

# **TANZANIA CIVIL AVIATION AUTHORITY**



## **ANNUAL REPORT FOR THE YEAR 2006/2007**

**12 FEBRUARY 2008**

## ABBREVIATIONS

AIP	Aeronautical Information Publication
AFI	Africa Indian Ocean Region
AFTN	Aeronautical Fixed Telecommunication Network
AMO	Approved Maintenance Organisation
ATC	Air Traffic Control
ATCOS	Air Traffic Control Officers
ATM	Air Traffic Management
ATS DS	Air Traffic Services Direct Speech
AVSEC	Aviation Security
BASAs	Bilateral Air Services Agreements
CATC	Civil Aviation Training Centre
CAMs	Civil Aviation Managers
CAC	Civil Aviation Commandant
CASSOA	Civil Aviation Safety and Security Oversight Agency
EAC	East African Community
FAA	Federal Aviation Administration
IASA	International Aviation Safety Assessments
FIR	Flight Information Region
ICAO	International Civil Aviation Organisation
ISO	International Organisation for Standardisation
KADCO	Kilimanjaro Airport Development Company
KIA	Kilimanjaro International Airport
NACTE	National Accreditation Council of Tanzania
NAV	Navigational
NOF	International Notam Office
NOTAM	Notice To Airman
USAP	Universal Security Audit Programme
USOAP	Universal Safety Oversight Audit Program
VHF	Very High Frequency
ATHCO	Air Tanzania Holding Company.
CAG	Controller and Auditor General
DSM	Dar es Salaam
ICT	Information and Communication Technology

INTOSAI	International Organisation of Supreme Audit Institutions
ISA	International Standards on Auditing
KRA	Key Result Area
MID	Ministry of Infrastructure Development.
NIA	Nyerere International Airport
PE	Personal Emoluments
PFR	Public Finance Regulation
PMU	Procurement Management Unit
STL	Short Term Licence
TCAA	Tanzania Civil Aviation Authority
UNDP	United Nations Development Programme
VAT	Value Added Tax
VRN	VAT Registration Number
CVOR	Conventional Very High Frequency Omni-Directional Radio Range
DME	Distance Measuring Equipment
PIB	Pre flight Information Bulletin
TCARS	Tanzania Civil Aviation Regulations
TANRs	Tanzania Air Navigation Regulations
CNS	Communications, Navigation and Surveillance
STP	Standard Training Package
GDP	Gross Domestic Product
GHRs	Ground Handling Regulations
WAN	Wide Area Network
ICT	Information and Communication Technology



## **Chairman's Statement**

It is my pleasure to forward to you the Authority's Annual Report for the financial year which ended on 30 June 2007 being the fourth Report since the Authority was established in November 2003. The Report provides the highlights of the performance of the Authority both operationally and financially during the year.

With regard to safety, overall, the industry was relatively safe during the period although there were two fatal accidents which claimed a total of 5 lives. The Accident Investigation Bureau has attributed the major cause of both accidents to "pilot error". The Management has been directed to enhance its oversight of the industry to ensure accidents are reduced as much as possible.

It is gratifying to note that the industry's growth continued satisfactorily during this period with the international passenger traffic registering a 12% growth compared with a 19.8% growth for the domestic passenger traffic. This growth is attributed to the tourism growth which is expected to continue.

Financially, the Authority's operations remain sound. The audited accounts show that the Authority consistently been making some surpluses, which expect to provide seed money for the Authority's investment portfolio and for the Training Fund once established. Again, the Authority, obtained an unqualified Auditor's Opinion, for the third consecutive year, of which the Management deserves commendation.

With regard to the Authority's participation in regional initiatives, I note with satisfaction that the first Executive Director of the EAC Civil Aviation Safety and Security Oversight Agency which commenced its operations on 1 June 2007 is a former employee of the Authority. This Agency is expected to complement the national Civil Aviation Authorities in their oversight duties. Participation in other regional initiatives has also continued during this period.

Again, on behalf of the Board, I wish to thank all our Stakeholders and commend the Management and Staff of the Authority for working together as a Team during this period which has enabled the Authority to achieve the positive results highlighted in the Report. This should not only be sustained, but enhanced for the orderly development of the industry.

Mwatumu J. Malale  
**Chairman of the Board of Directors.**

## Director General's Statement

During the financial year which ended on 30 June 2007, the Authority's performance, both the operational and financial, was satisfactory. The Report confirms that the Authority has managed to discharge well both its oversight role of the industry as well as the provision of air navigation services during this period.

In the area of safety, one of the major accomplishments was the successful harmonization of the civil aviation regulations within the three EAC Partner States of Kenya, Uganda and Tanzania which paved the establishment of the EAC Civil Aviation Safety and Security Oversight Agency on 1 June 2007. Once the Agency is up and running, it will greatly complement national civil aviation authorities with pool resources in their oversight functions. The harmonized regulations – the Tanzania Civil Aviation Regulations 2006, were also promulgated in early 2007 and become effective on 1 January 2008.

In the aviation security area, during the year under review, the Authority continued with the implementation of the Action Plan formulated to address the deficiencies identified during the ICAO's Universal Security Audit Program which also covered the Dar es Salaam International Airport.

In terms of traffic, the growth has also been satisfactory, registering an overall growth of 16% in terms of passenger traffic.

During this period, the serviceability of the navigational aids averaged 95%, same as the previous year. A new CVOR/DME was installed and commissioned in January 2007 at Zanzibar Airport. Further, during the year, there were 3 "airprox" incidents which is a rate of 0.53 incidents per 10,000 movements, which was better than the target rate of 1.1 and a significant reduction from last year's rate of 1.8. Appropriate measures are being taken to sustain and better this performance.

