The United Republic of Tanzania

SEQUENCE OF ACCOUNTS BY INSTITUTIONAL SECTOR'S

FOR MAINLAND TANZANIA
2019

National Bureau of Statistics
June 2026

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Abbreviations and Acronyms

BPM6	Balance of Payments Manual 6th edition
BOP	Balance of Payments
BOT	Bank of Tanzania
CFC	Consumption of Fixed Capital
CPC	Central Product Classification
COE	Compensation of Employees
EAC	East Africa Community
FCs	Financial Corporations
FYDPs	Five-Year Development Plans
GDI	Gross Disposable Income
GDP	Gross Domestic Product
GFS	Government Finance Statistics
GG	General Government
GNI	Gross National Income
GOS	Gross Operating Surplus
GVA	Gross Value Added
HH	Household
IC	Intermediate Consumption
IHBS	Integrated Household Survey
IMF	International Monetary Fund
ISAs	Institutional Sector Accounts
ISIC	International Standard Industrial Classification of all Economic Activities
MDAs	Ministries Departments and Agencies
MFS	Monetary and Financial Statistics
NBS	National Bureau of Statistics
NFCs	Non-Financial Corporations
NHIF	National Health Insurance Funds
NPISH	Non-Profit Institutions Serving Household
NSSF	National Social Security Funds
RoW	Rest of the World
SDGs	Sustainable Development Goals
SNA	System of National Accounts
SUTs	Supply and Use Tables
TDV	Tanzania Development Vision
TRA	Tanzania Revenue Authority
VAT	Value Added Tax

Preface

This report presents the data sources and compilation methodology underlying the first compilation on Institutional Sector Accounts (ISAs) for Mainland Tanzania, covering the reference year 2019. The accounts were compiled by the National Bureau of Statistics (NBS) represents an important milestone in strengthening the national accounts system and enhancing the availability of comprehensive macroeconomic statistics for evidence-based policy analysis and decision-making in Mainland Tanzania. The ISAs framework, developed in accordance with the recommendations of the System of National Accounts (SNA 2008), provides an integrated and coherent statistical framework for analyzing economic activities and financial transactions across institutional sectors of the economy.

Institutional Sector Accounts extend the traditional measurement of Gross Domestic Product (GDP) framework by tracing how income is generated, distributed, redistribution, and used across six institutional sectors: Non-Financial Corporations, Financial Corporations, General Government, Households, Non-Profit Institutions Serving Households (NPISHs), and the Rest of the World. This sectoral lens reveals saving and investment behavior, net lending and borrowing positions, and the financial interrelationships that aggregate indicators alone cannot capture.

The compilation draws on a range of primary and administrative data, including household surveys, agriculture sample census and survey, Government Finance Statistics (GFS), Balance of Payments (BOP), and Monetary and Financial Statistics (MFS). The resulting accounts are designed to be consistent with these complementary statistical systems and to meet Tanzania's reporting obligations under TDV 2050, the Five-Year Development Plans, the EAC statistical convergence framework, and the SDGs agenda.

NBS acknowledges the institutions, technical experts, and partner agencies whose data and collaboration made this work possible. This report is intended to serve as a transparent reference for policymakers, researchers, development partners, and statisticians working on macroeconomic analysis and national accounts in Tanzania.

Executive Summary

This report presents data sources and methods used to compile the first Institutional Sector Accounts for Mainland Tanzania, for the reference year 2019. The accounts were compiled by NBS in accordance with SNA 2008 guidelines. They provide a sector-by-sector breakdown of economic activity across Non-Financial Corporations (S.11), Financial Corporations (S.12), General Government (S.13), Households (S.14), Non-Profit Institutions Serving Households (S.15), and the Rest of the World (S.2).

The compilation follows the complete SNA 2008 sequence of accounts covering production, generation of income, allocation of primary income, secondary distribution of income, use of disposable income, capital, and financial accounts. Transactions are recorded on an accrual basis. Data were drawn from the Household Budget Survey 2017/18, the Agricultural and Livestock Sample Census 2019/20, Census of Industrial Production 2018 and administrative data including Government Finance Statistics, Balance of Payments, and Monetary and Financial Statistics.

The ISAs are integrated with Tanzania's broader macroeconomic statistical systems, ensuring consistency between national accounts aggregates, fiscal accounts, monetary statistics, and the balance of payments. This integration strengthens the analytical foundation available to the Bank of Tanzania, the Ministry of Finance, and development partners for macroeconomic surveillance, fiscal planning, and financial stability assessment.

