development of renewable energy projects have been done accordingly. 50 MW Shinyanga Solar PV: PAP compensation 90% completion; EPC Contractor procurement is at final stages and Consultant procurement is at the final stage, other projects are at early stages of implementation.					300,705,000.00	231,856,000.00	231,826,000.00	68,879,000.00	77%	
D0 35					Geothermal legal and regulatory framework developed by June 2025	• Drill Rig for drilling of test wells has been procured and the process of seeking exemption of charges for drilling in forest areas has been submitted to the Ministry of Finance. • A draft proposal for the development of the Geothermal Resources Act has been submitted to the Inter-ministerial Technical Committee for approval.					35,000,000.00	9,740,000.00	9,740,000.00	25,260,000.00	28%	
E0 15					Energy Efficiency Strategy developed and implemented by June 2025	• Preparation of a comprehensive Energy Efficiency Strategy is in progress and to be completed in August 2023. • Implementation of 1st Energy Efficiency Action Plan is in progress to be completed August 2023					69,400,000.00	42,354,492.54	42,354,270.00	27,045,730.00	61%	
H0 15					Working environment and Capacity building for 30 staff enhanced by June 2025	• The process of training 30 department staff in Electricity & Renewable energy matters is in progress.					240,840,000.00	130,974,501.82	130,344,554.26	110,495,445.74	54%	

H0 25					Staff welfare matters and entitlements provided and improved by June 2025	• Provision of statutory and employee welfare services has been done accordingly.					157,470,000.00	102,706,588.60	102,465,275.52	55,004,724.48	65%	
						SUBTOTAL RECURRENT					33,493,434,131.50	1,368,081,920.47	1,365,811,001.12	32,127,623,130.38	4%	
						TOTAL	80%				2,487,346,804,472.89	1,995,332,912,592.72	1,995,328,741,838.98	476,681,733,633.91	80%	
3002- PETROLEUM AND GAS					DEVELOPMENT											
OBJECTIVE CODE AND NAME: C - SUSTAINABLE DEVELOPMENT AND MANAGEMENT OF ENERGY RESOURCES FOR NATIONAL DEVELOPMENT ENHANCED.																
F0 1C					Petroleum resource exploration and development activities enhanced by 2025	<div><div>Concept paper for Mkuranga Development License has been improved following Comments from the cabinet secretariat</div><div>Mobilization for acquiring 2D seismic in Eyasi-Wembere has commenced</div><div>Comments from stakeholders regarding the concept paper of Mnazi Bay North Block Exploration License have been compiled.</div></div>	19%				4,600,000,000.00	892,495,636.45	892,495,636.45	3,707,504,363.55	19%	
G0 1C					5 Oil and Natural Gas Projects implemented by 2025	<div><div>Compensation for the Affected Persons along EACOP wayleave equivalent to 99PC</div><div>Construction for the Pipeline Coating yard is ongoing at Sojo Tabora with progress of 100% and installation of machines is ongoing;</div><div>Facilitated discussions on the price mechanism for Natural gas for households, industry, vehicles and institutions;</div></div>	93%				85,085,623,000.00	78,764,545,500.00	78,764,545,500.00	6,321,077,500.00	93%	
E0 25					Security of supply of natural gas improved by 2025	<div><div>Reviewed Portfolio Gas Agreements between Tanesco and PAET;</div><div>Discussion for preparation of CNG stations at GPSA warehouse</div></div>	0%				1,048,128,000.00	0.00	0.00	1,048,128,000.00	0%	
H0 25					Working environment improved and capacity building for 25 staff conducted by 2025						8,538,359,880.00	0.00	0.00	8,538,359,880.00	0%	
					Subtotal Development 3002		80%				99,272,110,880.00	79,657,041,136.45	79,657,041,136.45	19,615,069,743.55	80%	
3002; PETROLEUM AND GAS					RECURRENT											

