



## Dar es Salaam (Tanzania) Chapter of ICAI

# 6th Annual International Virtual Conference 2021

## *Emerging Africa*



9<sup>th</sup> October 2021



WORLD  
CONGRESS OF  
ACCOUNTANTS  
2022 | 18-21 NOVEMBER | MUMBAI INDIA

# TABLE OF CONTENTS

Contents	Page No.
Messages	
- CA Nihar N Jambusaria, President ICAI .....	1
- HE Binaya S Pradhan, High Commissioner of India to Tanzania .....	2
- CPA Pius A Maneno, Executive Director, NBAA .....	3
- CA Kapil Garg, Chairman, Dar es Salaam (Tanzania) Chapter of ICAI .....	4
- CA Binu Paul, Vice-Chairman, Dar es Salaam (Tanzania) Chapter of ICAI .....	5
Articles	
- IFRS 17 – Insurance Contracts .....	7
- Doing Business in Tanzania .....	11
- Cyber Liability Insurance Policy .....	14
- Emerging Africa, Best Article from the students of Indian School, Dar es Salaam.....	16
- The Mount Kilimanjaro (TMK) .....	17
Memories from our Last Year’s Annual Anniversary Program .....	19
CSR Activities Conducted by Dar es Salaam (Tanzania) Chapter of ICAI .....	20
World Congress of Accountants (WCOA) 2022 - Olympics of the Accountancy Profession .....	22
Activities conducted by the Chapter during the year 2020 .....	23
Managing Committee of Dar es Salaam (Tanzania) Chapter of ICAI .....	24
Some Special Memories of Dar es Salaam (Tanzania) Chapter of ICAI .....	25
- Special Event on Indian Budget 2021	
- 7 Days Executive Program conducted by CMIIB of ICAI and represented by our Chairman CA Kapil Garg	
- Cricket Match between Yellow and Orange Team of DSM Chapter of ICAI	
- CA Day Celebrations	
- Joint Event with our Tanzania Regulator NBAA	
- 5 Days Program on Global Opportunities in Employment and Practice in different parts of the world, wherein our Chairman, CA Kapil Garg represented as a Panelist	
- A Program on Understanding the Equity Market & Post Covid Key considerations conducted by CCMIP of ICAI, hosted by DSM (T) Chapter	
- Interactive Meet by Managing Committee Members with High Commissioner of India to Tanzania	
- Independence Day Celebrations at High Commission of India, DSM, Tanzania	
- Participation in Research Awards of ICAI represented by our Chairman CA Kapil Garg	
Activities conducted by the Chapter during the year 2021 .....	30

**MESSAGE OF CA. NIHAR N JAMBUSARIA,  
PRESIDENT, ICAI FOR SOUVENIR FOR 6<sup>TH</sup>  
ANNUAL INTERNATIONAL CONFERENCE ON  
OCTOBER 9, 2021, ORGANIZED BY DAR ES  
SALAAM (TANZANIA) CHAPTER OF ICAI**



**CA. Nihar N. Jambusaria**

It gives me immense pleasure to note that the Dar es Salaam (Tanzania) Chapter is organizing its 6th Annual International Conference on October 9, 2021 through virtual mode, given the current scenario and restrictions posed by the Covid 19 pandemic .

Our profession has always managed to evolve over time by adapting to regulatory, economic and technological changes and in the current scenario, it has emerged more stronger, which in turn has empowered the professionals to face the new normal with confidence, expertise, and excellence. Your virtual event is one such example of that evolution and improvisation.

The efforts of the Dar es Salaam (Tanzania) Chapter to further enhance the brand equity of Indian Accountancy profession on a global level is laudable and I extend my heartiest congratulations to the entire management team for working hard towards taking the Chapter to newer zenith and achieving this milestone.

The theme chosen by the Chapter “Emerging Africa” is very relevant in the current times. The Indo-African relationship is firmly rooted in deep historical and political ties. Recently, ICAI has also taken the membership of Pan

African Federation of Accountants (PAFA) and is looking forward to work closely with the African counterparts for the benefit of all stakeholders.

I am confident that this virtual event would provide an excellent platform to interact with the experts in the field and understand emerging areas of professional development in the global economic scenario. The event would serve towards professional enrichment, opportunities and networking avenues for our members. I am sure that in the time to come, one will see Dar es Salaam (Tanzania) Chapter of ICAI taking itself to much higher level of professional excellence for the benefit of stakeholder community.

I extend my heartiest congratulations to the Dar es Salaam (Tanzania) Chapter of the ICAI and wish the event a grand success.

**CA. Nihar N. Jambusaria**  
President, ICAI  
The Institute of Chartered Accountants of India

भारतीय उच्चायुक्त  
High Commissioner of India



HE Binaya Srikanta Pradhan

**Message**

14 September 2021

It gives me pleasure to note that the Dar es Salaam Chapter of the Institute of Chartered Accountants of India (ICAI) is bringing out a souvenir to celebrate its 6<sup>th</sup> anniversary event.

The Chapter in Dar es Salaam has played constructive role in promoting economic linkages between India and Tanzania. The members, who are professionally very competent, have acted as bridges in bringing the financial sectors of the two countries closer. They have also contributed to growth of Tanzania's economy in a significant way.

I take this opportunity to wish the Dar es Salaam Chapter and all its members all success in times to come.

*B. Pradhan*

(Binaya Srikanta Pradhan)  
High Commissioner to Tanzania

High Commission of India, P.O. Box 2684, Plot No. 213/51, Shaaban Robert Street, Dar es Salaam, Tanzania.  
Tel: [255-22] 2113084 /2113088; Fax: [255-22] 2113093; Email: hc.desalaam@mea.gov.in

## MESSAGE FROM CPA PIUS A MANENO, EXECUTIVE DIRECTOR, NATIONAL BOARD OF ACCOUNTANTS AND AUDITORS (NBAA)



**CPA. Pius A. Maneno**

I feel so heartened to note that Dar es Salaam (Tanzania) Chapter of ICAI is organizing its 6<sup>th</sup> Annual/International Conference through virtual mode on 9<sup>th</sup> October 2021, and on behalf of NBAA and entire accounting profession in Tanzania, we would like to extend our sincere gratitude and congratulations to the Chapter and wish a very successful conference. The theme of the conference, i.e. “ Emerging Africa” is so relevant and important in today’s era as Africa is now in transformation process and evolving itself into a new world. The topics and speakers selected by the Chapter are excellent and shall provide a great experience to the delegates. The virtual platform would also provide a totally new experience to all the participants.

Considering the importance of the event, NBAA would also extend the invitation to its members to take the advantage of this conference for the development of the profession in our country. This will also serve towards the achievement of the objective of our MoU with ICAI.

The six years’ period that ICAI Chapter has been in Tanzania is characterised by committed leadership, team working spirit and devotion. The ICAI leadership and its members in Tanzania have been working tirelessly and closely with NBAA focusing on promoting the accountancy profession in the two partner countries. NBAA acknowledges

the outstanding efforts from ICAI leaders and members for making the best efforts for the betterment of accountancy profession in Tanzania. Since signing of our MoU in 2018, we have been able to work closely with the aim to enhance knowledge and skills of upcoming generation of accountancy professionals. NBAA as a regulator of the profession in Tanzania has been working very closely with sister bodies regionally and internationally in an efforts of promoting and spearheading the development of the accountancy profession in the country. NBAA will continue to honour its collaboration with all sister bodies including ICAI. The recent joint webinar conducted jointly by NBAA and ICAI Chapter of Cyber Crime was also a great success and I am sure we shall work more and more towards the objectives of MoU to develop the profession in both countries.

Once again my heartiest congratulations and best wishes for the International Conference.