1.0 Introduction

Macroeconomic statistics in Mainland Tanzania have traditionally centred on aggregate measures such as Gross Domestic Product, inflation, and the fiscal balance. While these indicators remain essential, they do not reveal how income is distributed across different parts of the economy, how sectors finance their activities, or which sectors are net savers, and which are net borrowers. Institutional Sector Accounts (ISAs) address this gap by organizing economic and financial data according to the six institutional sectors defined under SNA 2008 including Non-Financial Corporations, Financial Corporations, General Government, Households, Non-Profit Institutions Serving Households (NPISHs), and the Rest of the World.

The Institutional Sectors Accounts are compiled by the NBS for the first time in Mainland Tanzania using data collected from various data sources including the Bank of Tanzania, Tanzania Revenue Authority (TRA), and relevant Ministries. The accounts cover the reference year 2019 and follow the complete SNA 2008 sequence of accounts from production through capital and financial accounts.

This report sets out the conceptual framework, sector classifications, data sources, and estimation methods applied in the compilation. It also identifies the principal data challenges encountered and the steps planned to improve coverage and timeliness in future releases. It is intended as a technical reference for statisticians, researchers, policymakers, and development partners engaged in macroeconomic analysis in Tanzania.

The ISAs framework provides a comprehensive statistical system that links production activities to income generation and distribution, consumption, saving, investment, and financial accumulation. Through this integrated structure, the accounts provide detailed information on sectoral net lending or net borrowing positions, thereby enabling analysis of the flow of funds and financial intermediation within the economy.

This report presents the conceptual framework, data sources, sector classifications, and compilation methodologies. The report is prepared in accordance with internationally accepted statistical standards and aims to provide users with a transparent understanding of the methodologies and processes underlying the ISAs framework in Tanzania. It also highlights key challenges and plans for future improvements in the coverage, accuracy, and timeliness of the ISAs.

The development of ISAs for Mainland Tanzania is part of the NBS agenda to strengthen the national accounts system and produce statistics that go beyond GDP aggregates. Macroeconomic analysis in Tanzania has historically relied on top-level indicators, leaving gaps in understanding how income is distributed across sectors, how saving and investment are financed, and where macroeconomic vulnerabilities originate. ISAs address these gaps by providing integrated sectoral data that can inform fiscal policy, monetary policy, and financial stability analysis.

The growing complexity of modern economies and the increasing demand for comprehensive macroeconomic statistics have reinforced the need for an integrated framework capable of analyzing economic activities and financial transactions across institutional sectors. Due to increased demand, the System of National Accounts (SNA 2008) recommends the compilation of Institutional Sector Accounts (ISAs) as a core component of the national accounts framework. The ISAs provide a detailed and coherent representation of the economic relationships among institutional sectors and facilitate analysis of income generation, distribution, redistribution, accumulation, and financing within the economy.

The increasing demand for sectoral statistics by policymakers, financial institutions, development partners, researchers, and international organizations has therefore necessitated the establishment of a comprehensive sectoral accounting framework. Institutional Sector Accounts address this need by providing integrated statistics on production, income, consumption, savings, capital formation, financial transactions, and balance sheet positions for each institutional sector of the economy. The National Bureau of Statistics has undertaken the compilation of Institutional Sector Accounts to strengthen the availability of comprehensive economic statistics and other related indicators required for evidence-based policy formulation, planning, and decision-making.

The compilation of ISAs in Mainland Tanzania also been influenced by the need to support the monitoring and evaluation of national development priorities as well as national, regional and international development agendas.Top of Form Bottom of Form Institutional Sector Accounts is prepared for the first time in Mainland Tanzania, the development of

Institutional Sector Accounts forms part of the broader agenda to strengthen the National Accounts Statistics System and enhance the production of internationally comparable macroeconomic statistics. Traditionally, macroeconomic analysis in Mainland Tanzania has largely focused on aggregate indicators such as Gross Domestic Product (GDP), inflation, fiscal balances, and external sector performance.

Furthermore, the development of Institutional Sector Accounts supports national, regional and international statistical reporting obligations under frameworks such as the Five-Year Development Plans (FYDPs), Tanzania Development Vision (TDV-2050) East African Community (EAC-2050), the African Union Agenda 2063, the Sustainable Development Goals (SDGs-2030), and the IMF's data dissemination initiatives. The implementation of ISAs therefore contributes to strengthening the overall quality, coherence, and consistency of official statistics in Mainland Tanzania in line with international statistical standards and best practices.