I would like to take this opportunity to express my sincere appreciation to the Authority's Stakeholders for their cooperation which has enabled the civil aviation industry to remain relatively safe. **Safety is indeed a Partnership.**

Margaret Munyagi  
**Director General**

## TABLE OF CONTENTS

<u>ABBREVIATIONS.....</u>	<u>i</u>
<u>Chairman's Statement.....</u>	<u>2</u>
<u>Director General's Statement.....</u>	<u>3</u>
<u>PERFORMANCE .....</u>	<u>6</u>
<u>1.1 Air Traffic Incidents .....</u>	<u>6</u>
<u>1.2 Proficiency and adequacy of Staff.....</u>	<u>6</u>
<u>1.3 Availability of New CNS facilities.....</u>	<u>6</u>
<u>1.1 Operation of facilities at optimum level.....</u>	<u>6</u>
<u>1.3.1 Navigation Aids and Surveillance Equipment: Both operated at 98% serviceability level.....</u>	<u>6</u>
<u>1.3.2 Communication Facilities: .....</u>	<u>7</u>
<u>VHF Area Cover serviceability averaged at 95% during the year, while VHF radios serviceability stood at 98%.....</u>	<u>7</u>
<u>1.3.3 ATS DS Link: .....</u>	<u>7</u>
<u>Serviceability of 97% was attained, same as in the previous year. ....</u>	<u>7</u>
<u>1.3.4 Aeronautical Fixed Telecommunication Network: .....</u>	<u>7</u>
<u>Equipment serviceability for the year was 97% for the international circuits and 78% for the domestic circuits.....</u>	<u>7</u>
<u>1.2 Air Traffic Services.....</u>	<u>7</u>
<u>1.3 Aeronautical Information Services.....</u>	<u>8</u>
<u>1.4 Provision of aeronautical information on a timely basis.....</u>	<u>8</u>
<u>1.5 Aeronautical Fixed Services.....</u>	<u>8</u>
<u>2.0 SAFETY AND SECURITY REGULATION.....</u>	<u>8</u>
<u>2.1 Safety Oversight.....</u>	<u>8</u>
<u>2.1.1 Flight Operations inspections and surveillance.....</u>	<u>9</u>
<u>2.1.2 Airworthiness inspection and surveillance.....</u>	<u>9</u>
<u>2.1.3 Technical Examinations.....</u>	<u>10</u>
<u>2.1.4 Licenses and Certificates issued.....</u>	<u>11</u>
<u>2.1.5 Licence and Certificate Renewals.....</u>	<u>11</u>
<u>2.1.6 Licence Endorsements.....</u>	<u>12</u>
<u>2.1.7 Air Navigation and Aerodromes Regulation.....</u>	<u>12</u>
<u>2.1.7.1 Sale of Documents.....</u>	<u>12</u>
<u>2.1.8 Accidents and Incidences Rates.....</u>	<u>13</u>
<u>2.1.9 Oversight of Aviation Security.....</u>	<u>13</u>
<u>2.1.10 Regional initiatives in the areas of Safety and Security.....</u>	<u>14</u>
<u>2.1.11 Training for Pilots and Aircraft Maintenance Engineers.....</u>	<u>14</u>
<u>3.0 ECONOMIC REGULATION.....</u>	<u>14</u>
<u>3.1 Air Transport Regulation.....</u>	<u>14</u>
<u>3.2 Regional and International Cooperation.....</u>	<u>15</u>
<u>3.3 Coordination of Facilitation of Air Transport.....</u>	<u>15</u>
<u>3.4 Statistical Reports and Industry Performance.....</u>	<u>16</u>
<u>3.4.1 Statistical Reports.....</u>	<u>16</u>
<u>3.4.2 Industry Performance.....</u>	<u>16</u>

<b>4.0 CORPORATE SERVICES.....</b>	<b>17</b>
<b>4.1 Human Resources .....</b>	<b>17</b>
<b>4.1.1 Competitive Recruitment.....</b>	<b>17</b>
<b>4.1.2 Staff Welfare.....</b>	<b>17</b>
<b>4.1.3 Training and Development.....</b>	<b>18</b>
<b>4.1.4 Development Initiatives undertaken by the Centre.....</b>	<b>18</b>
<b>4.2 ICT.....</b>	<b>18</b>
<b>4.2.1 Wide Area Network.....</b>	<b>18</b>
<b>4.2.2 Disaster Recovery Facility.....</b>	<b>19</b>
<b>4.2.3 Website.....</b>	<b>19</b>
<b>4.3 PROCUREMENT .....</b>	<b>19</b>
<b>5.0 FINANCE.....</b>	<b>19</b>
<b>5.1 Revenue.....</b>	<b>19</b>
<i>Budget (shs) Actual (shs).....</i>	<i>19</i>
<i>Total       16,706,652       16,612,345.....</i>	<i>19</i>
<b>5.1.1 Expenditure.....</b>	<b>20</b>
<i>Total       10,460,597       10,359,404.....</i>	<i>20</i>
<b>5.1.2 Investment.....</b>	<b>20</b>



## PERFORMANCE

The performance during the review period measured against set key results areas was as follows:

### **1.0 AIR NAVIGATION SERVICES**

During the period, the Authority continued with the satisfactory provision of Air Traffic Services in the Dar es Salaam Flight Information Region (FIR), including the airspace above 24,500 feet over the territories of Burundi and Rwanda. Operation and maintenance of communication, navigation and surveillance facilities in the country were carried out satisfactorily and in accordance with the AFI Air Navigational Plan.

#### **1.1 Air Traffic Incidents**

During the year, there were 3 incidents all of which were 'AIRPROX', giving a rate of incidents per 10,000 aircraft movements of 0.53 which is 52% better than the target set of 1.10. Compared to last year's rate achieved of 1.80, this year's rate indicates a reduction of air traffic incidents by 140%.

#### **1.2 Proficiency and adequacy of Staff**

The proficiency of the air traffic controllers earmarked for checking was implemented. During the year, more than 95% of the training of air traffic controllers, aeronautical information officers and air navigation engineers were completed as planned. Recruitment of eight aeronautical information officers and employment of seven engineers/technicians was carried out as planned.

#### **1.3 Availability of New CNS facilities**

A new Thales CVOR/DME equipment was installed at Zanzibar International Airport and commissioned in December 2006. The facility is working well and has enhanced the safety of air traffic operating into the Airport. Additionally, a new VHF extended range station has been installed in Songea area thus increasing the VHF coverage for aircraft operating the south west of the country.