**CPA. Pius A. Maneno**  
Executive Director  
National Board Of Accountants And Auditors-  
Tanzania

## MESSAGE FROM CHAPTER CHAIRMAN



**CA Kapil Garg**

It is my honor and privilege to welcome you all on the 6th International Conference of the Dar es Salaam (Tanzania) Chapter of ICAI. On behalf of the board of the DSM Chapter of ICAI, I would like to warmly welcome you all to the virtual conference. The theme for the conference this year is “Emerging Africa”. At the outset, I’m extremely proud of the achievements that we have had over the years despite the challenges we faced, including the phase of COVID. I’m thankful to all the members and sponsors for their valuable time and efforts in making use of the technological resources to continue the activities and events that promote and develop the chapter as well as the profession in Tanzania.

The theme “Emerging Africa” is an apt concept, specifically because Africa is on its way to achieve steady economic growth, improving governance and promoting investments. The global economy has been severely affected as a result of the pandemic, and nations are continuously working to rebuild their economies that have been adversely impacted.

The pandemic resulted in emergence of new technologies, of which our virtual seminar is a classic example. Over the years, Africa has embraced new technologies, improved infrastructure, investments and earned political accountability. The economic reforms initially had little effect on economic growth, but as political changes stabilized, economies began to respond.

As finance professionals, the global outlook is an indicator on the need of our profession in assessing the strategic needs of businesses and how best we can add value to businesses. The disruption in the operations as a result of the pandemic has raised questions as to whether the economy will improve, decline or stay the same. As the economies evolve, we as finance professionals are the key drive to shaping businesses towards the future.

I would like to thank ICAI Leadership and CPA Pius Maneno, the Executive Directors of National Board of Accountants and Auditors (NBAA) for collaborating with us, as a part of our MoU Implementation, in organizing a joint CPD Seminar on Cyber Crimes that would benefit both ICAI and NBAA members.

I can assure you that the Chapter is actively focused on developing the profession in order to cater to the needs of the emerging markets, and to shape the future of both the profession and businesses in this fast-paced era.

**CA Kapil Garg**  
Chairman  
Dar es Salaam (Tanzania) Chapter of ICAI

## MESSAGE FROM CHAPTER VICE-CHAIRMAN



**CA Binu Paul**

In our seventh year as Dar es Salaam (Tanzania) Chapter of ICAI, it gives me immense pleasure to pen this note for the Souvenir to be released in the backdrop of the 6<sup>th</sup> International Conference (Virtual) titled 'Emerging Africa'.

The African continent has 54 countries with varied biodiversity and economic conditions from the North to the South and from East to West with a long and complex history. It is believed that Homo sapiens have originated in Africa around 350,000 to 260,000 years ago. Blessed by God with natural resources in abundance, the continent has gone through major upheavals through centuries to arrive at this juncture.

Africa is at the cusp of a major economic turnaround to reap the rewards of its growing population, increasing domestic consumption and improved flow of goods, knowledge and resources between the countries.

It is our endeavour that this International Conference, which we are doing jointly with the Kenya Chapter of ICAI and in co-

operation with National Board of Accountants and Auditors (NBAA), brings into focus the importance of Africa as an emerging economic growth engine of the world and the role of Chartered Accountants in moulding a quality environment to nurture an emerging Africa.

This e-Souvenir aims to bring together a snapshot of our activities in the past year through the Covid-19 times, an article written by the student (best of several) from Indian School, Dar es Salaam and informative and insightful write-ups from prominent persons in Africa.

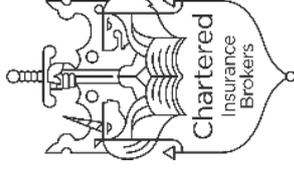
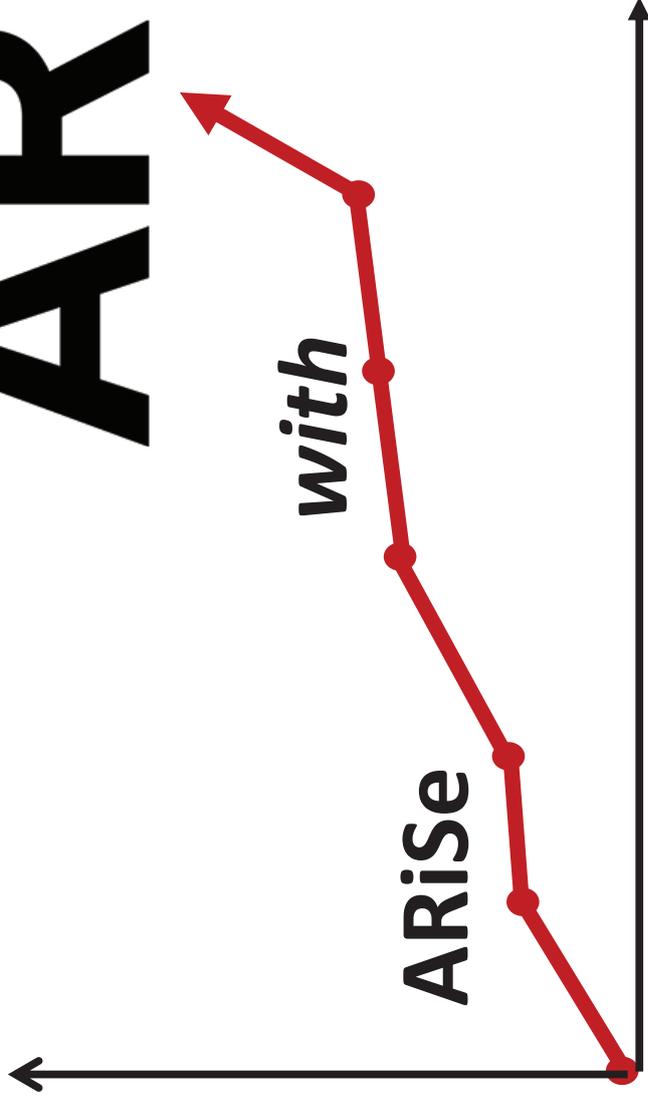
Happy e-reading

Ahsante Sana

**CA Binu Paul**  
Vice-Chairman  
Dar es Salaam (Tanzania) Chapter of ICAI

# Tanzania's Leading Insurance Broker

# ARIS



Broker at **LLOYD'S**

ARiS House, Plot No 152, Haile Selassie Road, Oysterbay,

Tel: +255 22 2 926 382 | Cell: 0754 999 966 / 0689 181 408 | E: [Tanzania@aris.co.tz](mailto:Tanzania@aris.co.tz) | W: [www.aris.co.tz](http://www.aris.co.tz)





# IFRS 17 – INSURANCE CONTRACTS

## Background

IFRS 17 is an International Financial Reporting Standard that was issued by the International Accounting Standards Board (IASB) in May 2017 after 20 years of research and consulting with various stakeholders and the issuance of discussion papers. On 17<sup>th</sup> of March 2020, IASB released the final version of the Standard. This Standard will replace IFRS 4 on accounting for insurance contracts and has an effective date of 1 January 2023 with comparative figures from 1<sup>st</sup> January, 2022.

## Processes

Step 1 Scope, definitions and identification of insurance contracts

### a) Task 1

- Apply IFRS 9 to determine whether there is an embedded derivative to be separated and, if there is, how to account for that derivative
- Separate from a host insurance contract an investment component if, and only if, that investment component is distinct. Apply IFRS 9 to account for the separated investment component

### b) Task 2

- Separate from the host insurance contract any promise to transfer distinct goods or non-insurance to a policyholder applying Para 7 of IFRS 15 to do this
- Apply IFRS 15 to account for these transactions

### c) Task 3

- Apply IFRS 17 to all remaining components of the host insurance contract.

