

AFRICA RISK CONSULTING

Tanzania Monthly Briefing April 2026

Tanzania Summary 15 April 2026

Tanzania's Controller and Auditor General (CAG), Charles Kichere, presents the 2024/2025 financial year audit to President Samia Suluhu Hassan (2021-present) on 31 March, indicating that 99% of audited government institutions received clean opinions for the 2024/2025 financial year, but that deficiencies still exist. United Kingdom (UK)-headquartered Fitch Ratings affirms Tanzania's Long-Term Foreign-Currency (LTFC) Issuer Default Rating (IDR) at 'B+' with a stable outlook on 27 March, citing that economic growth remains strong and debt levels manageable, but that structural weaknesses persist. In addition, the ratings commentary warns that Tanzania's growth outlook will be heavily influenced by the ongoing conflict in the Middle East, which will also impact its current account deficit. The government signs a \$300m deal with United States (US)-owned Panda Hill Tanzania Limited for the Panda Hill niobium project, laying the foundation for the construction of the mine and processing plant.

CAG publishes 2024/2025 audit

Tanzania's Controller and Auditor General (CAG), **Charles Kichere**, presented the 2024/2025 financial year audit to President **Samia Suluhu Hassan** (2021-present) on 31 March, indicating that 99% of audited government institutions received clean opinions for the 2024/2025 financial year, but that deficiencies still exist. Kichere's department [carried](#) out an extensive audit, including 1,339 financial statement audits, 18 performance audits, 12 technical audits, 137 ICT system audits, and 147 special investigative audits.

The audit [exposed](#) the profit and loss-making public institutions, revealing that 22 out of 54 public institutions continue to operate at a loss, up from 19 out of 52 institutions audited in the 2023/2024 financial year. Total losses reached TSh 307.1 billion (\$118.3m). Kichere [presented](#) the audit results in parliament on 10 April, where he concluded that institutions have a limited capacity to generate revenue and a significant reliance on government subsidies, alongside weak expenditure controls.

One of the more notable loss-makers was national carrier **Air Tanzania**, which registered a TSh 191.19 billion (\$73.67m) loss for the financial year in review, a 108% increase compared to the previous year. The government had provided Air Tanzania with a TSh 114 billion (\$43.93m) subsidy in the financial year. Another notable example was **Tanzania Railway Corporation (TRC)**, which recorded a TSh 3.06 billion (\$1.17m) loss. While not as significant a sum, the loss was largely due to damages from 328 train accidents recorded in the year in review, highlighting safety concerns and their impact on the budget. Other loss-making institutions included the **Tanzania Geothermal Development Company**, **National Ranching Company (NARCO)**, **STAMIGOLD** and **Tanapa Investment**, among others.

The audit [reported](#) that wasteful expenditure among public institutions decreased 68% compared to the previous year, standing at TSh 117.62 billion (\$45.32m), but irregular expenditure increased to TSh 8.56 billion (\$3.29m). Kichere also [noted](#) that there has been a lack of implementation of recommendations over the years, with only approximately 35% of recommendations issued to public entities and institutions fully implemented, 47% in progress, 16% not implemented and 2% considered obsolete. In some cases, this lack of implementation has led to non-payment of arrears, going back as far as the 2008/2009 financial year, for which TSh 7.24 billion (\$2.78m) in tax arrears remains unpaid.

These audits not only highlight management of public finances, which has improved according to the audit, but also the impacts of poor management/budgetary performance. In his comments, Kichere [flagged](#) his concern that Tanzania's 44 embassies and international representative offices were not being allocated sufficient funds – TSh 188.73 billion (\$72.72m) in the 2024/2025 financial year – to carry out their duties effectively. Of this amount, only TSh 14.12 billion (\$5.44m) was allocated to carrying out diplomatic functions (promoting trade, investment, etc) with the remaining funds, TSh 174.61 billion (\$67.28m), used solely on operational costs such as rent, electricity, and foreign service allowances, impacting the ability of Tanzania's foreign service to fulfil its duties. In addition, the government had to increase the budget covering operational expenses in the 2024/2025 financial year, with no additional funding given to the actual carrying out of diplomatic functions.