#### **1.1 Operation of facilities at optimum level**

All the facilities were maintained on a regular basis as programmed. Spares availability improved. An average equipment serviceability of 95% was attained, remaining the same as the previous year. The detailed serviceability of the different facilities was as follows:

**1.3.1 Navigation Aids and Surveillance Equipment:** Both operated at 98% serviceability level.

**1.3.2 Communication Facilities:**

VHF Area Cover serviceability averaged at 95% during the year, while VHF radios serviceability stood at 98%.

**1.3.3 ATS DS Link:**

Serviceability of 97% was attained, same as in the previous year.

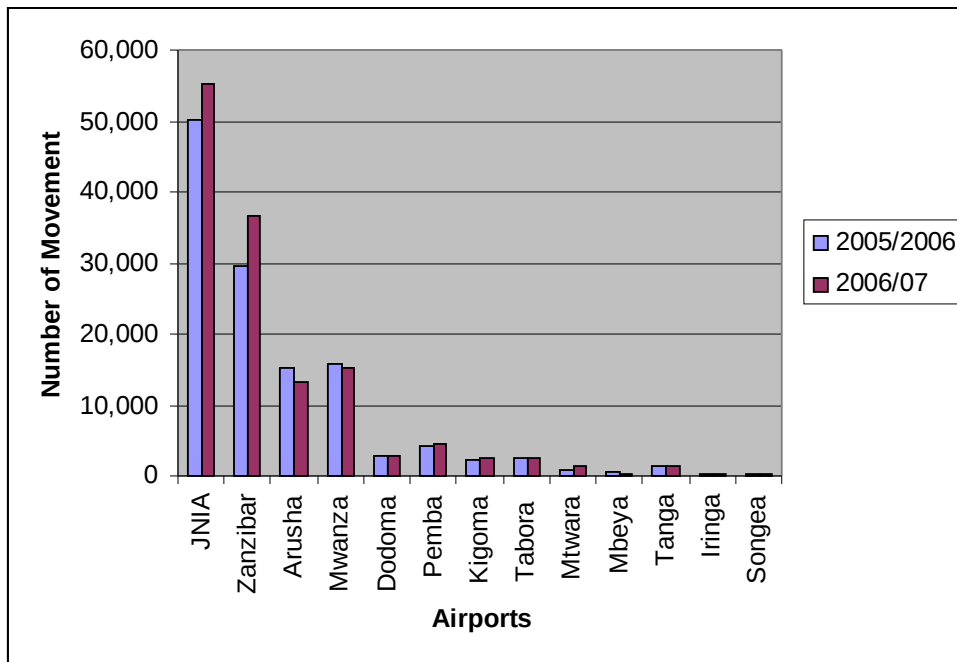
**1.3.4 Aeronautical Fixed Telecommunication Network:**

Equipment serviceability for the year was 97% for the international circuits and 78% for the domestic circuits.

**1.2 Air Traffic Services**

**1.5.1** The number of aircraft movements handled by the Dar es Salaam Area Control Centre increased by 6.4%, from 53,228 movements handled during the previous year to 56,645.

**1.5.2** At the thirteen airports in Tanzania where the Authority provides air traffic control services, the total aircraft movements increased by 7.8 % over last year, as shown in Figure One below:



*Figure 1: Air Traffic Movements at Airports*

**1.5.3** Air Traffic Control services continued to be provided on 24 hours basis at the Area Control Centre, Dar es Salaam and Zanzibar International Airports. At Mwanza Airport services were extended to 24 hours, to cater for non-scheduled

freight flights. At the remaining 10 airports, services were provided during daytime. Twenty four hours terminal radar control services continued to be provided at Dar es Salaam.

### **1.3 Aeronautical Information Services**

Twenty-four hour service continued to be provided at JNIA and 12 hour service at Arusha, Dodoma, and JNIA terminal one. 14 hour service was provided at both Zanzibar and Mwanza stations. During the year, the International Notam Office (NOF) handled 57,467 foreign NOTAMs compared to 46,754 in the previous year and issued 874 NOTAMs relevant to Tanzania compared to 890 in 2005/06. Additionally, 6,038 Aeronautical Pre-Flight Information Bulletins (PIB) were provided to airlines operating at JNIA.

### **1.4 Provision of aeronautical information on a timely basis**

Four amendments to the AIP were issued this year. Aerodrome Index Chart and ATS Route Structure in the FIR chart were updated and reissued.

### **1.5 Aeronautical Fixed Services**

The number of messages handled were 1,637,371 (826,131 international; 811,240 domestic) compared to 1,431,632 (830,784 international, 600,848 domestic) messages handled the previous year. Most of the international messages are transit traffic between Nairobi and Johannesburg Centres.

## **2.0 SAFETY AND SECURITY REGULATION**

During the reporting period, the Authority adequately continued to maintain safety and security oversight of the aviation industry in Tanzania. The Authority also continued to undertake accident investigation on behalf of the Minister for Infrastructure Development.

The review process of the Tanzania Air Navigation Regulations and harmonisation of safety regulations at EAC level to comply with ICAO Annexes 1, 2, 6, and 8 was completed in June 2006 and were promulgated by the Government in December 2006. The Tanzania Civil Aviation Regulations (TCARs) 2006, which will replace the Tanzania Air Navigation Regulations (TANRs) 2003, were adopted by the EAC in June 2007 and will come into force by January 2008. The process of harmonising the aerodrome regulations and aviation security regulations has been finalised and submitted to the Government for promulgation.

### **2.1 Safety Oversight**

During the period, various activities which were planned for implementation and enforcement of the Tanzania Air Navigation Regulations, 2003 to ensure a compliant industry were carried out. The following figures indicate performance in major activities undertaken by the Authority:

### 2.1.1 Flight Operations inspections and surveillance

One new air operator was certificated, one air operator's certificate was revoked and four operators did not renew their certificates making the total number of certificated air operators to be 26. Figure 2 below shows the performance.

