



**THE UNITED REPUBLIC OF TANZANIA**

**NATIONAL AUDIT OFFICE**



ISO 9001:2015 Certified

**TANZANIA EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE  
(TEITI)**

**REPORT OF THE CONTROLLER AND AUDITOR GENERAL  
ON THE FINANCIAL AND COMPLIANCE AUDIT FOR  
THE FINANCIAL YEAR ENDED 30 JUNE 2024**

Controller and Auditor General,  
National Audit Office,  
"Ukaguzi" House,  
4 Mahakama Road,  
P.O. Box 950,  
41104 Tambukareli,  
Dodoma, Tanzania.  
Tel: 255 (026) 2161200-9,  
E-mail: [ocag@nao.go.tz](mailto:ocag@nao.go.tz)  
Website: [www.nao.go.tz](http://www.nao.go.tz)

March 2025

AR/CG/TEITI/2023/24

## 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.



### 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 Tanzania Extractive Industries Transparency Initiative (TEITI) and may form part of the annual general report, which once tabled to National Assembly, becomes a public document; hence, its distribution may not be limited.

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## ABBREVIATIONS

AR	Audit Report
ARMC	Audit and Risk Management Committee
ATC	Accountability and Transparency Committee
Cap	Chapter
CG	Central Government
FPHRAC	Finance, Planning, Human Resources and Administration Committee
IESBA	International Ethics Standards Board for Accountants
IPSAS	International Public Sector Accounting Standards
ISSAIs	International Standard of Supreme Audit Institutions
MSG	Multi-stakeholder Group
NA	Not Applicable
NBAA	National Board of Accountants and Auditors
R.E	Revised Edition
Sect.	Section
TEITI	Tanzania Extractive Industries Transparency Initiative



## 1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Executive Secretary,  
Tanzania Extractive Industries Transparency Initiative,  
Ministry of Minerals,  
Madini Street,  
Government city - Mtumba,  
P. O. Box 422,  
DODOMA, TANZANIA.

### 1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

#### Unqualified Opinion

I have audited the financial statements of Tanzania Extractive Industries Transparency Initiative (TEITI), which comprise the statement of financial position as at 30 June 2024, the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly in all material respects, the financial position of Tanzania Extractive Industries Transparency Initiative (TEITI) as at 30 June 2024, 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

#### Basis for Opinion

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

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

## **Key Audit Matters**

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

## **Other Information**

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

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

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

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

In addition, Section 10 (2) of the Public Audit Act, Cap. 418 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 LEGISLATIONS**

### **1.2.1 Compliance with the Public Procurement law**

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

I performed a compliance audit on the procurement of works, goods, and services in the Tanzania Extractive Industries Transparency Initiative (TEITI) for the financial year 2023/24 as per the Public Procurement laws.

#### **Conclusion**

Based on the audit work performed, I state that the procurement of works, goods and services of Tanzania Extractive Industries Transparency Initiative (TEITI) 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 in Tanzania Extractive Industries Transparency Initiative (TEITI) for the financial year 2023/24 as per the Budget Act and other Budget Guidelines.

### Conclusion

Based on the audit work performed, I state that the Budget formulation and execution of the Tanzania Extractive Industries Transparency Initiative (TEITI) is generally in compliance with the requirements of the Budget Act and other Budget Guidelines.



Charles E. Kichère,  
Controller and Auditor General,  
Dodoma, United Republic of Tanzania.  
March 2025



## 2.0 FINANCIAL STATEMENTS

### STATEMENT FROM THE MULTI-STAKEHOLDER GROUP CHAIRMAN

#### 1.1 Introduction

Tanzania Extractive Industries Transparency Initiative (TEITI) was established under the Tanzania Extractive Industries (Transparency and Accountability) Act No. 23 of 2015 for the purpose of ensuring transparency and accountability in extractive industries and to provide for other related matters.

The objective of TEITI is to strengthen and enhance transparency and accountability in the administration of Tanzania's extractive industries so that the exploitation of non-renewable and finite resources can stimulate growth and help to reduce poverty. TEITI objectives complement the government's efforts to enhance the governance of natural resources so that the exploitation of resources can stimulate growth and help to reduce poverty. The government is contributing to this cause by collaborating with extractive companies and civil society organisations to mainstream transparency and accountability into the government's administration framework for extractive industries.

#### 1.2 Vision

To be a reputable Public Institution that ensures transparency and accountability through effective management of natural resources in the extractive industries in Tanzania and Africa.

#### 1.3 Mission

To ensure that the benefits of oil, gas and mineral resources are verified, duly accounted for, and prudently utilized for the wellbeing of Tanzanians.

#### 1.4 Core values

To fulfil its mandates and objectives, TEITI adheres to its core values as listed below:

- i. **Loyalty:** We are an Organisation that values its employees and respects its employees with honesty and loyalty.
- ii. **Professionalism:** We maintain the highest degree of professionalism and ethical standards, building value-added relationships with customers and stakeholders focused on the delivery of quality services.
- iii. **Pursuit of excellence in service:** We understand our activities objectively and pursuit of excellence in service.
- iv. **Commitment:** We are responsible in encouraging creativity, innovation and commitment that lead to enhancement of our capacity in handling regulatory issues in extractive industries.
- v. **Integrity:** We believe in integrity and determined to treat customers and each other with trust and encourage effective management of the natural resources that brings efficiency and result oriented.
- vi. **Teamwork:** We believe in teamwork, putting together diverse expertise to achieve success.