1.1 Objectives

The main objective of constructing ISAs is to establish a comprehensive, integrated, and internationally consistent macroeconomic statistical framework for analyzing economic activities and financial transactions among institutional sectors of the economy.

The specific objectives for framework:

i. Provide detailed sectoral information on the generation, distribution, redistribution, and use of income across institutional sectors.
ii. Strengthen the compilation and analysis of national accounts statistics beyond aggregate Gross Domestic Product (GDP).
iii. Support evidence-based macroeconomic policy formulation, economic planning, and monitoring of fiscal and financial stability through the analysis of sectoral net lending and net borrowing positions;
iv. Enhance understanding of the interrelationships between the real economy and the financial sector, including the flow of funds and financial intermediation within the economy;
v. Improve the quality, coherence, consistency, and international comparability of macroeconomic statistics in line with the recommendations of the SNA 2008 and other international statistical standards;

vi. Facilitate monitoring and evaluation of national, regional, and international development frameworks (i.e. TDV-2050, the FYDP, SDGs-2030 and the East African Community (EAC) Agenda 2050); and

vii. Support analytical and research requirements of researchers, academic etc.

1.2 Methodology

The compilation of the Mainland Tanzania Institutional Sector Accounts (ISAs) is based on the international recommendations and statistical standards (SNA 2008). The methodological approach adopted emphasizes sectors of institutional units according to principal economic functions and behavior characteristics. Economic transactions and balance sheet positions are classified and recorded following the concepts, definitions, accounting rules, and classifications outlined in SNA 2008.

1.3 Scope and Coverage

The scope of the framework covers the complete sequence of accounts, including production accounts, generation income and allocation of primary income accounts, secondary distribution of income accounts, use of income accounts, capital accounts, financial accounts, and where data permit, balance sheet accounts.

The coverage of the ISAs extends to all resident institutional units engaged in economic activities within the economic territory of Mainland Tanzania. Institutional units are classified into the following institutional sectors including non-financial corporations; Financial corporations; General government; Households; Non-Profit Institutions Serving Households (NPISHs); and Rest of the world. The financial corporations sector includes subsectors such as the Central bank, Deposit-taking corporations, Money market funds, non-money market funds, Insurance corporations, and Other financial intermediaries. The General government sector covers central government institutions, local government authorities, extra-budgetary units, and social security funds.

The framework aims to ensure consistency and integration with other macroeconomic statistical systems, including Government Finance Statistics (GFS), Monetary and Financial Statistics (MFS), and Balance of Payments (BOP) statistics. This integrated coverage supports comprehensive macroeconomic analysis, sectoral financial assessment, policy formulation, and monitoring of economic performance within the Tanzanian economy.

1.4 Data Sources

The compilation of Institutional Sector Accounts (ISAs) for Mainland Tanzania is based on the integration of a wide range of statistical and administrative data sources obtained from both public and private institution sectors. The use of multiple data sources is essential to ensure comprehensive coverage of institutional sectors, consistency of macroeconomic aggregates, and alignment with the methodological requirements of the System of National Accounts (SNA 2008). The data sources utilized in the compilation process provide information on production activities, income generation and distribution, consumption expenditure, capital formation, financial transactions, and balance sheet positions across the institutional sectors of the economy.