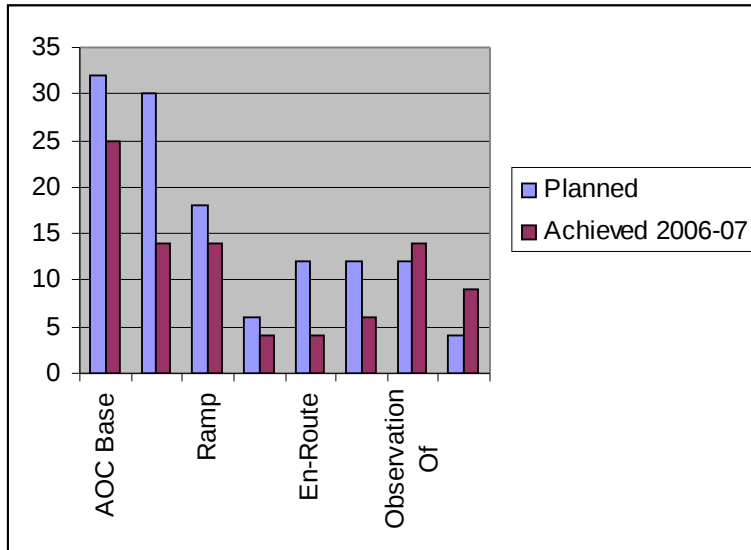


Figure 2: Flight Operations Inspections and Surveillance

### 2.1.2 Airworthiness inspection and surveillance

Four new approvals for aircraft maintenance organisation (AMO) were issued to bring the number to 26 AMOs. 171 and 18 aircraft certificates of airworthiness were renewed and issued respectively as compared to 181 and 43 renewals and issues respectively done in the previous year. Figure 3 shows the performance in this area.

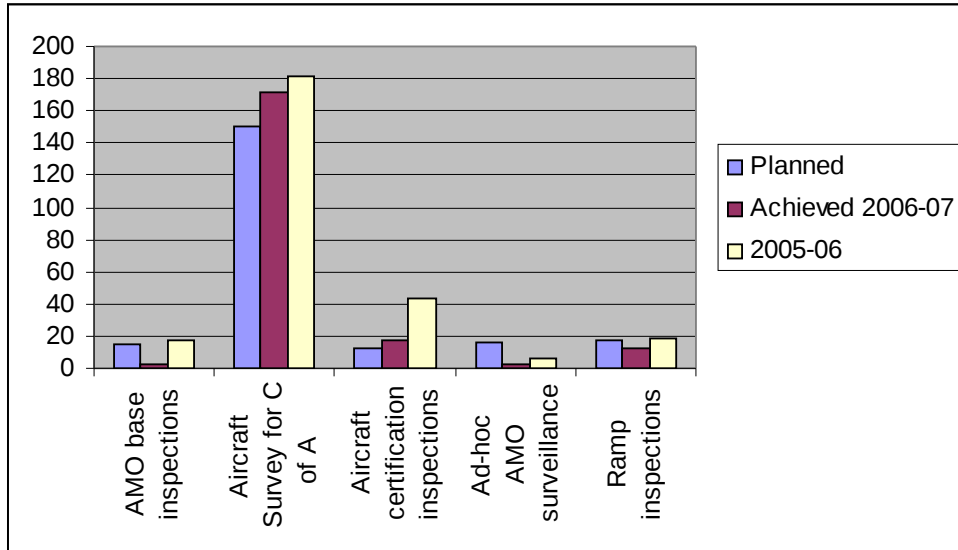


Figure 3: Airworthiness Inspections and Surveillance

### 2.1.3 Technical Examinations

A total of 552 examinations were booked as compared to 487 booked in the previous year, being an increase of 13.3%. These included written and oral examinations together with various flying tests for grant, renewal, conversion, extension and validation of licenses and certificates. Figure 4 below depicts the examinations booked during the year.

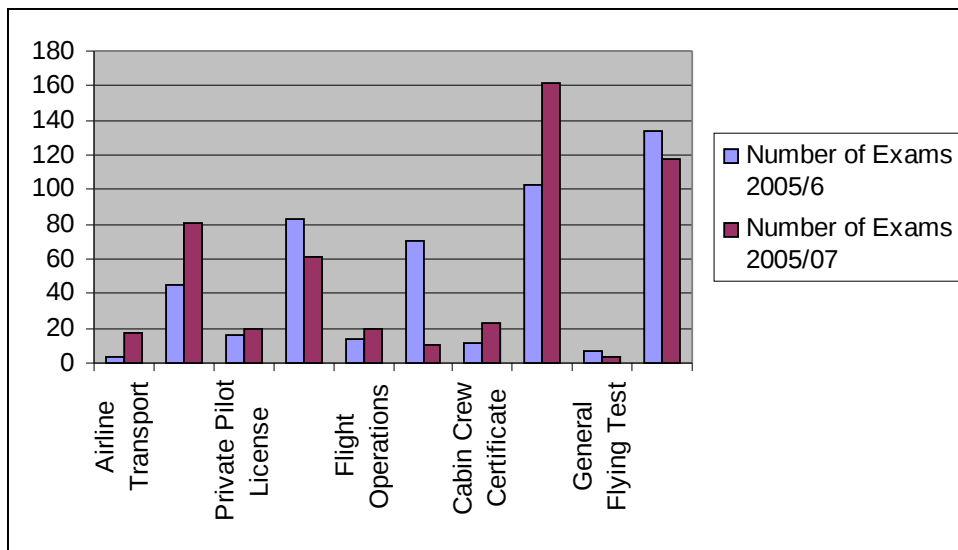


Figure 4: Technical Examinations Booked

### 2.1.4 Licences and Certificates issued

A total of 147 licences (including certificates) were issued compared to 183 issued in 2005/06 being a decrease of 19.7% as shown in Figure 5 below:

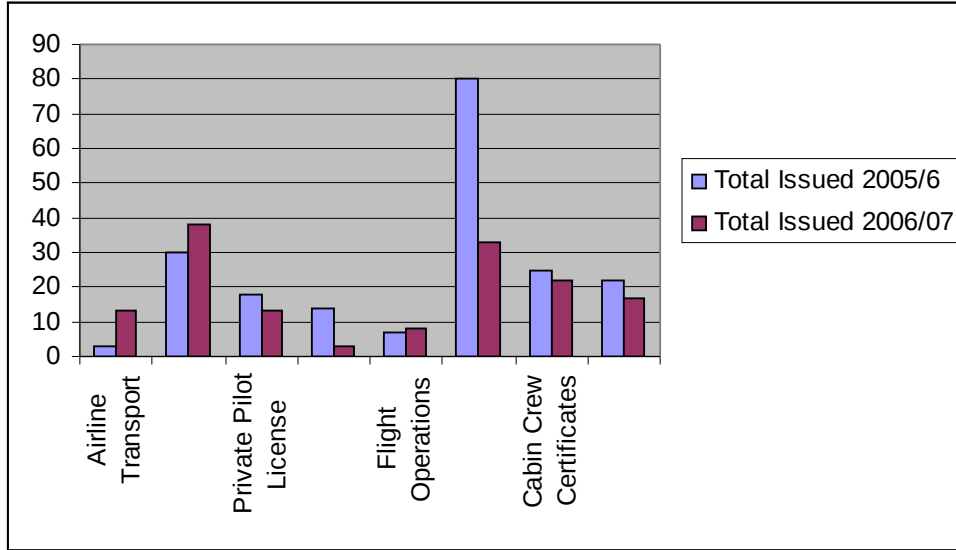


Figure 5: Licences and Certificates Issued

### 2.1.5 Licence and Certificate Renewals

A total of 549 licenses including certificates and ratings, were renewed compared to 634 renewed in 2005/06, being a decrease of 13.4% as shown in the Figure 6 below:

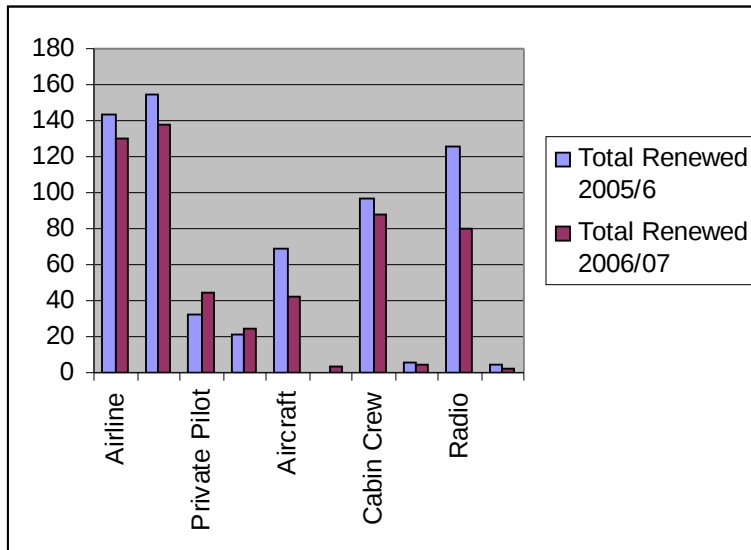


Figure 6: Licence and Certificate Renewals

### 2.1.6 Licence Endorsements

A total of 232 endorsements were made on various licences and certificates compared to 249 made in 2005/06, being a decrease of 6.8% as shown in Figure 7 below:

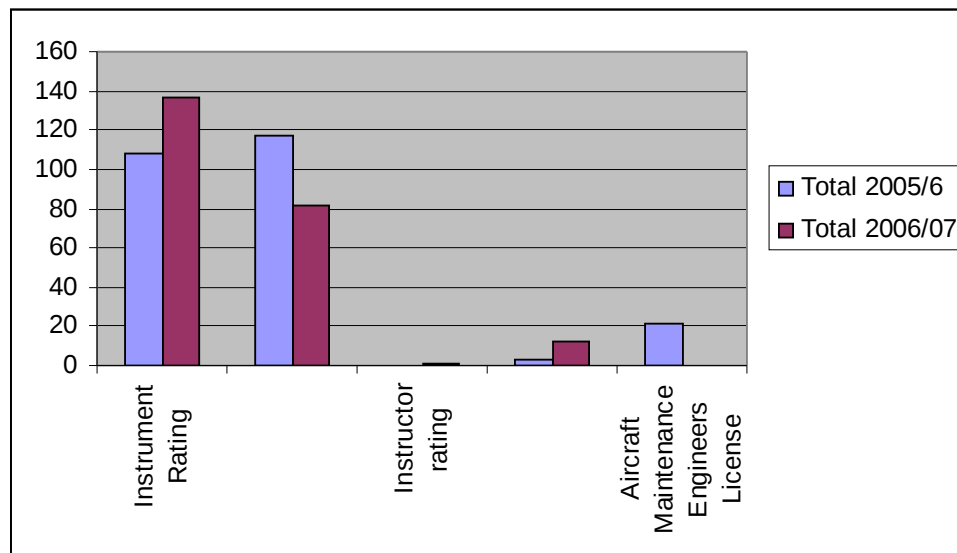


Figure 7: Licences Endorsed

### 2.1.7 Air Navigation and Aerodromes Regulation

#### **Aerodrome Licenses and Certificates**

The Julius Nyerere and Kilimanjaro International Airports continued to hold aerodrome licences during the period while Zanzibar International Airport continued to work for compliance to this requirement. Thirty six (36) smaller aerodromes were certified in compliance with Tanzania Air Navigation Regulations, 2003.

#### **Aerodrome, ATM and CNS Stations/facilities Surveillance**

All 64 Government aerodromes were inspected and kept under surveillance as part of the safety oversight requirement. Eleven (11) Air Traffic Management and fourteen (14) Communications, Navigation and Surveillance facilities were kept under surveillance as a prelude to commissioning the facility certification process once the preparation of the guidance/procedure manuals is completed.

##### 2.1.7.1 Sale of Documents

A total of 364 various documents were sold compared to 332 sold in the previous year being an increase of 9.6%.

### 2.1.8 Accidents and Incidences Rates

Five accidents were reported during this period compared to three accidents reported in the previous year being an increase of 66.7%. However, the number of incidents remained at ten (10) as for the previous year. Sensitisation is going on for implementation of safety management systems across all safety related disciplines in the aviation industry. Figure 8 below shows the accident and incident rates.