## 1.5 Overall Performance during the year 2023/24

Rational utilization of funds disbursed by the government enabled TEITI to record several achievements in implementing planned activities for the year 2023/24. During the year TEITI among other things, implemented the following: -

### i. Preparation of TEITI 14<sup>th</sup> Reconciliation Report for the Financial Year 2021/22

TEITI Committee in its 90<sup>th</sup> meeting approved the preparation of the TEITI reports by national Secretariat instead of using the Independent Administrator. The TEITI Secretariat completed the preparation of the scoping report which is a base for identifying the contribution of the extractive industry in the year under review. Also, the scoping exercise identified/ proposed the mining, oil and gas companies to be included for reconciliation exercise. The scoping report has shown that the Government has received an amount of 2.74 trillion shillings. The income has been contributed from five (5) Government Institutions which are the Mining Commission (MC), the Tanzania Revenue Authority (TRA), Office of the Treasury Registrar (TR), Tanzania Petroleum Development Corporation (TPDC) and National Environment Management Council (NEMC). In addition, the threshold of 2 billion shillings was proposed, that means 56 companies which paid above 2 billion shillings in the Financial Year 2021/22 were selected for reconciliation. The final Reconciliation report was made public on 29 June 2024.

### ii. Continue conducting awareness on the use of Data published in TEITI Reports

Among the roles of TEITI is to encourage citizens and civil societies to use TEITI data published in the TEITI reports in questioning the Government on the contribution of revenues and benefits derived from extractive activities. In carrying out this role, TEITI has participated in the Mining technology and investment exhibition held in Geita Region, TEITI participated in the 47<sup>th</sup> Dar es salaam International Trade Fair in July 2023, Tanzania Energy Conference in September 2023 and also participated in the "Jukwaa la Uziduaaji" organized and coordinated under the umbrella of Civil Organizations involved in the extractive activities (Hakirasilimali). "Jukwaa la Uziduaaji" is a principal dialogue space where relevant stakeholders across all levels meet to critically discuss, exchange experiences, and learn from one another to advance transparency and accountability in extractive industries. Apart from the awareness conducted, TEITI attended radio program organized by Wasafi Media that took place in Dodoma. During the program, TEITI had the opportunity to conduct the awareness on the use of the data produced in the Report.

### iii. Implementation of Beneficial Ownership Disclosure Requirement

The beneficial ownership disclosure aims at improving investment climate, reducing illegal practices and conducts in the extractive industries such as tax evasion, corruption, illicit financial flows, and outcomes of conflict of interests. Besides, it enhances transparency and accountability of extractive companies and government, adherence to the rule of law, and enhances revenue collection by unveiling shadow



companies, which are likely to evade tax payments. In October 2023 TEITI held a meeting with the Business Registration and Licensing Agency (BRELA) to discuss the best way to implement the disclosure of the names of shareholders and beneficial owners in mining, oil and natural gas companies according to the TEITA Act, Chapter 447 and the Companies Act, Chapter 212.

During the period under review, two companies disclosed beneficial owners to the level of individual names, while 22 disclosed only shareholders. Also, TEITI is in the process of conducting awareness sessions for extractive industries on the importance of disclosing individual names. This move is expected to enhance compliance and accountability within the extractive industries.

#### **iv. Validation on the EITI Implementation in Tanzania**

In April 2023, Tanzania was evaluated on the implementation of the EITI requirements with the aim of assessing if Tanzania continues to comply with transparency in the management of mineral resources, oil and natural gas. In November 2023, the EITI Board presented the final report of the evaluation, where the results shows that Tanzania attained the moderate score in implementing the EITI Standard 2019 where it scored 77/100 based on three areas which are Stakeholder engagement (82.5), Transparency (73.5) and Outcome and impact (75.5). The board commended the efforts of the Government and various stakeholders in implementing the EITI activities in the country. In addition, the board recommended 14 corrective actions to be worked on before next validation from January 1, 2027.

#### **v. Implementation of TEITI Organization Structure**

In December 2021, The President of the United Republic of Tanzania approved the Organization Structure of TEITI. It consists of Accountability and Transparency and Corporate and Service schedules with Internal Audit, Legal Service, Information, Technology and Statistics and Procurement management Units. To fully implement the structure, TEITI prepared various operational documents which are Audit Charter, Audit Committee Charter, ICT Policy, ICT Strategy, Incentives Scheme, Financial Regulations, Staff Regulations, Client Service Charter, TEITA Committee Charter and Training Need Assessment. Those documents, among other things, will help in the performance of the daily activities of the Institution.

In addition, the number of employees as per the Institution's Scheme of Service is 31 who carry out the work of TEITI fully unlike what was in the case previously with 8 employees. Moreover, the procedures to fulfil the leadership positions of the Institute are ongoing as all of the top management is still in acting capacity.

#### **vi. Developing an Electronic System that will facilitate the preparation of TEITI Reports**

To support extractive companies, government institutions, and the TEITI Secretariat prepare TEITI's annual reports, TEITI is still working on building an electronic system.



This system aims to simplify provision and access of payment and revenue information and other information that has been made public through TEITI reports.

Through this system, companies and the Government will be directly reporting all information on the income generated by the Extractive Industries and thus TEITI will be responsible for comparing them. This work also aims to reduce the cost and time of TEITI Reports preparation. The e-Government Agency (eGA) has given approval to TEITI to continue the development of the EDR-MIS System and currently TEITI technical team is in the development stage of the system.

#### **vii. Implementation of Contract disclosure Requirement**

Requirement 2.4 of the EITI Standard 2023, requires every EITI implementing countries to disclose all extractive industries contracts which were entered between the extractive companies and the respective country (at least from 2021 onwards) as a basis for the public's understanding of the contractual rights and obligations of companies operating in the country's extractive industries. The requirement further aims to ensure that contract disclosure is contributing to stakeholders' ability to monitor compliance with contractual obligations. During the year under review, the Ministry of Minerals has submitted six Framework Agreements to TEITI for review and identification of the areas for disclosure. The review was conducted by a special team of various government entities, including TEITI, the Ministry of Minerals, the Ministry of Energy, and the President's Office. The mining companies were informed about the intention of the government to disclose the contracts so that they could provide their concerns, if any, before the disclosure. Currently, TEITI is still waiting the feedback from the extractive companies. However, in the oil and gas sector, no new contract has been entered since 2021.