## Step 2 Separation

Separate out elements accounted for following other IFRS standards (embedded derivatives, distinct investment components and performance obligations)

## Step 3 The unit of account – cohorts and groups

Insurance contracts must be divided into groups for recognition and measurement purposes

## Step 4 Apply the relevant IFRS 17 accounting model to groups of contracts

Recognize and measure the groups of insurance contracts at a risk-adjusted present value of the future cash flows plus unearned profits

## Step 5 Profit and loss recognition

Recognize profits over the period of insurance coverage and losses immediately

## Step 6 Presentation

- Present the elements of insurance revenue and expense separately from finance income and expense in performance statements
- Present balance sheet assets and liabilities ►

## ► IFRS 17 – INSURANCE CONTRACTS ...

### Step 7 Disclosure

Make appropriate disclosures

### The Point of Initial Recognition

IAS 17 states that an entity shall recognize a group of insurance contracts it issues from the earliest of the following:

- a) The beginning of the coverage period of the group of contracts, or
- b) The date when the first payment from a policyholder in the group becomes due under the contract, or
- c) For a group of onerous contracts, when the group becomes onerous

If there is no contractual due date, the first payment from the policyholder is deemed to be due when it is received. Recognize an asset or liability for any insurance acquisition cash flows that the entity pays or receives before the group is recognized.

### General Considerations

IFRS 17 requires a reporting entity to separate the non-insurance contracts from the group of insurance contracts, and apply this Standard to the remain contracts. IFRS 17 does not apply to insurance contracts in which the reporting entity is the policyholder; with the only exception is when those contracts are reinsurance contracts.

A reporting entity is allowed to apply the requirements to a collection of contracts (known as a portfolio of contracts) rather than on a contract-by-contract basis. A portfolio of contracts is a group of insurance contracts that are subject to similar risks and that are managed together.

### Unit of Account

The unit of account for recognition and measurement is at the level of “groups of contracts”. The aim here is to ensure that contracts are accounted for taking into account the way in which insurers manage and evaluate the performance of their business, whilst minimizing the offset of profitable contracts against onerous ones.

### Level of Aggregation

The level of aggregation requirements of IFRS 17 arrange insurance contracts into groups based on three stages or levels:

1. By risk type and way of management (portfolio level)
2. By time of issuance – one year issuing period (cohort level), and
3. By degree of profitability (group level)

Further each portfolios of contracts written within a period of no longer than one year, need to divide into contracts that, at initial recognition:

- (a) Are onerous, if any;
- (b) Have no significant possibility of becoming onerous subsequently, if any; or
- (c) Do not meet the descriptions in (a) or (b), if any.

The point of this is to prevent profits on some contracts offsetting losses on others resulting in an uninformative “net picture” being reported.

### Cohort

IFRS 17 requires a portfolio of contracts to be divided into annual ‘cohorts’ or time buckets. Entity may not include contracts issued more than one year apart in the same cohort. A cohort can however be based on an issuing period that is less than one year. The process requires the identification of an annual ‘cohort’ by dividing all insurance contracts in a portfolio into subsets that are issued not more than one year apart.

### Why this requirement?

1. Insurers will issue contracts at a particular price which will often remain stable for a certain period. Economic conditions however will change resulting in the insurer increasing or decreasing their price.
2. The IASB wants insurance contract accounting to avoid loss of information about the development of profitability over time.

3. The IASB introduced the annual cohort requirement as a mechanism to ensure that profitability trends are reported in the financial statements on a timely basis.

### **Contractual Service Margin (CSM)**

CSM represents the expected profit for the insurer, in addition to the compensation required by the insurer for bearing the uncertainty about the amount and timing of cash flows (i.e., the Risk Adjustment). CSM is established at initial recognition to avoid a time zero gain, and it functions like a deferred profit that is released over time into Income statement. The CSM of all insurance contracts is determined in aggregate, not at individual contract level. Consequently, the starting date and the end date of the cohort affect the pattern of CSM release over time.

### **Onerous Contract**

An insurance contract is onerous at the date of initial recognition if the fulfillment cash flows (FCF) allocated to the contract, any previously recognized insurance acquisition cash flows, and any cash flows arising from the contract at the date of initial recognition in total are a net outflow

On subsequent measurement, when the facts and circumstances indicate, at any time during the coverage period, that a group of contracts is onerous, an entity calculates the amount of loss and adjust the CSM / & Liability for remaining coverage.

### **Activities involved in the implementation**

- a) Understand IFRS 17 requirements
- b) Operational Gap Analysis
- c) Financial Impact assessment
- d) Report findings and implementation approach to Board, Executive management and key Stakeholders
- e) Develop implementation roadmap and budget
- f) Mobilize project resources and key internal and external stakeholders
- g) Identify the Target Operating Model
- h) Decide Measurement Model on various group of contracts
- i) Business Requirements and Data Development

- j) Design new Chart of Accounts to incorporate IFRS 17 unit of accounts
- k) Modify existing Accounting Policies
- l) Modify Actuarial Policies
- m) Decide the measurement methods for Transition
- n) System Tests and UAT
- o) Dry Run Testing
- p) Go Live
- q) Training to relevant teams

### **The Insurance Contract Liability**

The liability for remaining coverage (LFRC), consists of Fulfilment cash flows related to future service and Remaining contractual service margin;

PLUS

The liability for incurred claims (LIC) - Fulfilment cash flows relating to past service.

### **Accounting (Measurement) models**

The Standard provides three measurement models

- General Measurement Model (GMM) - This is the default model for accounting for insurance contracts;
- Premium Allocation Approach (PAA) - An optional simplified accounting model for short duration contracts or entity reasonably expects that the PAA will produce a liability for remaining coverage that will not differ materially from the measurement under the general measurement requirements;
- Variable Fee Approach (VFA) - to cater to the unique features of insurance contracts with direct participation features.

Initial measurement tasks - GMM

- Determine Fulfilment cash flows (Present Value and Risk adjusted)
  - i. Estimated future cash inflows and outflows
  - ii. Adjustment to reflect time value of money and financial risks related to the future cash flows
  - iii. Risk adjustment for non-financial risk
- Determine CSM ►

## ► IFRS 17 – INSURANCE CONTRACTS ...

- Recognize an asset or liability for any insurance acquisition cash flows that the entity pays or receives before the group is recognized

### Subsequent measurement tasks - GMM

- Premeasured fulfilment cash flows related to future service
- Release both financial and non-financial risk adjustments to Profit or Loss
- Recognize contractual service margin in Profit or Loss
- Recognize loss component in Profit or Loss (when contract becomes onerous)
- Release previously recognized loss component to Profit or Loss

### Transition

Basic approach is to apply IFRS 17 retrospectively. To do this the entity shall at the transition date:

- Identify, recognize and measure each group of insurance contracts as if IFRS 17 had always applied
- Derecognize any existing balances that would not exist had IFRS 17 always applied, and
- Recognize any resulting net difference in equity

If the retrospective approach is impracticable for a group of insurance contracts, there are 2 alternative approaches to transition permitted by the Standard:

- The modified retrospective approach - the objective of this approach is to achieve the closest outcome to retrospective application possible using reasonable and supportable information available without undue cost or effort, mostly applicable to the contracts issued somewhere in between new and old;  
OR

- The fair value approach (mostly applicable to old contracts) - Determine CSM loss component of the liability for remaining coverage at the transition date as difference between
  - The fair value of a group of insurance contracts at the transition date (IFRS 13), and
  - The fulfilment cash flows measured at the transition date.