In a more localised case, Kichere's report [revealed](#) that only 50% of planned road upgrades have been implemented over the last four years as various institutions and offices in charges of this vital infrastructure have continued to insufficiently disburse their budgets, resulting in a lack of performance.

Fitch confirms Tanzania's rating but warns of Middle East threats

United Kingdom (UK)-headquartered **Fitch Ratings** [affirmed](#) Tanzania's Long-Term Foreign-Currency (LTFC) Issuer Default Rating (IDR) at 'B+' with a stable outlook on 27 March, citing that economic growth remains strong and debt levels manageable, but that structural weaknesses persist. In addition, the ratings commentary warned that Tanzania's growth outlook will be heavily influenced by the ongoing conflict in the **Middle East**, which will also impact its current account deficit.

Fitch currently [forecasts](#) growth to remain strong at 6% in 2026 and 2027, driven by robust agriculture and mining activity alongside investment in major infrastructure projects, including the **East African Crude Oil Pipeline (EACOP)**, but that this outlook is dependent on the duration of the **Iran** war. Tanzania imports approximately 62% of its fuel and 40% of its fertilisers from **Gulf** countries, while a large portion of its tourist arrivals also come through the Gulf region. Should there be drawn out disruptions to these factors, growth could decline.

The **Bank of Tanzania (BoT)** (central bank) [expects](#) inflation to remain in its target band of 3% to 5% in the second quarter despite increasing fuel prices, with deputy governor Dr **Yamungu Kayandabila** noting that lower food prices and the shilling's stability are helping to offset inflationary pressures. In its **Monetary Policy Committee (MPC)** meeting on 2 April, it decided to keep the Central Bank Rate (CBR) at 5.75%, a decision several central banks have taken across the continent as they monitor the impacts of the war.

Another knock-on effect is the current account deficit, which Fitch [expects](#) to widen to 3.5% of GDP in 2026, as the country may lose tourism receipts alongside costlier fuel imports. Oil prices were hovering around \$90 - \$95 a barrel between 14 and 15 April, well-above Fitch's baseline of \$70 a barrel for 2026. These higher prices also mean that Tanzania's international reserves' coverage of current payments will drop to about 2.5 months over 2026/27, below Fitch's 'B' median of 4.8 months.

On the upside, Fitch has forecast that Tanzania's government debt will decrease to 47% of GDP in the 2027 financial year, from 50% in the 2025 financial year. Fitch also highlighted Tanzania's improving public finances management (see above), noting that supplier and VAT arrears had decreased to 0.2% of GDP from 1.2% in December 2022.

Overall, Tanzania's economic picture remains positive but the impacts of the conflict will need to be monitored and responded to efficiently to ensure that the economy remains largely cushioned from its impacts.

Government signs deal on Panda Hill niobium project

The government signed a \$300m deal with the **United States (US)**-owned **Panda Hill Tanzania Limited** for the Panda Hill niobium project, [laying](#) the foundation for the construction of the mine and

processing plant. Niobium is used to produce high-strength, low-alloy steels, meaning it can strengthen steel without adding significant weight, and is [classified](#) as a critical mineral, including by the US, **China**, **Russia**, members of the **European Union**, and **Australia**. Global supply is dominated by **Brazil**, which contributes 90% through two producers, with the remainder produced in **Canada** by a single producer. Panda Hill will become the fourth major global producer, supplying about 4%, or approximately 100,000 tonnes per year.

Mines minister **Anthony Mavunde** oversaw the signing, emphasising that the deal strengthens Tanzania's trade ties with the US. Officials present at the signing also highlighted how the project shifts Tanzania from exporting raw materials to exporting processed products, adding value locally. Panda Hill will have [on-site processing and smelting](#), which produces ferroniobium, the material used by steelmakers and manufacturers. It will be the first ferroniobium plant on the continent and only the fourth globally. The mine is expected to cost \$53m to construct, and to take 21-24 months to complete, while the beneficiation, furnace and smelting facilities are set to cost up to \$134m.

The deposit – discovered in 1950 – is in the **Mbeya Region** and will serve as an anchor for development in surrounding areas. The project is expected to create 1,600 jobs during construction and 600 permanent jobs. Panda Hill Tanzania has [forecast](#) that 70% of goods and services will be procured locally, with a total budget of \$1.77 billion over the mine's 30-year lifespan. The **Songwe Prison** farm is currently located on the land the mine will use, so Panda Hill Tanzania has agreed to construct a new prison facility. Together, it is [expected](#) that total direct and indirect beneficiaries of the project will be around 7,000.