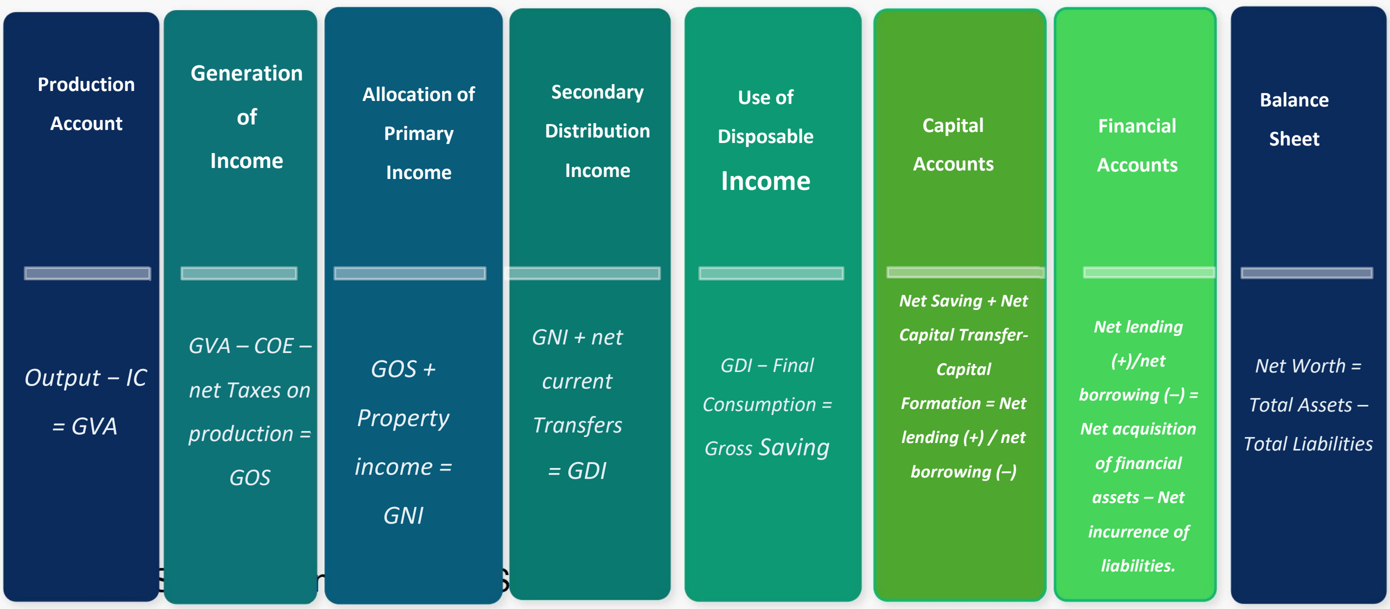
The data used for compilation of ISAs were collected from both primary and secondary sources including Population and Housing Census 2022, Household Budget Survey 2017/18, Integrated Labour Force Survey 2020/21, Agricultural and Livestock Sample Census 2019/20 and Annual Survey of Industrial Production 2018. In addition, administrative data sources including Balance of Payment, Government Finance Statistics and other administrative records from Ministries, Departments, and Agencies (MDAs) were also used.

2.0. Institutional Sector Accounts Conceptual Framework

The Institutional Sector Accounts (ISAs) for Mainland Tanzania is compiled in accordance with the SNA 2008, which provides internationally accepted guidelines for measuring economic activity. The framework ensures consistency across sectors and with other macroeconomic accounts, such as the Balance of Payments (BOP), Government Finance Statistics (GFS).and Monetary and Financial Statistics (MFS).

The accounts are organized by institutional sectors, classified based on the type of economic activity, legal status, ownership, and control. The main institutional sectors that covered include non-financial corporations (NFCs); Financial Corporations (FCs); General Government (GG); Households (HH); Non-Profit Institutions Serving Households (NPISHs); and the Rest of the World (RoW).

Figure 1: Sequence of Accounts Conceptual Framework



The Institutional Sector Accounts (ISAs) follows a sequence of accounts, capturing the economic cycle of production, income generation, distribution, consumption, saving, capital accumulation, and financial transactions by using production account; generation of income account; distribution of income accounts; use of income account; capital account; financial account and balance sheets respectively. Transactions are recorded on an accrual basis, meaning they are recognized when they occur, not when cash is received or paid. This approach ensures a more accurate picture of economic performance and sectoral behavior.

2.1 The Sequence Accounts

The sequence accounts for institutional sectors together with their components SNA transaction codes:

2.1.1 The Production Account

The production account is the first account in the sequence of accounts within SNA 2008. It records the production activities undertaken by institutional units and industries during a specific accounting period and provides a measure of value added generated within the economy. The account captures the relationship between output and intermediate consumption in the production process. On the resources side, it records the value of goods and services produced by institutional sectors or industries, while on the uses side it records the value of goods and services consumed as inputs in the production process. The balancing item of the production account is Gross Value Added (GVA), which represents the contribution of each institutional sector or industry to the economy. Gross Value Added is obtained as the difference between output and intermediate consumption and forms the basis for the estimation of GDP.