### Presentation and disclosures

Statement of financial position - Present separately the carrying amount of groups of:

- Insurance contracts issued that are assets
- Insurance contracts issued that are liabilities
- Reinsurance contracts held that are assets, and
- Reinsurance contracts held that are liabilities

Statement of financial performance - Disaggregate the amounts recognized in the statement(s) of profit or loss and other comprehensive income into:

- An insurance service result, comprising insurance revenue and insurance service expenses, and
- Insurance finance income or expenses

### The objective of the disclosure requirements

An entity shall disclose information in the notes that, together with the information provided in the financial statements, gives a basis for users of financial statements to assess the effect that contracts within the scope of IFRS 17 have on the entity's financial position, financial performance and cash flows. To achieve that objective, an entity shall disclose qualitative and quantitative information.

### Authors:

C.A Saurabh Sahai - sahai.saurabh1@gmail.com  
C.A Sunil Theruvel - suniltk1970@yahoo.com

# DOING BUSINESS IN TANZANIA



*Agriculture is one of the key business sector in Tanzania*

As one of the fastest growing economies in Africa there are immense business opportunities in Tanzania. The key sectors remain Agriculture, Tourism and Mining followed by Trade and Services. While Dar es Salaam is the financial capital with a Port catering to landlocked countries bordering Tanzania, Dodoma is the political capital and Arusha and Mwanza other major cities.

Swahili is the officially spoken language but English is widely spoken in business community. Arabic is also common in community and Zanzibar. Culturally greeting and respect to elders is very important.

The business culture in Tanzania is friendly and easy going, but there are some cultural nuances which foreigners may take time to get used to.

## Government Structure

The president is both the head of state and head of government. The president is directly elected by simple majority popular vote for a five-year term and is eligible for a second term. The prime minister has authority over the day-to-day functions of the government and is the leader of government business in the National Assembly.

## Economic Data

Tanzania's economy is reliant on agriculture, which accounts for slightly less than one-quarter of GDP and employs about 65% of the work force. Gold production in recent years has increased to about 35% of exports. Tourism is another sector employing high number of people. The key data indicators are:

Population	61 Mn
GDP	USD 65 Bn
Per Capita	USD 1172
Exchange Rate	TZS 2310/ USD
Inflation Rate	3.67%
Average GDP Growth Rate (Last 5 Years)	6%
World Bank Ease of Doing Business	141/190

Source: IMF Feb 2021



*Tourism Agriculture is one of the key business sector in Tanzania*



## DOING BUSINESS IN TANZANIA ...

### ► Land Acquisition

All land is public land vested in the president as trustee on behalf of all citizens and is governed by the Land Act, 1999. Foreigners may acquire the right to occupy or may also lease land from private owners or government agencies or authorities.

#### Bilateral Treaties

Tanzania has bilateral investment treaties with Canada, China, Denmark, Finland, Germany, Italy, Mauritius, Sweden, Switzerland and the United Kingdom. Treaties have been signed with Egypt, Jordan, the Republic of Korea, Kuwait, Oman, South Africa, Turkey and Zimbabwe but these have not yet entered into force.

### Dispute Resolution

Tanzania dispute mechanism includes

- Convention on the Settlement of Investment Disputes (ICSID Convention)
- United Nations Commission on International Trade Law (“UNCITRAL”)
- United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Award (New York Convention)

### IMMIGRATION

Expatriates working in Tanzania must hold a valid work permit issued by the Commissioner for Labour and a Residence permit issued by the Director of Immigration Services, or a valid certificate of exemption. A work permit is valid for a period of two years and is renewable, provided the total validity of the first grant and its renewals do not exceed five years. The Non-Citizens (Employment Regulation) Act, 2015 allows an investor whose investment is of great value to the economy or well-being of Tanzanians to have the total period of validity of a work permit even exceeding five years.

#### Tanzania Investment Centre (TIC)

The Tanzania Investment Act governs investment in Tanzania. The TIC acts as one-stop-shop to coordinate, encourage, promote and facilitate investment in Tanzania. Registration with the TIC is not compulsory, but a foreign investor who intends to invest in Tanzania is entitled to apply to the TIC for a certificate of incentives if, inter alia, the amount to be invested by the foreign investor is at least USD 500,000 or the equivalent in any currency. ►

## Exchange Controls

There are no exchange control restrictions in Tanzania. However, banks may require evidence of the reason for certain payments such as dividend declarations and service fee payments in terms of the Bank of Tanzania Regulations. Foreign loans have to be registered with the Bank of Tanzania through a local commercial bank and repayments made using the registration number as reference.

## INCORPORATING NEW COMPANY IN TANZANIA

- BRELA

Companies are registered with the Business Registrations and Licensing Agency (BRELA) and it takes approximately 1 to 4 weeks to complete registration once all the required documents have been submitted.

- TRA

All taxpayers must register with the TRA and obtain a taxpayer identification number (“TIN”) within 15 days from commencing business in Tanzania. If an enterprise’s turnover exceeds the VAT registration threshold (Currently TZS 100 Million Per Annum), it should also specifically apply for VAT registration.

- NSSF

Every employer in the private sector must register with the NSSF. In addition, each individual employee must be registered with the fund.

- Workmen’s Compensation Fund

Every employer is obliged to register with the WCF when it begins to hire staff.

- OSHA

The owner or occupier of a workplace is required to register such workplace with OSHA prior to operating. Prior to approving an application, OSHA officials would visit the premises for a health and safety inspection.

- OTHER REGULATORY REGISTRATIONS

There are some other regulatory registrations that may be required if you are in a regulated business.

- BUSINESS LICENCE

Every business has to have a valid business license which is renewed every year on a payment of certain fees.