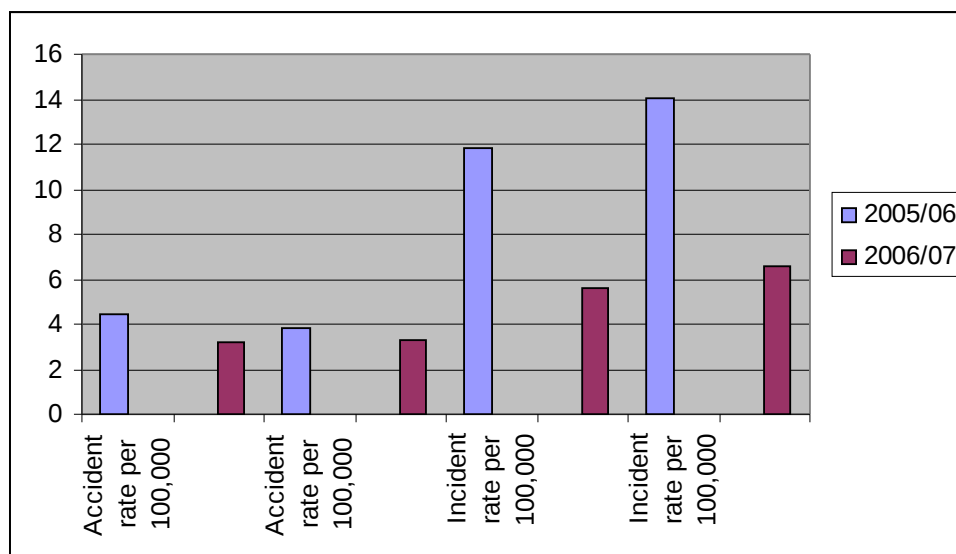


Figure 8: Number of Accidents and Incidents Rates

### 2.1.9 Oversight of Aviation Security

During this period, the Authority and Tanzania Airports Authority continued to implement the action plan drawn up to resolve deficiencies identified during the July 2004 ICAO USAP audit. Out of the 163 corrective actions were proposed, 119 being 73%, have already been implemented.

Harmonisation of Aviation Security Regulations has been finalised and has been submitted to the Government for promulgation. Guidance Manuals/Programmes including the Certification of Aviation Security Screener Guidance Manual and National Aviation Security Training Programme were developed and approved for use.

Four (4) airline security manuals and one (1) airport security manual were evaluated and approved. The target could not be attained, as operators were unable to submit their draft documents. Contacts with their headquarters were initiated to ensure they submit the programmes to the Authority.



A total of 21 airport security audits, inspections (both formal and ad-hoc) were conducted as related to the planned 29. The new AVSEC recruits underwent on job training while one inspector was engaged with EAC harmonisation of Aerodrome Regulations and Security Regulations.

The National Civil Aviation Security Committee held four meetings in Mbeya, Zanzibar, Mwanza and Dar es Salaam while a total of 56 airport security screeners from JNIA were interviewed and issued with aviation security screener certificates. Further, a total of 4 airport security staff at Pemba airport was sponsored by the Authority for Basic Airport Security Training (ICAO STP 123 - Basic).

#### **2.1.10 Regional initiatives in the areas of Safety and Security**

The EAC Civil Aviation Safety and Security Agency (CASSOA) was established on 1 June 2007 as a basic model in line with the recommendations of ICAO Doc 9734 Part B.

The Technical Guidance Material Task Force for the harmonised Civil Aviation Regulations (Safety) completed the task for the critical areas and the documents were submitted to the CASSOA Board in July 2007. Preparation of prioritised Aerodrome and AVSEC guidance materials is in progress and the documents are expected to be ready by October 2007.

#### **2.1.11 Training for Pilots and Aircraft Maintenance Engineers**

The second batch of three engineering cadets graduated from Ethiopia in December 2006. Two cadets have been employed in the industry and one has been recruited by the Authority as an Airworthiness Inspector Trainee. Further, training of pilots and engineers is awaiting the establishment of the Training Fund. The final draft of the Training Fund Regulations is ready and is awaiting approval of the Board for submission to the Government.

### **3.0 ECONOMIC REGULATION**

#### **3.1 Air Transport Regulation**

During the period under review, the Ground Handling Regulations (GHRs) were completed and considered by Stakeholders. Gazetting of the Ground Handling Regulations is expected to take place during the first Quarter of 2007/2008 Financial Year. Furthermore, during this period, work on Tanzania Civil Aviation (Rates and Charges) rules started and the rules are expected to be gazetted during the second quarter of 2007/2008.

Also, the Authority completed preparations for holding of its first Public Inquiry as provided for in the law. The Inquiry, which will be on the Liberalization of Ground

Handling Services (passenger, aircraft and cargo handling and aircraft fuelling services), is scheduled to take place in next year (2007/08).

During the year under review,, the Board held two Air Services Licensing Meetings and a total of 17 local and foreign air operators were licensed compared to 39 operators, licensed in previous year; being a decline of 56%. The decline in the number of licensed operators is attributed to many operators operating on provisional licences, pending the holding of Licensing Board Meetings. Figure 9 below shows the details of the air licences issued.