OBJECTIVE CODE AND NAME: E: Resources Management and Support Services Improved															
E0 25					Security of supply of natural gas improved by 2025	(i) Desk work study to identify areas for amendment on the truck. (ii) The Mining (Minimum Shareholding and Public Offering) Regulations, 2016 under the Mining Sector and The Petroleum (Natural Gas pricing) Regulations, 2016 under the Energy Sector are in place.	46%				68,500,000.00	32,098,976.00	31,593,000.00	36,907,000.00	46%
F0 1C					Petroleum resource exploration and development activities enhanced by 2025	_Reviewed Portfolio Gas Agreements between Tanesco and PAET _Discussion for preparation of CNG stations at GPSA warehouse _Facilitated discussions on the price mechanism for Natural gas for households, industry, vehicles and institutions	78%				5,553,754,000.00	4,309,155,550.00	4,308,815,550.00	1,244,938,450.00	78%
F0 25					10 Production Sharing Agreements (PSAs) monitored by 2025	_Concept paper for Mkuranga Development License has been improved following Comments from cabinet secretariat _Mobilization for acquiring 2D seismic in Eyasi - Wembere has commenced	12%				30,600,000.00	3,792,000.00	3,787,000.00	26,813,000.00	12%
F0 45					Petroleum Act reviewed and three (3) Petroleum Regulations developed/r reviewed by 2025	_Comments for review of PA 2015 have been compiled.	50%				51,400,000.00	25,816,239.48	25,752,500.00	25,647,500.00	50%
E0 15					_Security of supply of Petroleum products in 26 regions improved by 2025	_Participated in the preparation of guidelines for the construction of petrol stations in rural areas; _Participated in the evaluation of the LPG grant proposals in rural areas _Facilitated drafting of Concept paper for the enactment of the Oil and Gas Revenue Management Act:	72%				21,300,000.00	15,730,081.00	15,314,000.00	5,986,000.00	72%

G0 1C					5 Oil and Natural Gas Projects Implemented by 2025	_Compensation for the Affected Persons along EACOP wayleave equivalent to 99%; _Participated in the review of project documents for Uganda and Kenya Pipeline projects _Tanzania hosted the 3rd JTC meeting from 13th to 20th February, 2023	31%				62,775,000.00	19,470,166.42	19,430,166.42	43,344,833.58	31%	
G0 1D					Develop, Review and implement three (3) Petroleum Plans (LPP, PIDMP and NGUMP) by June 2025	The signing of record of a discussion between Moe and JICA regarding capacity development in Natural gas Utilization Including network design for 3 regions (DSM, Coastal region and Dodoma)	48%				75,700,000.00	36,440,000.00	36,440,000.00	39,260,000.00	48%	
H0 2S					Working environment improved and capacity building for 25 staff conducted by 2025	_11 staff have attended the TGS Workshop and 8 Engineers attended the ERB Workshop _Facilitated 3 staff for SHIMIWI	45%				218,747,000.00	100,124,632.52	98,890,912.52	119,856,087.48	45%	
F0 3S					10 Production Sharing Agreements (PSAs) monitored by 2025	- Facilitated 3 staff for SHIMIWI	45%				36,200,000.00	16,285,000.00	16,285,000.00	19,915,000.00	45%	
H0 3S					Cooperation and Coordination of regional and International Cooperation meetings enhanced by June 2025	_Participated on the 10th EAPCES'23 Meeting in Uganda -Participated in the preparation of the Memorandum of Understanding (MoU) on the Cooperation in the Energy Sector between Tanzania and Mozambique; Tanzania and Zambia; Tanzania and Indonesia; Tanzania and Malawi; Tanzania and Algeria.	79%				50,100,000.00	39,430,779.00	39,370,581.00	10,729,419.00	79%	
H0 4S					Staff welfare matters and entitlements provided and improved by June 2026	_Extra duty for 25 staff	88%				366,270,000.00	323,198,170.00	323,198,170.00	43,071,830.00	88%	
H0 5S					Monitoring and Evaluation of oil and gas Projects by 2025	_Monitored availability of Oil and LPG _Overseen construction of Natural Gas Distribution projects in DSM and Lindi Regions	92%				17,200,000.00	15,863,761.00	15,820,000.00	1,380,000.00	92%	