Gross Value Added (GVA) = Output − Intermediate Consumption

Table 1 indicates the variables/indicators used for compilation of the production account and hence the findings will help to highlight the sector’s strategic role in supporting economic growth, mobilizing financial resources, and facilitating capital allocation within the economy.

Table 1: Production Account by Transaction Code

Production Account	Transaction Code
Imports of goods and services	P7
Imports of goods	P71
Imports of service	P72
Exports of goods and services	P6
Exports of goods	P61
Exports of services	P62
Output	P1
Market output	P11
Output for own final use	P12
Non-market output	P13
Intermediate consumption	P2
Gross Value Added	**B1g**
Taxes less subsidies on products	D21- D31
Gross domestic product	**B1*g**

Production Account	Transaction Code
Consumption of fixed capital	P51c
Net Value Added / Net Domestic Product	**B1n/B1*n**
External balance of goods and services	**B11**

Source: SNA 2008 International Standards

In Mainland Tanzania, the methodology used to compile the production account follows international standards, including the System of National Accounts 2008 *(*SNA 2008*)* and the International Standard Industrial Classification of All Economic Activities Revision 4 (ISIC Rev.4). The compilation of the production account is primarily based on data from the 2019 Supply and Use Tables (SUTs) framework. Key aggregates, including output, intermediate consumption, consumption of fixed capital, net taxes on products, imports, and exports, were derived from the 2019 SUTs data framework.

Output and Intermediation Consumption

Financial sector output was derived directly from the 2019 Supply and Use Tables (SUTs). This methodology was employed given that financial activities are predominantly formal, and thus the negligible share taking place in the informal sector could not be feasibly estimated. Intermediate consumption was likewise taken directly from the 2019 SUTs.

Government output was estimated using the sum of costs approach, which is the standard valuation method for non-market producers as prescribed by the 2008 System of National Accounts (2008 SNA). This approach was applied in the 2019 Supply and Use Tables (SUTs) for the computation of non-market output in the three main government sectors, public administration and defense, education, and health. For public administration and defense, both output and intermediate consumption figures were taken directly from the 2019 SUTs. However, for education and health, adjustments were made to the 2019 SUT data by removing output produced by market establishments, so that only government (non-market) output remained. Similarly, intermediate consumption for public administration and defense was sourced directly from the 2019 SUTs, while for education and health, intermediate consumption figures were derived from the specific computations carried out in 2019 for non-market education and health activities. This methodology ensures that the estimates reflect only government activities, excluding market-based production.

Due to the absence of direct data for estimating the output of Household Unincorporated Enterprises and output for own use for 2019, the following estimation methodology was employed:

Estimation of Output: The share of Household unincorporated enterprises in total economic activity was derived from the informal sector module of the 2017 Household Budget Survey (HBS). This share was calculated by applying the output observed for informal household activities in 2017 to the relevant economic activities. The resulting share was subsequently applied to the 2019 output of Non-Financial Corporations (NFCs) to derive an estimate of household unincorporated enterprises' output. The estimated output was then deducted from the NFCs output to arrive at the output attributable solely to formal enterprises.

Estimation of Output for Own Use: The value of goods and services produced and consumed by households (including imputed rents for owner-occupied dwellings) was obtained from the 2017 HBS. This value was divided by the total estimated output of the industries in which informal household activities were observed, yielding a ratio. This ratio was then applied to the 2019 output estimates for the same industries with household informal activities to obtain 2019 estimates. Adjustments were subsequently made to NFC to isolate market output.

The methodology assumes that the shares of household and output for own use within the economy remained stable between 2017 and 2019.
Intermediate consumption was estimated based on a fixed ratio derived from the 2019 Supply and Use Tables (SUTs). This ratio was applied to compute intermediate consumption for household output from unincorporated enterprises, including goods and services produced and consumed within households. The 2019 output estimate thus used the SUTs-derived ratio to determine the corresponding intermediate consumption for that year

Consumption of Fixed Capital
Total consumption of fixed capital (CFC) was primarily derived from the 2019 Supply and Use Tables (SUTs) framework. CFC for the financial corporations' sector was obtained directly from the SUTs framework by summing up the CFC of the financial sub economic activities **(**financial service activities, except insurance and pension funding; insurance,

reinsurance and pension funding; and activities auxiliary to financial service and insurance activities).