#### **1.6 Key Challenges**


During the year under review, TEITI experienced several challenges that impacted its performance. The challenges included the budget deficit, limited office accommodation and working tools and delays in the approval of the Executive Secretary, Head of Units and Head of Schedules.

#### **1.7 The Way Forward**

To address the challenges, TEITI will undertake the following: -

- i) Continues to cooperate with the Ministry of Finance through the Ministry of Minerals to increase the budget that will enable TEITI to implement its activities properly. Through this strategy, the Ministry of Finance provided TEITI with a Development Budget amounting to TZS 400,000,000.
- ii) Continues to purchase working tools as per the availability of funds. Additionally, TEITI has obtained permission to use the current Ministry's office located in Mtumba after the completion of the new Ministry building.
- iii) Collaboration with the Ministry of Minerals has been making follow up from the President Office - Public Service Management and Good Governance in the efforts to solve the acting positions challenge facing the Institution.

On behalf of the MSG (TEITI Governing Board), it is a great honour to present to you the Financial Report for the year 2023/24.



CPA. Ludovick Utouh  
BOARD CHAIRMAN

Date: 14th March 2025



## 2.0 STATEMENT FROM THE EXECUTIVE SECRETARY

### 2.1 Introduction

It is a great pleasure to present to you the Financial Statements of TEITI for the period ended 30 June 2024. The statements have been prepared as per Section 25 (4) of the Public Finance Act [Cap 348 R.E 2020] and on an accrual basis in line with Treasury Circular No. 6 of 2018/19.

The Financial Statements presented include a Statement of Financial Position; a Statement of Financial Performance; a Statement of Change in Net Assets/Equity; a Statement of Cash Flows; a Statement of Comparison of Budget against actual amount and Notes to the Financial Statements. Together with the Financial Statements are Schedules as required by International Public Sector Accounting Standards (IPSAS) and Public Finance Act [Cap 348 R.E 2020].

### 2.2 Main Functions of TEITI

The main functions of the TEITI Committee are as follows: -

- (i) Develop a framework for transparency and accountability in the reporting and disclosure by all extractive industry companies on revenues due to or paid to the Government;
- (ii) Require from any extractive industry company or from the statutory recipients an accurate account of money paid by and received from the company at any period, as revenue accruing to the Government from such company for that period;
- (iii) Require extractive industry companies to disclose to the Committee accurate records of the cost of production, capital expenditures at every stage of investment, volumes of production and export data from extractive industry companies in respect of each license;
- (iv) Promote the effective citizen participation and awareness of extractive industry companies and its contribution to socio-economic development;
- (v) Conduct investigations on material discrepancy from revenue payments and receipts in the extractive industry companies in accordance with the provisions of this Act;
- (vi) Make reconciliations on payments from extractive industry companies and Government receipts;
- (vii) Identify discrepancies and undertake measures to enhance capacity of any relevant organ of the Government or local government authority having statutory responsibility to monitor revenues and payments by all extractive industry companies to the Government;
- (viii) Disseminate by way of publication of reconciliation and investigation reports or otherwise any information concerning revenues received by the Government from extractive industry companies as it may consider necessary;
- (ix) Promote the effective citizen participation and awareness of resources governance in extractive industry and its contribution to socio-economic development;

- (x) Make consultation amongst Government, civil society and companies for effective management of natural resources;
- (xi) Supervise affairs of the Secretariat;
- (xii) Carry out research or studies for the furtherance of the functions of the Committee; and
- (xiii) Undertake any other activities related to its functions.

## 2.3 TEITI Financing

The sources of funds for TEITI consist of: -

- i) Government Subvention as money appropriated by Parliament for the purpose of TEITI;
- ii) Grants received by TEITI from Development Partners and
- iii) Any other money legally acquired and received by TEITI for the execution of its functions.

## 2.4 Implementation of the Plan and Budget

During the Financial Year 2023/24, TEITI recorded major achievements despite of some challenges.

## 2.5 Achievements

- i) Publication of TEITI fourteenth (14th) report for the period of 2021/22. The report among other things has made a reconciliation of the payments of mining, oil and gas companies and revenue to the Central Government and in the councils that receive fees (Service levy) in accordance with the Local Government Finance Act, 1982 as well as Government Revenue from extractive companies. The TEITI reports are available on the TEITI website ([www.teiti.go.tz](http://www.teiti.go.tz));
- ii) Update of extractive industry data in the TEITI Dashboard. <http://www.teiti.go.tz/dashboard/>;
- iii) Preparation of various Institutional operational documents, which are the Internal Audit Charter, Audit Committee Charter, ICT Policy, ICT Strategy, Incentives Scheme, Financial Regulations, Staff Regulations, Client Service Charter, TEITI Committee Charter, and Training need Assessment.



## 2.6 Challenges and planned strategies

During the period under review, TEITI encountered various challenges. Key challenges faced and strategies to overcome the challenges are detailed in Table 1

Table 1: Challenges and Planned Strategies

S/N.	Challenges	Strategies
1	Budget deficit	TEITI continues to cooperate with the Ministry of Finance through the Ministry of Minerals so as to increase the budget that will enable TEITI to implement its activities properly. Through this strategy, the Ministry of Finance provided TEITI with Development Budget amounting to TZS 400,000,000.
2	Limited office accommodation and working tools.	TEITI continues to procure working tools as per the availability of funds. Additionally, TEITI has obtained permission to use the current Ministry's office located in Mtumba after the completion of the new Ministry building.
3	Delay in approval of Executive Secretary, Head of Units and Head of Schedules	TEITI in collaboration with the Ministry of Minerals has been making follow up from the President's Office - Public Service Management and Good Governance in the efforts to solve the referred challenge.