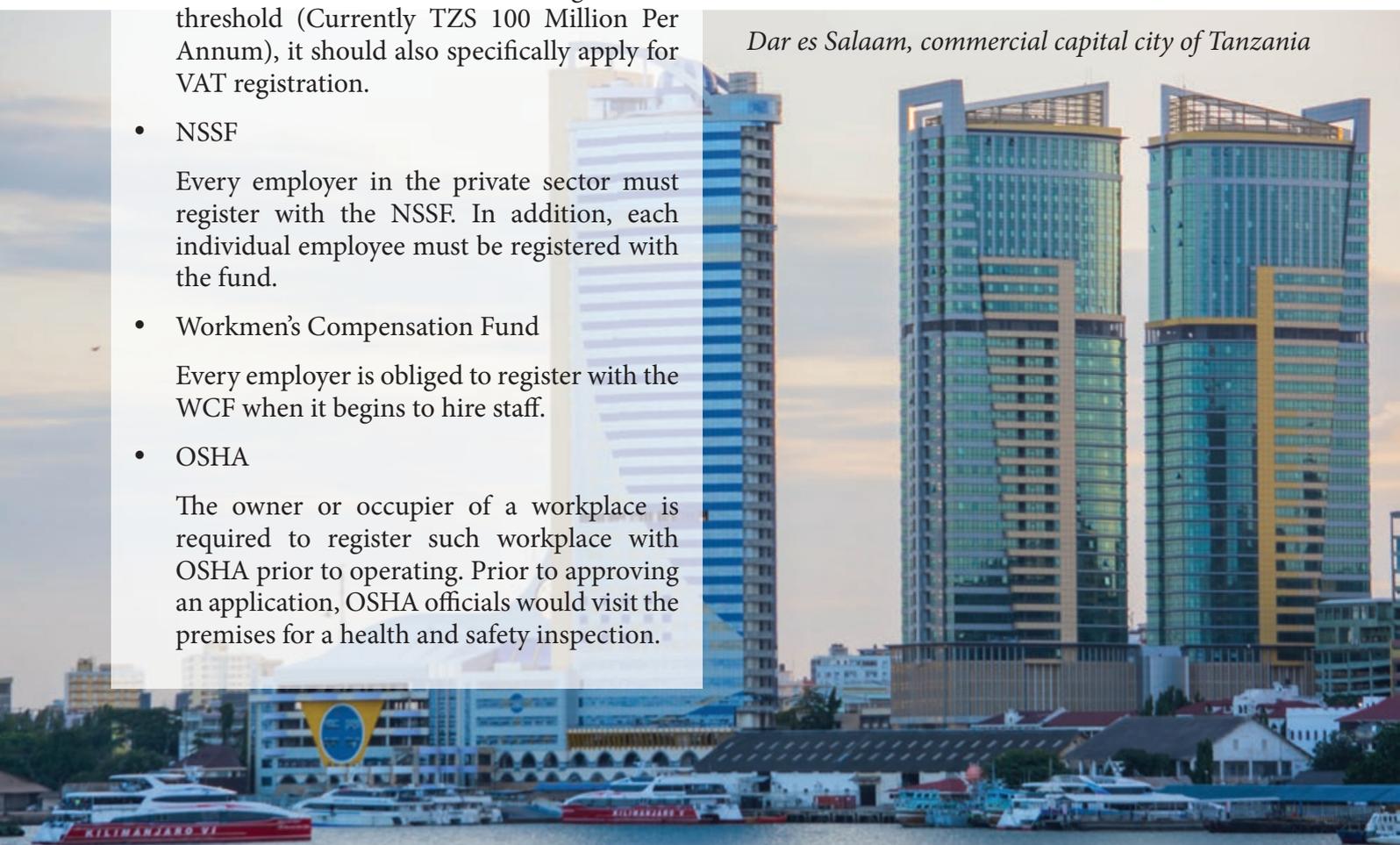
- OTHER REQUIREMENTS

You may be required to have a certain percentage of local shareholding if you are in a specific business such as mining, insurance and accountancy etc. However, many of the general business do not have these requirements.

Tanzania is a business-friendly environment and doing business here is not much difficult. Your chapter shall be happy to guide you further if you are looking to invest in Tanzania.

**Compiled by:** CA Narender K Juneja and CA Sumit Shekhar

*Dar es Salaam, commercial capital city of Tanzania*



# CYBER LIABILITY INSURANCE POLICY

By Dipankar Acharya, CEO – Jubilee Insurance Co.

## What does it cover?

Cyber liability insurance is a specialty insurance cover intended to protect business, and individuals from losses due to business interruption loss events (cyber-attack, system outage, any data damage) and remediation costs (cyber extortion costs, data restoration costs, legal representative costs, credit monitoring costs etc.)

## There are two types of policies under cyber liability insurance.

First party policy is designed to lessen the financial impact on the company that bought the insurance (the insured). It covers data breaches and cyberattacks of your own business.

Third party policy provides liability protection in case the insured company makes a mistake that results in a client suffering a data breach or cyberattack.

## WHY YOU NEED CYBER LIABILITY INSURANCE

Due to increase in mobile money, online electronic transactions the economy is exposed to cybercrime risks. The cyber liability insurance will be suitable for:

- Hospitals
- Financial institutions
- Entertainment sector (radio, tv, and cinema)
- Hotels
- Online shopping companies
- Information technology companies.

## What information is required by the Insurance Company.

- Nature of business undertaken by client
- Data security system used by proposer/client
- Cybercrime-related loss history

## BENEFITS

1. It covers third party claims resulting from loss, corruption, or hacking of privacy breach
2. It covers data recovery and restoration costs
3. Provides forensic expert assistance
4. Income /revenue loss as a result of privacy breach/ internet or network failure
5. Ransom amount following an extortion threat to commit computer crime could also be covered.

## EXCLUSIONS

1. Any loss or liability in respect of death, bodily injury or loss of or damage to tangible property, however this exclusion shall not apply to mental anguish or mental injury as a result of a Data Liability Event, Media Liability Event, Business Interruption Event or Network Security Event.
2. Any loss arising from, attributable to, or based upon any fact or circumstance known to you prior to the Period of Insurance. ►

- ▶ 3. Loss arising from, attributable to or based upon any intentional, criminal or fraudulent acts by any member of the Control Group that would reasonably be expected to give rise to a Claim against insured.
- 4. Losses arising from any physical act of war, invasion, or warlike operations.
- 5. Any loss arising from any failure or outage in, or disruption of power, utility services, satellites, or telecommunications external services not under insured direct operational control
- 6. Any loss/ liability arising from insured or any other persons' bankruptcy, liquidation or insolvency, including a business process outsourcer.



**Jubilee**  
INSURANCE

## JUBILEE MOTOR PRIVILEGE CARD

**Our privilege card enables you to get various services:**

- Discount at various retail stores, supermarket and restaurants.
- Discounts at car wash and gym facilities.
- Free Towing from selected providers.
- Get insurance premium financing services facilitated.
- Get free labour during car service at selected workshops.
- Get 5% of discount on insurance premium for the car that has tracking device.
- Re-imbursment on medical expenses to the driver upon accident

Sign up for a motor insurance cover with us today and enjoy these amazing benefits.

**For more details please visit our website:  
[www.jubileeinsurance.com](http://www.jubileeinsurance.com)**

**CALL US TODAY**  
**TOLL FREE: 0800 780 066**

*Live Free!*

## EMERGING AFRICA

Kinjal Chaudhary – Class X Indian School Dar es Salaam



**Our Chapter invited Articles on “Emerging Africa” from the students of Indian School of Dar es Salaam. We received five articles, out of which the best article is published in this Souvenir and will be awarded on our 6th Anniversary Function.**

**M**odern humans- as believed by most scientists- have evolved from Africa also christened as ‘the motherland’. However, the continent has also been home to some of the most ailing economies of the world. But definitely the fact remains that the more you are in depth the higher you can rise. The developed nations are seeing a stagnant economy because they have already reached their limits and to bounce out of bounds is quite demanding. Hence the coming decades belong to Africa which will lead the continent to its righteous position in the global world.

Several reasons have not allowed the countries in Africa to fly high. One of the major factors was colonialism. The higher levels of technological advancement of the colonizers helped them to exploit the natural resource base of the continent which was highly endowed with metals and minerals. Secondly Africa had abundant land and other resources and a small population at the same time. This meant that its inhabitants never worked for wages since all their requirements got fulfilled from the available land and livestock. This led to shortage of skilled labour in Africa at a time when other countries were industrializing rapidly. The rigid regulations imposed by the various governments in Africa also hindered trade in labour and capital.

However, the emerging countries in Africa are putting behind them the conflict, stagnation, and dictatorships of the past and have defied the old negative stereotypes of poverty and failure by achieving steady economic growth, deepening democracy and improving governance. All the restrictions that hindered trade are being hurriedly uplifted by the new leaders, making business in African countries a friendly affair. Now MNCs have also begun locating themselves in cheap labour countries of Africa which further redirected and stimulated the flow. Over the years Africa has become the second largest continent in terms of population. The domino effect is known to be pervading in the field of economics where one event sets off a chain of similar events, that is, the increase in population leads to an increase in demand, production, employment and income. The climate also played an instrumental role in helping Africa emerge out of its crises. Africa experiences a range of climates such as equatorial, tropical wet and dry and semi-arid climate. These diverse climatic conditions support a variety of crops helping the agricultural sector to reserve a substantial portion in the GDP of the continent.

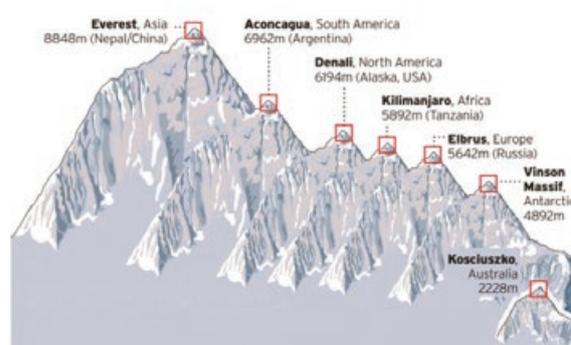
Today Africa is recognized as one of the most stable and buoyant economies which no longer shelters black markets or budget deficits. Rather it holds a strategic position on the global map. It has approximately 30 percent of the earth’s remaining mineral resources and a clean and livable environment – an endangered and possibly the most sought -after resource for the future generations.