The project has been in the works for nearly a decade, and came close to construction in 2017. However, the [change](#) in mining laws that granted the government a stake of at least 16% in mining companies, with the option to acquire up to 50% in some cases, led to a pause in the project as contracts had to be re-negotiated. Treasury registrar **Nehemiah Mchechu** [confirmed](#) at the signing that the government continues to hold a 16% free carry, and that the government's revenues from royalties, taxes and dividends are forecast at \$686m over the project's life.

Looking ahead, Panda Hill Tanzania will need to obtain a special mining licence, update feasibility studies and begin the construction process, including integrating into the electrical grid. Overall, this marks a step forward in Tanzania's economic development and is an industrial production success for the mining sector.

Planner

19 – 21 Nov 2026 (**Tanzania**) 7th **Tanzania Mining and Investment Conference**

Oct 2026 (**Tanzania and Uganda**) Exports of oil via the **East African Crude Oil Pipeline (EACOP)**

2026 (**Tanzania**) **Ntorya Gas Project** to begin operations

Chronology

11 Apr 2026 **Dar es Salaam (Tanzania)** *The Citizen*. Controller and Auditor General (CAG) **Charles Kichere** highlights poor implementation of recommendations made in previous years, with some remaining unaddressed for up to 19 years;

9 Apr 2026 **Dar es Salaam (Tanzania)** *AP News*. President **Samia Suluhu Hassan** orders a reduction in the size of her presidential motorcades and mandates that accompanying officials use shared buses to curb government fuel consumption;

6 Apr 2026 **Dar es Salaam (Tanzania)** *Business Day*. **South Africa**-headquartered **Vodacom** invests \$28m to upgrade its **M-Pesa** platform in Tanzania;

3 Apr 2026 **Dar es Salaam (Tanzania)** *The Citizen*. Despite a sharp rise in fuel prices to approximately TZS 3,820 (\$1.47) per litre due to **Middle Eastern** tensions, the **Bank of Tanzania**

(central bank) expects headline inflation to remain within its 3% to 5% target range for the second quarter of 2026;

1 April 2026 **Dar es Salaam (Tanzania)** *The Citizen*. Fuel prices surge 33% to record highs as the impact of **Middle East** conflict disrupts global energy markets and local supply chains, with petrol retailing at TSh 3,820 (\$1.49) per litre and diesel at TSh 3,806 (\$1.46) per litre;

31 Mar 2026 **Dar es Salaam (Tanzania)** *Daily News*. The first session of the 13th Parliament is postponed on 31 March, following the passing of former minister **William Lukuvi**;

30 Mar 2026 **Dar es Salaam (Tanzania)** *The Citizen*. **United States**-headquartered credit rating agency **Fitch Ratings** affirms that Tanzania maintains its B+ credit rating with a stable outlook, signalling continued confidence in the country's economic management and fiscal stability;

26 Mar 2026 **Dar es Salaam (Tanzania)** *The Citizen*. The **African Union** appoints former Tanzania president **Jakaya Kikwete** as its high representative for the **Horn of Africa** and the **Red Sea**;

25 Mar 2026 **Dar es Salaam (Tanzania)** *The Citizen*. Minerals minister **Anthony Mavunde** signs a significant TSh700 billion (\$256.4m) deal with **Australia**-headquartered **Panda Hill Mining**'s local subsidiary, **Panda Hill Tanzania Limited**, for the **Panda Hill Niobium** project in **Mbeya**;

24 Mar 2026 **Dar es Salaam (Tanzania)** *The Citizen*. Tanzania is strengthening fuel security measures to prevent potential shortages amid global supply disruptions linked to the **Middle East** conflict;

23 Mar 2026 **Dar es Salaam (Tanzania)** *The Citizen*. Industry and trade minister **Judith Kapinga** reports that Tanzania is positioning itself to expand trade with **China**, signalling readiness to deepen economic cooperation and increase exports;

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Please contact us by email info@africariskconsulting.com

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