## 2.7 Corporate Governance

TEITI is supervised by the Multi-Stakeholder Group (MSG) as a Governing Board composed of the Chairman and eight (8) members to oversee the operations of TEITI so as to ensure a high standard of corporate governance is attained throughout the organization. The composition of the eight (8) members is as follow; two representatives from civil society organizations, two from extractive companies and four from the Government. In its operation, the MSG has three (3) committees, namely; Accountability and Transparency Committee, Finance, Planning, Human Resources and Administration Committee, Audit and Risk Management Committee. The Executive Secretary (ES) is the Head of TEITI and Secretary to the MSG.

## 2.8 Composition of the Board

The MSG shall be composed of the following members: -

- The Chairman who shall be appointed by the President;
- Four (4) persons from Government entities appointed by the minister one of whom shall be the Attorney General or his representative;
- Two (2) persons from extractive industry companies;
- Two (2) persons from civil society organizations; and
- The Executive Secretary shall be the Secretary of the Committee.



The names of MSG Members and their qualifications are shown in Table 2

Table 2: The names and qualifications of MSG Members

S/N	Names	Position	Institution	Appointment Date
1	CPA. Ludovick S. Utouh	Chairperson	Presidential appointee	January, 2023
2	Mr. Adam A. Antony	Member	(CSO) HakiRasilimali	January, 2023
3	Mr. John B. Tindyebwa	Member	Tanzania Chamber of Minerals	January, 2023
4	Eng. Theonestina K. Mwashu	Member	CSO-FADev	January, 2023
5	Mr. John S. Kinuno	Member	(Government)-AG	January, 2023
6	CPA. Mathias D. Luciano	Member	(Government)-TRA	January, 2023
7	Ms Zoe O. Bomani	Member	(Companies)-OGAT	January, 2023
8	Eng. Yahya I. Samamba	Member	(Government)-MoM	January, 2023
9	CPA. Ahmad M. Massa	Member	(Government)-TPDC	January, 2023

## 2.9 Committees of the Board

The objective and composition of each Committee is provided in detail as follows;

### 2.9.1 Accountability and Transparency Committee

The main objective of this committee is to oversee and advise TEITI Management on technical matters pertaining to accountability and transparency. The committee consist of the following members: -

Table 3: List of Transparency and Accountability Members

S/N	Name	Qualification	Designation	Position	Appointment Date
1.	Mr. John S. Kinuo	Bachelor of Laws (L.L.B)	Advocate, State Attorney at Attorney General Chambers, Headquarters.	Chairperson	30 January 2024
2.	Eng. Yahya I. Samamba	MSC. Engineering Project Management	Permanent Secretary-MoM	Member	30 January 2024
3.	Mr. Adam A. Antony	Master of Public Policy	Executive Director - Haki Rasilimali	Member	30 January 2024

## 2.9.2 Finance, Planning, Human Resources and Administration Committee

The main objective of the committee is to oversee and advice on all matters related to finance, planning, budgeting, administration and procurement. The committee consist of the following members: -

Table 4: List of Finance, Planning, Human Resources and Administration Members

S/N	Name	Qualification	Designation	Position	Appointment Date
1.	Mr. Adam A. Antony	Master of Public Policy	Executive Director -Haki Rasilimali	Chairperson	30 January 2024
2.	Mr. John-Bosco Tindyebwa	M.Sc. in Applied Geology	Director and consultant -MTL Consulting	Member	30 January 2024
3.	Ms Zoe O. Bomani	Master's in international marketing management	Executive Assistant- Oil Gas Association of Tanzania (OGAT)	Member	30 January 2024

## 2.9.3 Audit and Risk Management Committee

To provide the MSG with independent, objective advice on the adequacy of management's arrangements with respect to the internal controls, internal audit, external audit, financial reporting, risk management, compliance to legislative, regulatory and other requirements, compliance to values and code of ethics, fraud risk management and governance aspects of the Management of the institution. The committee consist of the following members: -

Table 5 : List of Audit and Risk Management Committee Members

S/N	Name	Qualification	Designation	Position	Appointment Date
1.	Mr Ahmad Mohamed Massa	Master of Business Administration (MBA)- CPA(T)	Manager PSA Accounting-TPDC	Chairperson	30 January 2024
2.	Mr. Mathias Deonatus Luciano	Master of Business Administration (MBA)- CPA(T)	Manager Audit Extractive Section -TRA	Member	30 January 2024
3.	Eng. Theonestina K. Mwasha	MSc, Mineral Process Design	Executive Secretary- Foundation for	Member	30 January 2024



S/N	Name	Qualification	Designation	Position	Appointment Date
			ASM Development		

#### 2.9.4 Meetings of the Board and its Committees

During the year 2023/24, the TEITI MSG and its committees held four (4) ordinary meetings respectively. Most of the members of the MSG had satisfactory attendance in all meetings conducted in the period under review. Table 6 shows a summary of the number of meetings attended by Members of MSG and its Committees in the period ended 30 June 2024.