# THE MOUNT KILIMANJARO (TMK)

## A TOURISM DESTINATION ALONGSIDE ONE OF THE PROMINENT ECONOMY (TANZANIA) IN EAST AFRICA

The Mount Kilimanjaro (TMK)- A Tourism destination alongside One of the Prominent Economy (Tanzania) in East Africa:

- Tanzania is a country with many tourist attractions.
- Approximately 38 percent of Tanzania's land area is set aside in protected areas for conservation.
- There are 17 national parks, 29 game reserves, 40 controlled conservation areas (including the Ngorongoro Conservation Area) and marine parks.
- Tanzania is the home to Mount Kilimanjaro, the highest point in Africa;

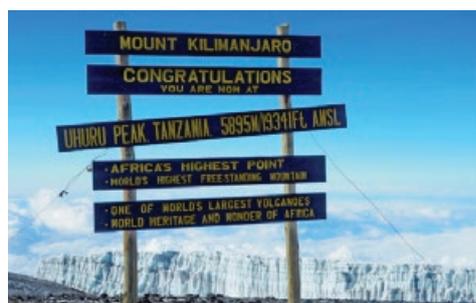


Kilimanjaro is not only Africa's tallest peak, but also the world's tallest free standing mountain.

### Origin of Kilimanjaro Mountain:

- Free standing mountains Kilimanjaro, a result of volcanic activity.
- Volcanic mountains are formed when molten rock erupts, and piles upon the surface.
- Kilimanjaro was formed from volcanic activity. However, the mountain once had three volcanic cones – Kibo, Shira and Mawenzi
  - Kibo (19,340'/5,895m);
  - Mawenzi (16,893'/5,149m);
  - Shira (13,000'/3,962m);

### The Mount Kilimanjaro (TMK)



- Located in the north of the country on the border with Kenya in the town of Moshi and is accessible via Kilimanjaro International Airport.
- The mountain is part of Kilimanjaro National Park and is the second most popular park in the country and roughly 20,000 visitors trek the mountain every year.
- The mountain (now a dormant volcano) rises approximately 4,877 metres (16,001 ft) from its base to 5,895 metres (19,341 ft) above sea level.

### USP TMK

- Known as roof of Africa, it is UNESCO World Heritage site and the highest peak in Africa;
- The mountain is one of the most accessible high peaks in the world and has an average success rate of around 65%
- German missionary Johann Ludwig Krapf wrote in his Missionary Labours (1860), "The Swahili of the coast call the snow-mountain Kilimanjaro, "mountain of greatness." ▶

### Interestingly, the origin of the name Kilimanjaro is not certain.

- European explorers year 1860 and reported that "Kilimanjaro" was the mountain's Swahili name.
- According to the 1907 edition of The Nuttall Encyclopædia, the name of the mountain was "Kilima-Njaro," comprised of the Swahili word "Kilima" meaning "mountain" and the Chagga word "Njaro" meaning "whiteness."

- ➤ Mean “mountain of caravans” (kilima – mountain; jaro caravans), a landmark for caravans seen everywhere from afar, but the inhabitants of Jagga call it Kibo, ‘snow.”
- Another possibility is that Kilimanjaro is the European pronunciation of a KiChagga phrase meaning “we failed to climb it.”
- Meyer finally succeeded in 1889. His support team included a guide, two local tribe leaders, nine porters, and a cook.

### Indian Pride:



### Wonder of the Mountain:



Mount Kilimanjaro lies just 205 miles from the equator.

- When early explorers reported seeing glaciers on the top of Kilimanjaro, people did not believe them as they thought it was impossible for ice to form so close to the hot, equatorial sun.
- Scientists now believe that the glaciers shrink and then regrow during the planet’s ice ages.
- Mount Kilimanjaro is a stratovolcano – a term for a very large volcano made of ash, lava, and rock. Shira and Mawenzi are extinct volcanoes, meaning that there is no activity underneath these cones.
- Kibo is considered a dormant volcano; it can erupt again!
- A nine-year-old Kadapala Rithvika Sri of class II, of Anantapur from Andhra Pradesh has managed to conquer Africa’s highest peak on February 25, 2021.
- She climbed along with her father and guide.
- By completing this feat, Rithvika has become one of the youngest persons to scale the mountain, which is located in Tanzania.

### Kilimanjaro and Global Warming:

- Kilimanjaro’s glaciers are the poster child of global climate change.
  - It’s icecap has shrunk 82% since 1912.
  - Scientists estimate the glaciers may be completely gone in 50 years.
  - The cause of this is thought to be due to deforestation, and not necessary global warming.
  - Melting and sublimation (the transition from solid phase directly to vapor) both contribute to the ice loss, says study author Doug Hardy, a glaciologist from the University of Massachusetts at Amherst.
  - The glaciers have been in retreat for more than a century, Hardy says, with a drying climate in East Africa one main culprit.
  - Nearly 5 million indigenous trees were planted around the base of the mountain in 2008 to combat the issue.
- DSM Chapter of ICAI is always available for guidance and assistance to the members and their known who wants to climb and explore The Kilimanjaro.

### Climbing of the Great Mountain:

- Mount Kilimanjaro was first climbed in 1889 by a German geologist Hans Meyer, an Austrian climber Ludwig Purtscheller and a local guide Yohani Kinyala Lauwo.
- On Meyer’s first attempt in 1887, he made it to the base of Kibo but had to turn around there. He encountered thick snow and ice walls and did not have equipment for heavy snow and ice.
- Made a second attempt in 1888 that was also unsuccessful.

# MEMORIES FROM OUR LAST YEAR'S ANNUAL ANNIVERSARY PROGRAM ( TECHNICAL SESSION AND FAMILY FUNCTION )



# CSR ACTIVITIES

## CONDUCTED BY DAR ES SALAAM(T) CHAPTER OF ICAI

ICAI is always at the forefront of fulfilling its duties for Corporate Social Responsibility (CSR) globally as a responsible professional. CSR forms integral part of the activities of the ICAI Dar es Salaam Chapter. The chapter over the past few years has evolved itself in various CSR activities which includes electrification of a school, tree plantation, marathon for social cause etc.

As a part of the CSR activities, Dar es Salaam (Tanzania) Chapter of ICAI identified a school in a remote area of Dar es Salaam, Tanzania, which is upto 7th standard and did not have electricity. The Chapter helped in the electrification of the school including connections and fans. Now the school has increased its student capacity by introducing the evening classes. The school managing committee team and parents had congratulated ICAI for executing such a noble work which shall ensure the very basic infrastructure need of a school. The Action was well appreciated by ICAI President and shared on all ICAI Media Platforms.



Type 1 Diabetes is the commonest type of diabetes in childhood and adolescence and daily injections of insulin is the only effective form of treatment. Type 1 diabetes is not related to

lifestyle and so ways to prevent it are unknown. Children and adolescents in Tanzania, with Type1 Diabetes Mellitus (T1DM) who require daily insulin injections for their survival, face multiple and complex problems both at home and in the school. Ignorance and misconceptions about Type 1 diabetes held and fostered by ►





Trees are the most benevolent givers in nature. Trees play an extremely important role in giving life and sustaining it, as a whole, as well as maintaining a balance in the eco-system.