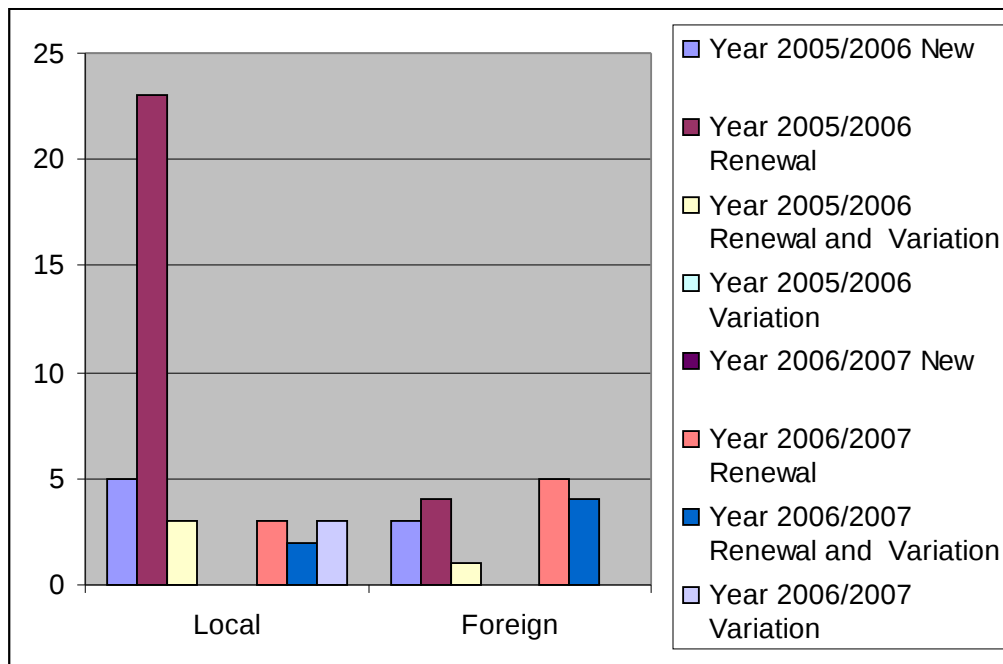


Figure 9: Number of Air Service Licences Issued

### 3.2 Regional and International Cooperation

During the reporting period, Tanzania reviewed one Bilateral Air Services Agreement (BASA) with Germany and signed one BASA with the Republic of Rwanda. Preparations for review of BASA with Kenya and entering into new agreements with Algeria and Angola were undertaken. It is expected that the review and negotiation respectively will be finalized next financial year.

### 3.3 Coordination of Facilitation of Air Transport

As per ICAO requirement and the approved National Air Transport Facilitation Programme, during the period under review, two National Air Transport Facilitation meetings were held in Mwanza and Arusha. Furthermore, two East African Consultative Facilitation meetings were also held at Mbarara (Uganda) and Kisumu (Kenya) during the 2<sup>nd</sup> and 4<sup>th</sup> Quarters of the financial year.

### 3.4 Statistical Reports and Industry Performance

#### 3.4.1 Statistical Reports

The Annual Statistical Report for 2006 was completed in June 2007.

#### 3.4.2 Industry Performance

International aircraft movements increased by 8.3% from 24,996 movements in the previous financial year to 27,066 movements in financial year 2006/2007. The growth is a result of increased in weekly frequencies for scheduled operations to 101 frequencies from 87 during the previous year.

Meanwhile, domestic aircraft movements increased at 3% from 130,435 movements in the previous year to 134,080 movements in financial year 2006/2007, mainly due to the expansion of services by Precision Air Services. Figure 10 below shows the movements during the period.

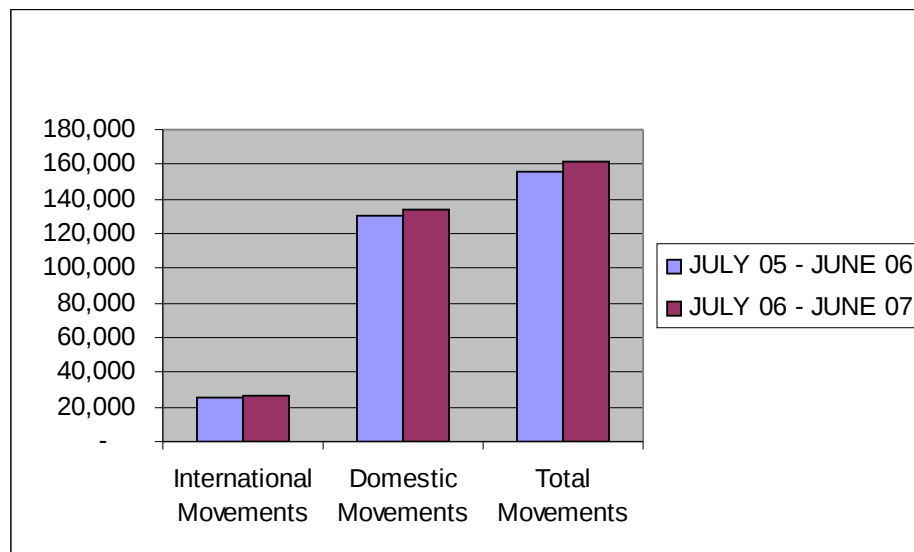


Figure 10: Aircraft Movements

With regard to passenger traffic, that of international passenger grew by 12% from 1,021,822 passengers in 2005/2006 to 1,145,100 passengers in 2006/2007. This is mainly due to the introduction and subsequent increase of services by Zambian Airways and Qatar Airways. The two operators started operations in the year 2006/07 and both raised their frequencies to 7 per week from 3 and 5 per week respectively.

On the other hand, domestic passengers increased from 1,250,563 passengers in the previous year to 1,497,943 passengers in financial year 2006/2007,

recording a growth of 19.8%. This is due to expansion of services by operators, deployment of bigger aircrafts and improvement in aircraft utilization. Figure 11 below show the passenger traffic.

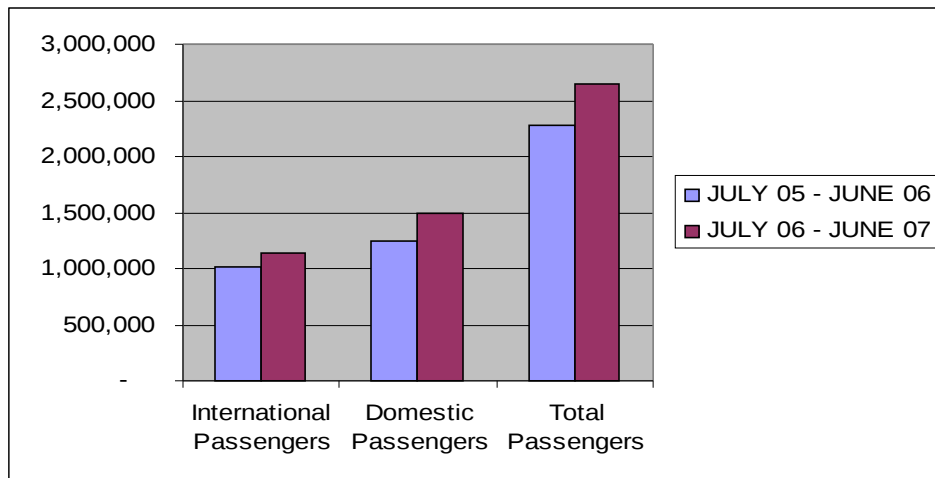


Figure 11: Passenger Traffic

During the year under review, the overall performance of the industry was relatively good. Total aircraft movements increased from 155,431 movements in the financial year 2005/2006 to 161,146 movements in financial year 2006/2007, recording an increase of 3.7%. With regard to passenger traffic, this increased from 2,272,385 to 2,643,043 passengers in the same period, recording a growth of 16.3%. This growth is also associated with growth of economy, as GDP grew by 6.2% from Shs 13,063,317 million to Shs 14,995,247 million during this period.