Table 6: Attendance of Members to the MSG and Committee meetings

S/N.	Members	Number of Meetings			
		MSG	ATC	FPHRAC	ARC
1.	CPA. Ludovick S. Utouh	4	NA	NA	NA
2.	Mr. Adam A. Antony	4	1	1	NA
3.	Mr. John B. Tindyebe	4	NA	1	NA
4.	Ms Zoe O. Bomani	4	NA	1	NA
5.	Eng. Yahya I. Samamba	4	1	NA	NA
6.	Mr. John S. Kinuno	4	1	NA	NA
7.	Eng. Theonestina K. Mwasha	4	NA	NA	2
8.	CPA. Mathias D. Luciano	4	NA	NA	2
9.	CPA. Ahmad M. Massa	4	NA	NA	2

#### 2.9.5 Management and its Committees

TEITI is headed by the Executive Secretary (ES) who is vested with all powers of management of all daily activities of TEITI. Administratively the ES reports directly to the Permanent Secretary of the Ministry of Minerals and Functionally the ES reports to the Governing Board (MSG) of TEITI. ES is assisted by two (2) Managers and four (4) Head of Units. The Organization structure is shown in Chart 1 and Units as listed are as follows:

- Transparency and Accountability Unit Manager;
- Corporate Services Unit Manager;
- Legal Services Unit;
- Internal Audit Unit;
- Procurement Management Unit; and
- ICT and Statistics Unit.

The Management of TEITI has five (5) Committees namely employment committee, integrity committee, HIV and non-communicable diseases, budget Committee and ICT steering committee.



## Functions of Employment Committee

The Employment Committee is mandated to perform the following functions:

- i) Promotion of employees;
- ii) Confirmation of employees in their positions; and
- iii) Re-categorization of employees who have upgraded or changed their education credentials.

According to the above circular, the TEITI Employment Committee is constituted by four (4) members as detailed in below: -

Table 7: Employment Committee Members

S/N	Name	Qualification	Designation	Position	Date of Appointment
1.	Joachim Tibenda Njoki	BSC Economics & Project Planning, MBA Inter. Business and PGD In Economic	Principal Economist II	Chairperson	04 <sup>th</sup> June 2024
2.	Jacquiline Joseph Aloyce	BA Sociology, MPA	Senior Human Resource Officer I	Secretary	04 <sup>th</sup> June 2024
3.	Agnes Bitina Kabuje	Advance Diploma in Accounts	Accounting Officer I	Member	04 <sup>th</sup> June 2024
4.	Godwin Mwemezi Masabala	Bachelor of Arts in Mass Communication	Public Relation Officer I	Member	04 <sup>th</sup> June 2024

## Functions/Activities Performed

In the Financial Year ending 30 June 2024 the committee held a meeting once to approve the promotion of 14 employees.

### 2.9.6 Budget Committee

The budget committee of TEITI was established as per Section 17 (2) (e) of the Budget Regulations of the year 2015. The Committee is composed of: -

- i) Executive Secretary who is the chairperson of the committee;
- ii) Head of the Planning Schedule as secretary; and
- iii) Head of Units and Schedules.

## Functions of Budget Committee

According to Section 17 (3) of the Budget Regulation 2015, the functions of the Budget Committee shall be to:

- i) Review revenue collection measures;
- ii) Allocate resources based on strategic plans and national priorities without exceeding the ceiling provided by the Paymaster General;
- iii) Evaluate Budget Performance; and
- iv) Perform other functions as described in the strategic plan.

#### **Functions/Activities Performed**

- i) Reviewed mid-year and annual budget performance for the year 2023/24; and
- ii) Scrutinized and approved TEITI budget for the year 2024/25.

#### **2.9.7 Tender Board**

TEITI is now in the process of establishing a Tender Board. During financial year 2023/24 TEITI was using the Ministry of Minerals' Tender board.

#### **Functions of Tender Board**

According to Section 33 (1) of the Public Procurement Act, (CAP 410 RE 2022) the function of the Tender Board shall be to:

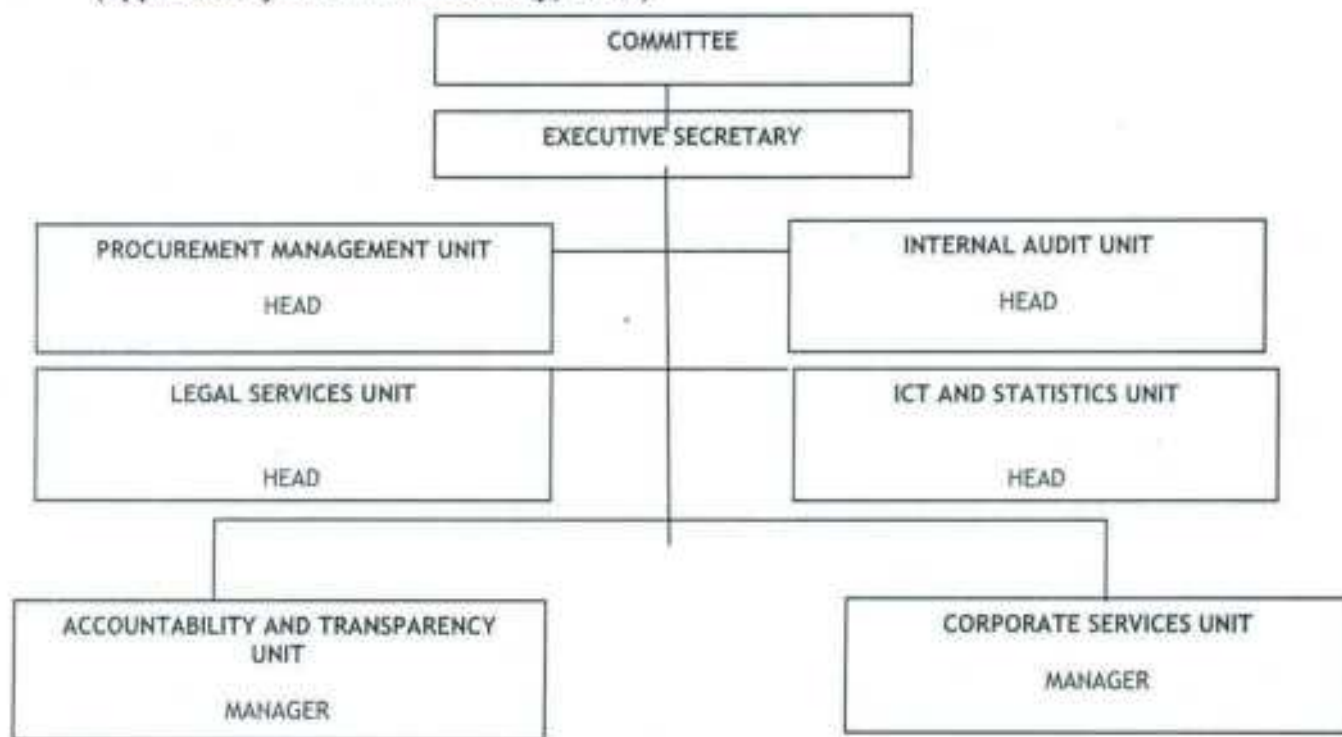
- i) Deliberate on the recommendations from the Procurement Management Unit and approve the award of contracts;
- ii) Review all applications for variations, addenda or amendments to on-going contracts;
- iii) Approve tendering and contract documents;
- iv) Approve procurement and disposal by tender procedures; and
- v) Ensure that best practices in relation to procurement and disposal by tender are strictly adhered to by procuring entities.