► school personnel, fellow students, parents and community at large are at the root of so many problems. Globally there is evidence of the growing burden of Non Communicable diseases (NCDs) especially in developing countries including Tanzania. To cater the awareness, there was a diabetes awareness event being organized by The Lions Club of Dar es Salaam Mzizima, Tanzanites, Uhuru & Amani in collaboration with the Tanzania Diabetes Association and the Youth Alliance, where ICAI Dar es Salaam Chapter has also participated with great enthusiasm to the noble cause to spread awareness.

Trees are the most benevolent givers in nature. Trees play an extremely important role in giving life and sustaining it, as a whole, as well as maintaining a balance in the eco-system. This makes it crucial

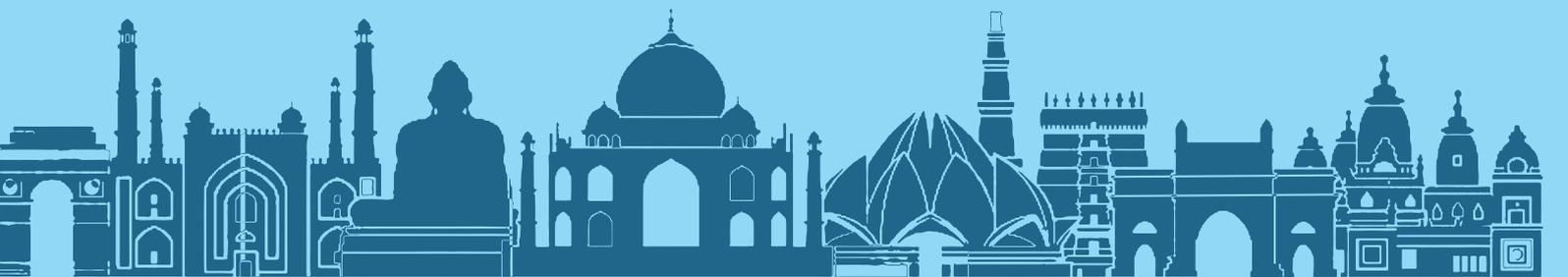
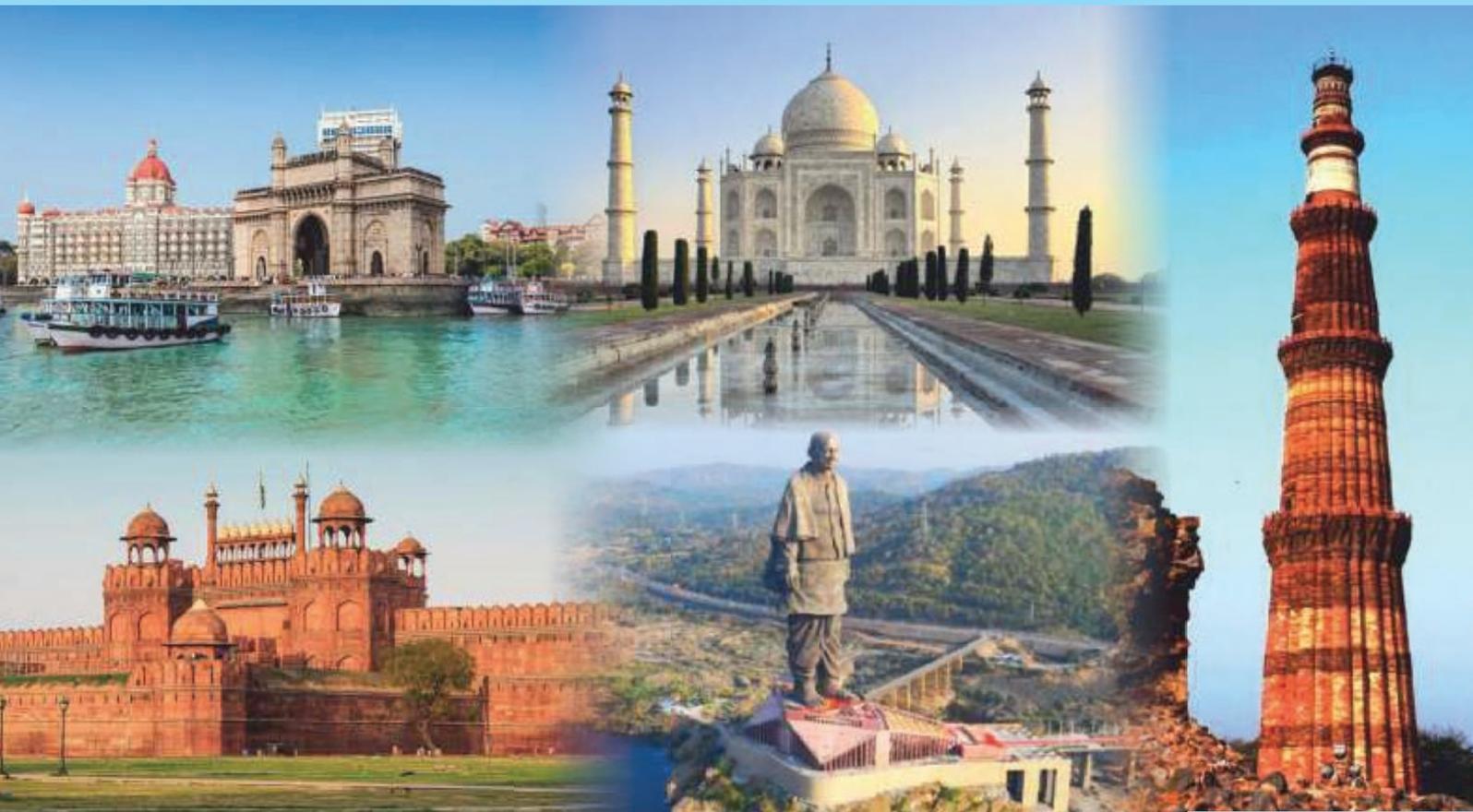
for us to understand how significant trees are to our life on earth and what we can do to counter the problem of their depleting numbers and all the additional challenges that come with it.

As an ICAI Chapter, we do understand our responsibilities towards the environment and committed to plant trees to the surrounding areas. We had an opportunity to plant tree saplings at the city' Mtendeni Primary School in presence of the school teachers and students.

We understand that we need to give back to the society and take care the same in the best possible manner. We need to do as many social cause work possible to make our surroundings beautiful, fulfilled, green and by spreading knowledge and awareness.

# World Congress of Accountants 2022

Date: 18<sup>th</sup> to 21<sup>st</sup> November, 2022 | Mumbai, India



Hosted by



**The Institute of Chartered Accountants of India**

(Set up by an Act of Parliament)

# DAR ES SALAAM (TANZANIA) CHAPTER OF ICAI

## Activities conducted by the Chapter during the year 2020

No.	Date	Activity
1	19-Jan-2020	5 <sup>th</sup> Annual International Conference -Evolution of Insurance Industry in Tanzania
2	21-Feb-2020	CPD Event – Indian Budget 2020 and Taxation of NRIs
3	25-Apr-2020	Joint CPD Event with Uganda & Kenya Chapters – Effect of Covid-19 on Business Elements
4	06-Jun-2020	CPD Event – Code of Ethics, Impact of Covid-19 on Tanzanian Economy
5	04-Jul-2020	Joint CPD Event with Toronto, London, Ireland, Bahrain & Luxemborg Chapters – 15 Invaluable Laws of Growth
6	18-Jul-2020	CPD Event – Finance Act, 2020, Transfer Pricing Guidelines, Key Changes in Zanzibar Tax Laws
7	22-Aug-2020	Career Counselling Session – Indian School Dar es Salaam
8	05-Sep-2020	CPD Event – Computer Skills and Advanced Excel Techniques
9	23-Oct-2020	CPD Event – Opportunities in Tanzania, Transfer Pricing
10	29-Nov-2020	CSR Activity – Walkathon 2020 jointly with Lions Club of Dar es Salaam Mzizima, Tanzania Diabetes Association & The Youth Alliance – Walk for Diabetes
11	08-Dec-2020	VAT E-Filing Phase 2, New Exemption Orders
12	20-Dec-2020	CSR Activity – Support for the Electrification of Yongwe Primary School, Dar es Salaam, Tanzania