## 4.0 CORPORATE SERVICES

### 4.1 Human Resources

#### 4.1.1 Competitive Recruitment

The Authority completed the implementation of the requirement of the TCAA Act No. 10 with regards to competitive recruitment of employees of the former Authority. During the period under review, a total of 260 staff were recruited.

#### 4.1.2 Staff Welfare

- (i) The Authority reviewed its benefit package and got it approved by the Government. Its implementation will start in year 2007/08. Further, the Authority held its annual Total Fitness day where Employees and their families participated in various fitness exercises and games.

- (ii) The Authority facilitated employees to acquire a total of 157 building plots in different Municipalities in the country through the Ministry of Lands Development and Human Settlements with the cooperation of TUGHE national leadership.

#### **4.1.3 Training and Development**

During this period, the Authority continued to implement the three years Training Programme (2005/06-2008/09), which covers all employees of the Authority. For the year under review, a total of 166 staff were trained.

- (i) **Air Traffic Control Pre-service Training**  
Twenty new trainees completed the 56-weeks aerodrome control training and were employed after being rated successfully.
- (ii) **Courses at the Civil Aviation Training Centre**  
During this period 29 courses were conducted at the Centre and at several other venues (KADCO, Mozambique and Zanzibar). The courses conducted related to:-
  - a) Air traffic control,
  - b) Aeronautical information services,
  - c) Aviation security,
  - d) Navigational aid maintenance,
  - e) Training of On-the-Job Trainers and
  - f) Induction for the Authority's new recruits.

#### **4.1.4 Development Initiatives undertaken by the Centre**

During this period, the Centre continued to undertake several initiatives aimed at ensuring that the Centre continues to provide quality training to the Authority and other users. These included:

- (i) The process of accreditation with NACTE
- (ii) Development of Instructors
- (iii) Marketing of the Centre
- (iv) Participation in the EAC Aviation Training Organization meetings
- (v) Re-establishment of an Account Unit including opening of a separate bank account

## **4.2 ICT**

### **4.2.1 Wide Area Network**

During the period under review, the main wide area network (WAN) installation in Dar es Salaam was completed. Gateways harmonization was completed which facilitated its efficient use.

#### 4.2.2 Disaster Recovery Facility

This facility, which enable data and information being stored to be salvaged in case there is a crash of the system, is in progress and is expected to be completed during 2007/2008. During this period, equipments procured were received.

#### 4.2.3 Website

The Authority's website was reconfigured, making more user friendly. Update is now undertaken on a monthly basis.

### 4.3 PROCUREMENT

During the period under review, the Authority prepared an annual Procurement Plan and undertook various procurement activities under this Plan. The following are the major procurements done during the year:

- (i) The contractor for the proposed Aviation House, whose construction is now expected to commence mid next financial year
- (ii) Installation & Commissioning of CVOR/DME at Zanzibar International Airport
- (iii) Flight inspection of air navigation equipment

## 5.0 FINANCE

### 5.1 Revenue

During the year, the Authority earned a total of Sh 16.6 billion as revenue from operations compared to the budgeted amount of Sh 16.7 billion analysed as follows:

	<b>Budget (shs)</b>	<b>Actual (shs)</b>
Air Navigation	7,152,348	7,299,274
Landing & Parking fees	1,716,372	1,241,112
Short term Licence	780,612	803,510
Airworthiness Certification	211,296	246,503
Personnel Licencing	105,648	102,760
Flight Operation fees	102,204	95,059
AIP sales	12,264	12,151
CATC Course fees	78,684	194,728
Administration fees	73,188	87,864
Airport Service Certification	88,056	121,727
Flight Safety Documents	6,000	10,132
Safety fees	6,379,980	6,397,525
<b>Total</b>	<b>16,706,652</b>	<b>16,612,345</b>

In addition, the Authority earned Sh 310.6 million from other income compared to the budget of Sh 277.9 million making total revenue earned for the year to reach Sh 16.9 billion as budgeted.

### 5.1.1 Expenditure

Total operating expenditure for the year was Sh 10.3 billion compared to the budget of Sh 10.4 billion for the year, which produced a saving of 1% as analysed below:

	<b>Budget (Shs)</b>	<b>Actual (Shs)</b>
Salaries & Related Expenses	3,651,451	3,558,876
Repairs & Maintenance	841,884	750,209
M.V.Fuels & Expenses	397,433	381,084
Finance Charges	230,469	208,328
Utilities & Comm. Expenses	999,776	935,419
Office expenses	1,909,488	1,852,098
Training & Seminars	2,087,030	2,334,957
<b>Total</b>	<b>10,460,597</b>	<b>10,359,404</b>

On the other hand, Capital Expenditure for the year was 1.825 billion against Sh 3.107 billion set aside for the year. The under expenditure is attributed to delay of commencement of the construction of the Proposed Aviation House.

### 5.1.2 Investment

The Authority made short term investments in Fixed Deposits totalling to USD 1.9 million and Shs 600 million:-

United African Bank (UBA)	USD 1.5 million
Diamond Trust	USD 0.4 million
African Banking Corporation	Shs.600 million

The deposit earned the Authority an interest totalling to USD 88,641.02 and Sh 111,312,245.41 which have been ploughed back to the deposits.

Details of the Authority's financial performance for the year ended 30 June 2007 is provided in the Report of the Controller and Auditor General which is appended to this report.