#### **2.10 Organization Structure of TEITI**

The Organization structure of TEITI is shown in Chart 1 below:



**THE ORGANIZATION STRUCTURE FOR TEITI COMMITTEE AND SECRETARIAT**  
(Approved by PIC on 14 February, 2020)



## 2.11 Solvency

TEITI confirms that applicable accounting standards have been followed and that the financial statements have been prepared on a going concern basis. TEITI has reasonable expectation that it has adequate resources to continue operating for the foreseeable future.

## 2.12 Financial Performance for the year 2023/24

In the year 2023/24 TEITI was allocated a budget of TZS 1,639,572,320. This budget includes TZS 12,250,000 for Backlog, TZS 446,736,000 for Personal Emoluments (PE), TZS 780,586,320 for Other Charges (OC) and TZS 400,000,000 as supplementary budget for Development Local.

In the period from July 2023 to June 2024 TEITI received a total amount of TZS 1,627,240,020 including opening balance of TZS 12,250,000 and spent a total amount of TZS 1,554,096,491. The amount of carryover for the year ended 30 June 2024 was TZS 85,393,529. The breakdown of receipts and expenditures during the period is as show below.

Table 8: Other Charges (OC) Statement for the Financial Year Ended 30 June 2024.

Description	Amount (TZS)
Opening balance	12,250,000
Receipt during the year	780,586,320
Funds available	792,836,320
Total expenditure during the year	782,458,443
Balance C/F	10,377,877

Table 9: Other Charges (OC) Receipt and Expenditure for 2023/24

Month	Amount Received (TZS)	Expenditures (TZS)
July, 2023	65,048,860	0
August, 2023	360,000,000	76,085,600
September, 2023	52,039,088	133,752,500
October, 2023	52,039,088	116,520,732
November, 2023	45,534,202	133,936,000
December, 2023	32,524,430	145,789,237
January, 2024	65,048,860	59,308,798
February, 2024	19,514,658	26,714,723
March, 2024	32,524,430	36,366,843
April, 2024	32,524,430	32,845,000
May, 2024	23,788,274	13,982,352
June, 2024	0	7,156,658
Total	780,586,320	782,458,443



Table 10: Personal Emoluments (PE) Statement

Description	Amount (TZS)
Opening balance	0
Receipt during the year	446,653,701
Funds available	446,653,701
Total expenditure during the year	446,571,401
Balance C/F	82,300

Table 11: Personal Emoluments (PE) Receipt and Expenditure

Month	Amount Received (TZS)	Expenditures (TZS)
July, 2023	27,878,000	27,878,000
August, 2023	29,015,000	29,015,000
September, 2023	32,175,000	32,175,000
October, 2023	37,938,000	37,938,000
November, 2023	41,028,000	41,028,000
December, 2023	41,048,600	41,048,600
January, 2024	41,680,600	41,680,600
February, 2024	41,851,100	41,851,100
March, 2024	43,303,500	43,303,500
April, 2024	42,023,500	42,023,500
May, 2024	41,324,601	41,324,601
June, 2024	27,387,800	27,305,500
Total	446,653,500	446,571,401

Table 12: Development Fund (Development Local)

Description	Amount (TZS)
Opening balance	0
Receipt during the year	400,000,000
Funds available	400,000,000
Total expenditure during the year	325,066,648
Balance C/F	74,933,352

Table 8: Development Fund (Development Local) Receipt And Expenditure

Month	Amount Received (TZS)	Expenditures (TZS)
MAY, 2024	400,000,000	204,040,148
JUNE, 2024	0	121,026,500
Total	400,000,000	325,066,648

## 2.13 Risk Management and Internal Controls

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

- The effectiveness and efficiency of operations;
- The safeguarding of the TEITI assets;
- Compliance with applicable laws and regulations;
- The reliability of accounting records;
- Business sustainability under normal as well as adverse conditions; and

vi) Responsible behaviours towards all stakeholders.