ANALYSIS OF DEPOSIT BALANCE AS AT 30 JUNE 2023

S/N	DATE	REFERENCE NO.	NAME/DESCRIPTION	CREDIT (TZS)
1	23/11/2018	058CR18000161	UJENZI WA OFISI MTUMBA AWAMU YA KWANZA	51,300,367
2	30/06/2023	CBA.184/187/01A	TANESCO	1,117,387,022
3	30/06/2023	CBA.184/187/01A	TANESCO	21,361,052,109
4	30/06/2023	CBA.184/187/01A	TANESCO	8,514,072,453
5	30/06/2023	CBA.184/187/01A	TANESCO	11,138,809,926
6	30/06/2023	CBA.184/187/01A	TANESCO	7,014,600,000
7	30/06/2023	CBA.184/187/01A	TANESCO	13,000,000,000
8	30/06/2023	CBA.184/187/01A	REA	28,648,223,914
9	30/06/2023	CBA.184/187/01A	REA	19,927,974,224
10	30/06/2023	CBA.184/187/01A	REA	26,153,593,539
			Sub Total - Deposit General	136,927,013,554
11	31/07/2020	00170000T2100091	GOVERNMENT PRINTER - UNAPPLIED	100,000
12	30/09/2020	00580000V2100481	NATIONAL INSTITUTE OF TRANSPORT - UNAPPLIED	420,000
13	31/05/2021	00580000V2102868	COMMISSIONER FOR DOMESTIC REVENUE - UNAPPLIED	26,159
14	29/09/2021	00580000V2200506	COMMISSIONER FOR DOMESTIC REVENUE - UNAPPLIED	51,254
15	15/10/2021	00580000V2200739	SUA INTERNAL REVENUE COLLECTION - UNAPPLIED	2,000,000
16	15/10/2021	00580000V2200740	SUA INTERNAL REVENUE COLLECTION - UNAPPLIED	600,000
17	09/06/2022	00580000V2202632	GOVERNMENT PRINTER - UNAPPLIED	200,000
18	13/03/2023	00580000V2301786	LAND TRANSPORT REGULATORY AUTHORITY - UNAPPLIED	855,000
19	11/05/2023	00580000V2302330	TANZANIA PUBLIC SERVICE COLLEGE - UNAPPLIED	1,000,000
20	30/06/2023	00580000V2302868	MEM PSA - UNAPPLIED	16,710,000
			Sub Total - Unapplied Deposits	21,962,413
			TOTAL	136,948,975,967

LIST OF TRANSACTIONS/BALANCES WITH OTHER GOVERNMENT ENTITIES FOR THE YEAR ENDED 30 JUNE 2023

Goods/service received	Name Of Entity Provided Goods/Service	Amount Paid (TZS)	Payable Balance (TZS)
Conference facility	Bwalo la JKT Umwema	3,292,457.63	
Tuition fees	College of Business Education	5,328,000.00	
Withholding tax	Commissioner for Domestic Revenue	94,308,133.17	
Water utility	Dodoma Urban Water Supply Authority	6,059,536.63	
Subscription & seminar	Engineers Registration Board	4,200,000.00	
Printing	Government Printer	20,305,500.00	750,000.00
Fuel & consumables	Government Procurement Services Agency	448,596,100.00	
Subscription & seminar	Institute of Internal Auditors Tanzania	1,050,000.00	3,800,000.00
Subscription & seminar	Institution of Engineers Tanzania	4,857,415.25	
VIP lounge services	Julius Nyerere International Airport	4,570,000.00	10,200,000.00
Conference facility	Mzinga Corporation	7,353,220.34	
Subscription and tuition fee	National Board of Accountants and Auditors	5,700,000.00	
Construction	National Housing Corporation	4,691,337,462.34	
Seminar & tender publication	PPRA	6,050,000.00	
Subscription and tuition fee	Procurement And Supplies Professionals and Technicians Board	5,320,000.00	
Pension contribution	PSSSF	4,100,000.00	
Subsidy	PURA	1,129,681,129.19	
Transfer	Rural Energy Agency	219,323,784,417.91	74,729,791,677
Security	Suma JKT Guard Ltd	70,879,728.65	
Transfer	TANESCO Collection Account	152,900,339,797.60	
Transfer	TANESCO Government Subsidy	1,530,858,284,852.12	62,145,921,510
Rent - residential	Tanzania Buildings Agency	3,600,000.00	11,900,000.00
Electricity charges	Tanzania Electric Supply Company Limited	63,064,151.82	
Seminar	Tanzania Personal Secretaries Association	2,700,000.00	
Subsidy	Tanzania Petroleum Development Corporation	82,670,759,625.13	
Post service	Tanzania Posts Corporation	1,372,750.00	
Tuition fees	Tanzania Public Service College	7,920,000.00	1,650,000.00
Seminar	Tanzania Records and Archives Management Professional Association	1,800,000.00	
Telephone charges and Internet	Tanzania Telecommunications Corporation	44,705,866.29	3,144,397.88
Motor vehicle service	TEMESA	111,955,030.65	41,425,013.11