# DAR ES SALAAM (TANZANIA) CHAPTER OF ICAI

## MANAGING COMMITTEE 2021-2022



CA Kapil Garg, Chairman



CA Binu Paul, Vice Chairman



CA Manish Bansal, Secretary



CA Pinal Brahmabhatt, Treasurer



CA Basudeo Mundra, Member



CA Narender Juneja, Member



CA Rakesh Kumar Saini, Member



CA Sumit Shekhar, Member



CA Santosh Jaiswal, Member



CA Atul Movaliya, Member



CA Dharmendra Agarwal, Member

## SOME SPECIAL MEMORIES OF DSM (T) Chapter of ICAI

### Special Event on Indian Budget 2021



Our Chapter in association with Nairobi and Kampala Chapters of ICAI conducted a special event on Indian Budget 2021 by CA (Dr) Girish Ahuja Ji, which was attended by over 200 participants.

### 7 Days Executive Program conducted by CMIIB of ICAI and represented by our Chairman

Our chapter took part in 7 days executive development program conducted by CMIIB of ICAI where our Chairman represented on Day 2, being a moderator for the Panel Discussion on “Opportunities for young members in Africa”



### Cricket Match Organized by Yellow and Orange Teams of ICAI

Chapter organized a cricket match between yellow and orange teams and awarded trophy and Man of the Match and medals to all the participants. The event was attended by about 30 members.



### CA Day Celebrations



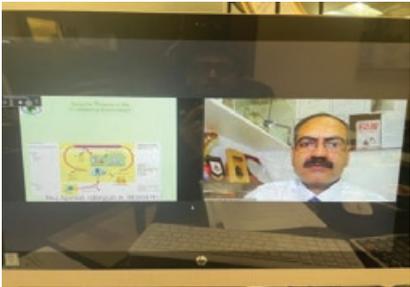


After a long span of 16 months Chapter did its Physical event by Celebrating CA Day. The event was attended by about 40 members and invited guests from Ernest & Young also provided a brief on Finance Act 2021. The event was well covered in Local Newspapers.

**A Joint event with our Tanzania Regulator NBAA**



Our Chapter conducted its first ever joint Program with NBAA, where ICAI President and NBAA Executive Directors were also present and the program was well attended by about 200 members of ICAI and NBAA. This was a program conducted towards attainment of objectives of MoU between ICAI and NBAA.

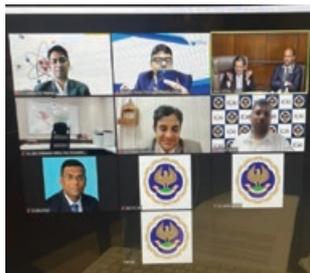


**5 days' program on Global Opportunities in Employment and Practice in Different Parts of the World**



CA Kapil Garg, Chairman represented the chapter as a Panelist in this important Program conducted by CMIIB of ICAI

**Our Chapter hosted a program on Understanding the Equity Market & Post Covid Key Considerations, conducted by CCMIP of ICAI**



The event was well attended by members from all over the world and witnessed by our President, Vice President and Chairman of CCMIP of ICAI and also by Chairman and MC Members of our chapter.

**Interatcive meet with High Commissioner of India and MC Members of our Chapter**



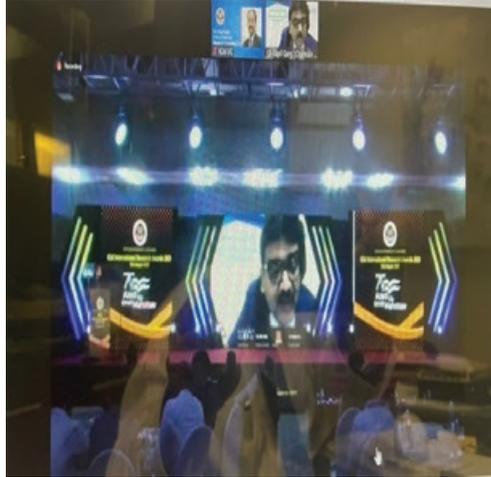
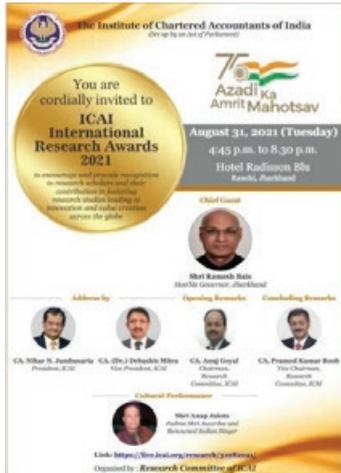
From Left to right, CA Binu Paul, CA Manish Bansal, CA Kapil Garg, HE Shri Binaya S Pradhan (High Commissioner of India to Tanzania), CA Basudeo Mundhra, CA Sumit Shekhar and CA Dharmendra Aggarwal.

**Independence Day Celebrations at High Commission of India**



To Celebrate 75th Independence Day, Our Chapter Chairman together with 2 former chairpersons of the chapter participated in the program, conducted by High Commission of India.

Chapter's participation in Research Awards of ICAI



Our Chapter Chairman participated in Research Awards conducted by ICAI on 31st August 2021, where he virtually greeted and congratulated the awardees and organizers.





# Alliance INSURANCE

Covering Risk. Improving Lives.



# PROMPT SERVICE

HOUSE | PROPERTY | MARINE | AVIATION | VEHICLE



TANZANIA



UGANDA



RWANDA



COMOROS



+255 767 277 777 | [admin@alliance.co.tz](mailto:admin@alliance.co.tz) | [www.alliance.co.tz](http://www.alliance.co.tz)



## DAR ES SALAAM (TANZANIA) CHAPTER OF ICAI

### Activities conducted by the Chapter during the year 2021

No.	Date	Activity
1	09-Feb-2021	CPD Event - Updates on Indian Budget 2021 with specific provisions for NRIs
2	19-Mar-2021	CPD Event – Basics of International Taxation, FEMA Provisions, Opportunities in Global Markets
3	21-May-2021	CPD Event – Authentic Team Leading
4	03-July-2021	CA Day Celebrations, Cake Cutting & Tree Plantation
5	03-July-2021	CPD Event – Tanzania Finance Act, 2021
6	16-July-2021	Joint CPD Event with NBAA Cyber Crimes, Data Privacy Protection, Security Prevention and Compliance
7	10-Aug-2021	CPD Event – Understanding the Equity Market & Post Covid Key Considerations
8	28-Aug-2021	CPD Event – Managing your health with Lifestyle Change and Nature Cure
9	09-Oct-2021	6 <sup>th</sup> Annual International Conference 2021 – Emerging Africa Jointly with Nairobi (Kenya) Chapter



**EXIM BANK**

*Innovation is life*



## 6th International Virtual Conference 2021

### **Disclaimer**

This Souvenir has been released by the Dar es Salaam (Tanzania) Chapter of ICAI for the use of members and other stakeholders only. The contents of this Souvenir are only for the purpose of the basic understanding about the Chapter, its activities and the articles given herein are purely for the purpose of providing basic information. They should not be used as expert advice. Neither the chapter nor the author is responsible for the accuracy and completeness of any of the topics published herein.

**Dar es Salaam (Tanzania) Chapter of ICAI**

**P.O. Box 38338**

**Dar es Salaam, Tanzania**

**Email: [chairman@icaitanzania.org](mailto:chairman@icaitanzania.org)**