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. There is always a risk of non-compliance of such measures by staff. Whilst no system of internal control can provide absolute assurance against misstatement or losses, TEITI's system is designed to provide reasonable assurance that the procedures in place are operating effectively. TEITI assessed the internal control systems throughout the financial year ended 30 June 2023 and is of the opinion that they met accepted criteria. TEITI carries risk and internal control assessment through the Audit Committee. The key elements of the system of internal control are as follows: -

i) **Delegation**

Overall objectives of TEITI are agreed by the MSG, which delegates the day-to-day operations to the Secretariat for execution. There is a clear organization structure, detailing the lines of the duty between MSG and the Secretariat.

ii) **Budgets**

Annual budgets are prepared by the Management and reviewed by TEITI Budget Committee and then reviewed by the Finance, Planning, Human Resources and Administration Committee of the MSG; and approved by the MSG Meeting. Budgets are derived from the TEITI Strategic Plan.

iii) **Competence**

Staff skills are maintained both by a formal recruitment process and a performance appraisal system, which identifies training needs. Also, necessary training both in-house and externally helps to consolidate existing staff skills and competencies.

iv) **Internal Audit**

An Internal Audit Unit assesses risk and reviews controls. The unit ensures that recommendations to improve controls are followed up by the Management. The Head of Internal Audit reports functionally to the Audit and Risk Committee and administratively to the Executive Secretary.

## 2.14 Gender parity

TEITI is an equal-opportunity employer. It gives equal access to available opportunities and ensures that the best person is appointed to a given position without gender, marital status, tribe, and religion and disability discrimination. As of 30 June 2024, TEITI had a total of 26 staff as indicated in below: -



**Table 14: Gender Parity**

Gender	Financial Year	
	2023/24	2022/23
Female	11	9
Male	15	11
Total	26	20
Ratio (Female: Male)	0.7:1	0.8:1

## 2.15 Donations

During the financial year 2023/24 no charitable was donated.

## 2.16 Employee's welfare

### i) Relationship between Management and Employees

The relationship between employees and management continued to be in good harmony. The Management performed well during the accounting period for planning and evaluating TEITI's targets.

### ii) Employee Benefits

TEITI currently provides retirement benefits for its employees based on Government circulars, rules and regulations as defined in the contribution plans.

### iii) Staff Development

A total of nine (9) staff have been trained during the period under review, whereby eight (8) staff attended short courses, and one (1) staff attended long course programs. In addition, several in-house training sessions were conducted on Public Employees Performance Management Information System (PEPMIS), Public Institutions Performance Management Information System (PIPMIS) and Handling of Documents and Government secrets.

### iv) Medical Assistance

All Members of Staff together with a maximum number of four (4) beneficiaries (dependents) for each employee were availed with medical insurance. The employer contributes 3 percent of the employee's basic salary to the Insurer, the National Health Insurance Fund (NHIF). Other medical assistances which are not covered by the insurance are provided as per Standing Order 2009.

### v) Trade Union

A healthy relationship continues to exist between management, personnel and Tanzania Union of Government and Health Employees (TUGHE). During the period ended 30 June 2024 management continue to provide conducive environment to run their affairs. Also, management facilitated workers through their trade union to participate in the workers' day celebration.

**vi) HIV at a Place of Work**

TEITI is sensitive on addressing HIV issues. TEITI has set a budget regarding HIV/AIDS issues.

**vii) Financial assistance to staff**

This is available to all confirmed employees depending on the assessment by Management in collaboration with respective association/union leaders of the need and circumstance and ability to make payment in accordance with the existing Standing Order, 2009.

**viii) Persons with disabilities**

It is the policy and practice of TEITI not to discriminate against persons with disability during recruitment and in working places.

## **2.17 Legal and Regulatory Requirements**

TEITI is an Autonomous Institution established under the Tanzania Extractive Industries (Transparency and Accountability) Act No. 23 of 2015. TEITI is under the Ministry of Minerals and is required to comply with the laws of the land and Government procedures.

## **2.18 Prejudicial issues**

TEITI faces a number of challenges including insufficient budget, fewer numbers of Staff to manage its critical technical functions and low salary packages compared to the hard and risky nature of services offered by TEITI. This may lead to its failure in accomplishing its roles effectively.

## **2.19 Registered Office**

The office of Tanzania Extractive Industries Transparency Initiative is located at the Geological Survey of Tanzania (GST) offices at Kikuyu Avenue No.8, in Dodoma City.


## **2.20 Bankers**

TEITI's Bankers are Bank of Tanzania (BoT) and National Microfinance Bank (NMB).



## 2.21 Auditors

The Controller and Auditor General is the Statutory Auditor of the Tanzania Extractive Industries Transparency Initiative by virtue of Article 143 of the Constitution of the United Republic of Tanzania as amplified under Section 32 (1) of the Public Audit Act (CAP 418 RE 2020)

  
.....  
Mariam S. Mgaya  
EXECUTIVE SECRETARY

Date: 07/03/2025



## 3.0 COMMENTARY TO THE FINANCIAL STATEMENTS

### 3.1 Introduction

This part of the report describes comprehensively the information in regard to the financial results pertaining to the financial year 2023/24 for the Tanzania Extractive Industries Transparency Initiatives (TEITI). It provides overall picture of information on the financial and physical performance for the financial year 2023/24 in comparison with previous year (2022/23) as per IPSASs' requirements. There were no previous year's figures that have been restated.

### 3.2 Overview of Financial Statements

#### 3.2.1 Revenue

##### Approved Estimates

During the year 2023/24 approved budget was TZS 1,639,572,320 were TZS 12,250,000 was backlog, TZS 446,736,000.00 was personal emoluments, TZS 780,586,320 was recurrent expenditure and TZS 400,000,000.00 was developments while the approved recurrent budget of the prior year 2022/23 was TZS 758,282,918.

##### Funds Received

During the financial year 2023/24, TEITI received total funds of TZS 1,627,240,021.00 from the Government broken down to Personal Emoluments TZS 446,653,701.00, Recurrent Expenditure TZS 780,586,320.00 and Developments TZS 400,000,000.00. This is an increase of 206 percent compared to the prior year 2022/23 due to an increase of Development Grants and Personal Emoluments, where TZS 532,640,880.00 was received.

#### 3.2.2 Expenses

During the financial year ended 30 June 2024, TEITI budgeted to spend TZS 1,639,572,320 while actual expenses incurred was TZS 1,554,096,491 equivalent to 95% in various expenses in the financial year ending 30 June 2024 compared to actual expenses incurred in the year 2022/23 amounting to TZS 535,258,255. The expenditure was mainly charged in executing its activities as per the following categories;

##### Wages, Salaries and Employee Benefits

During the year 2023/24, the amount incurred for wages, salaries and employee benefits was TZS 812,107,200 being an increase of 194 percent when compared to TZS. 276,398,200.00 for the financial year 2022/23. The increase was caused by an increased number of staff. Detailed in NOTE 34.



## Use of Goods and Services

During the year 2023/24 the cost of supplies and consumables was TZS 770,363,630 being an increase of 49 percent when compared to TZS 516,556,323.00 of the financial year 2022/23. The increase was caused by an increased number of staff and goods procured. **NOTE 35**

## Maintenance expenses

The TEITI incurred a total of TZS 34,691,873.00 in maintenance expenses during the year ended 30 June 2024 being an increase of 99 percent when compared to TZS 17,470,882.00 of financial year 2022/23 as detailed in **NOTE 36**.

## Other Expenses

The TEITI incurred a total of TZS 57,810,000.00 in other expenses during the year ended 30 June 2024 being an increase of 91 percent when compared to TZS 30,285,100.00 of the financial year 2022/23 as detailed in **NOTE 52**.

## Grants and Transfers

The TEITI incurred a total of TZS 260,000.00 in grants and transfers during the year ended 30 June 2024, representing a 100 percent increase compared to the financial year 2022/23, when no grants and transfers as detailed in **NOTE 59**. The funds were used to pay the NBAA subscription fee.

## 3.2.3 Assets and Liabilities

### Cash and Cash Equivalents

During the year 2023/24, the balance of cash and cash equivalents was TZS 85,393,529.00, while the cash and cash equivalent for the year 2022/23 was TZS 12,250,000.00, an increase of 597 per cent. Cash and Cash equivalents involved the cash at the BOT at the end of the financial year 2023/24. There were no funds at NMB Account. The analysis of this is detailed in **Note 62**.

### Property, Plant and Equipment (PPE)

Property, plant and equipment during the year ended 30 June 2024 amounted to TZS 58,123,598 being a decrease of 12% when compared to TZS 65,683,624.00 of year 2022/23 as detailed in the schedule of PPE.

### Contingent liabilities

There were no contingent liabilities which arose from legal claims against TEITI for the year ending 30 June 2024.

### **Inventories**

During the year 2023/24, the inventory of fuel was TZS 6,673,788.00 being an increase of 100% when compared to the financial year 2022/23, when there was no inventory balance. Changes in inventory figures have been recognized in the reconciliation of cash flows from operating activities to surplus/ (deficit and shown in the notes to the Financial Statement. The analysis of this is detailed in Note 70.

### **Work in Progress (WIP) on Intangible Asset**

During the year 2023/24, the work in progress was TZS 47,150,000 (Intangible Asset) relating to development of an Extractive Data Reporting Management System. This represent a 100 percent increase compared to the financial year 2022/23, as no expenses were incurred on WIP in 2022/23.

### **Outstanding Liabilities**

During the year ended 30 June 2024, there were outstanding liabilities totalling TZS 260,353,529, which comprising payables of TZS 174,960,000 and deferred income of TZS 85,393,529. In comparison, for the financial year ended 30 June 2023, there was deferred income of TZS 12,250,000 at the time of closing the financial year.

### **Extraordinary Items**

There was no extraordinary item during the financial year ended 30 June 2024 as it was in the financial year 2023/24.

### **Political And Charitable Donations**

During the financial year ending 30 June 2024, there were no political and charitable donations that the TEITI gave or received.

### **Comparative Figure**

The financial statements of TEITI have been prepared by using International Public Sector Accounting Standards (IPSASs), where previous year's financial statements are compared with current year's financial statements to determine the financial trends of the institution.



### 3.3 Related Party Disclosure

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 Tanzania Extractive Industries Transparency Initiative; key management personnel include the Executive Secretary, Managers, Head of Units and Head of Schedules.

  
\_\_\_\_\_  
Mariam S. Mgaya  
Executive Secretary

07/03/2025  
\_\_\_\_\_  
Date



#### 4.0 STATEMENT OF MANAGEMENT RESPONSIBILITY


Management of the Tanzania Extractive Industries Transparency Initiative (TEITI) is responsible for the preparation of the annual financial statements, which give a true and fair view of the entity's state of affairs and its operating results in accordance with International Public Sector Accounting Standards (IPSASs) on the accrual basis, in conformity with the provision of section 30 of the Public Finance Act Cap.348. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and presentation of the 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 the statutory authority, and properly record the use of all public financial resources accordingly.

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 preparing the financial statements for the year ended June 30, 2024.

Procurement of goods, works consultancy and non-consultancy services to the extent that they are reflected in these financial statements have been done in accordance with the Public Procurement Act (CAP 410 RE 2022)

We accept responsibility for the integrity of these financial statements, the information they contain and their compliance with the Public Finance Act Cap.348 and its Regulations; International Public Sector Accounting Standards (IPSASs) accruals basis; and guidelines issued or may be issued from time to time by Paymaster General and Accountant General.

In our opinion, nothing has come to the attention of the management that the financial statements do not present fairly 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.

  
\_\_\_\_\_  
Mariam S. Mgaya  
Executive Secretary

07/03/2025  
\_\_\_\_\_  
Date