Addition, CFC for general government sector was estimated from consumption of fixed capital of all economic activities except the wholesale and retail trade; accommodation and food services; financial and insurance; real estate; administrative and support services; and other services. Meanwhile, CFC for households including NPISH, was estimated as the same output has been estimated. The consumption of fixed capital for NFC, the same methodology used to estimate its output was applied to estimate its CFC. Gross value added (GVA) was then obtained as the balancing item in this account and carried forward to the generation of income account.

2.1.2 The Generation of Income Account

The generation of income account sector shows how the gross value added generated through production activities is distributed between labour, government, and capital. Gross Value Added/Gross Domestic Product (B1g/B1*g). Also, the remuneration payable to employees in return for labour services provided during the accounting period.

The balancing item of the generation income account is Net Operating Surplus (NOS), which represents the net profit of each institutional sector or industry to the economy. Net Operating Surplus is calculated as Gross Value Added (GVA), less compensation of employees, other taxes on production, plus other subsidies on production, less consumption of fixed capital.

Net Gross Operating Surplus *(GOS)* = *COE* – *Net* Taxes on production - CFC

Table 2: Generation of Income Account *by Transaction Code*

Generation of Income Account	Transaction Code
Gross Value Added / Gross Domestic product	**B.1g/B.1*g**
Compensation of employees	D.1
Taxes on products	D.21
Other taxes on production	D.29
Subsidies on products	D.31
Other subsidies on production	D.39
Gross operating surplus /Gross mixed income	**B.2g/B.3g**
Consumption of fixed capital	P.51C
Net operating surplus/Net mixed income	**B.2n/B.3n**

Source: SNA 2008 International Standards

The Generation of Income Account was compiled primarily using the 2019 Supply and Use Tables (SUTs) data framework. The key aggregates obtained from the framework included compensation of employees (COE), other taxes on production, and other subsidies on production**.** The compensation of employees (COE); other taxes on production and other subsidies on production for financial sector was derived from the 2019 Supply and Use Tables (SUTs) data framework. However, for the general government sector the methodology used to estimate its output was applied to estimate compensation of employees, other taxes on production and other subsidies on production of general government.

The compensation of employees (COE); other taxes on production and other subsidies on production for households including NPISH sector were estimated by applying the ratios derived from the 2017/18 Household Budget Survey (IHBS). For NFC, the methodology used on obtaining its output was applied on estimating its compensation of employees (COE); other taxes on production and other subsidies on production. Meanwhile, gross operating surplus (GOS) was obtained as the balancing item in this account and carried forward to the Allocation of Primary Income Account**.**

2.1.2.1 The Allocation of Primary Income Account

The account shows the distribution of primary incomes generated from production and ownership of financial assets. The findings further demonstrate the sector's critical role in financial intermediation, capital allocation, and income generation within the economy. The generation and allocation of income accounts, compensation of employees is compiled using payroll records, social security contributions, labour force data, and enterprise surveys. Taxes less subsidies on production are derived from government administrative records. Property income components such as dividends, reinvested earnings, interest, rents, and distributed income of corporations are estimated from corporate accounts, banking statistics, and external sector data.

In Mainland Tanzania, the data used to compile this account were obtained from the production account and the generation of income account, including data on compensation of employees (COE), taxes on production, and subsidies on production. Data on property income (including interest, dividends, rent, etc.), for both resources and uses, were obtained from different source including government financial statistics, companies financial reports, balance of payments, census and surveys. Gross National Income (GNI) was estimated as the balancing item in this account and carried forward to the Secondary Distribution of Income Account.

Table 3: Allocation of Primary Income Account by Transaction Code

Allocation of Primary Income Account	Transaction Code
Gross Operating Surplus /Gross Mixed Income	**B.2g/B.3g**
Net Operating Surplus/ Net Mixed Income	**B.2n/B.3n**
Compensation of employees	D.1
Taxes on production and imports	D.2
Taxes on products	D.21
Other Taxes on production	D.29
Subsidies	D.3
Subsidies on products	D.31
Subsidies on production	D.39
Property income	D.4
Interest after allocation of FISIM	D.41
Distributed income of corporations	D.42
Reinvested earnings on foreign direct investment	D.43
Other investment income	D.44
Rent	D.45
Balance of Primary Incomes, Gross / Gross National Income	**B.5g /B.5*g**

Source: SNA 2008 International Standards

2.1.2.2 The Secondary Distribution of Income Account

The secondary distribution of income account is secondary income flows are compiled using corporate income tax records, insurance statistics, transfer payments, international transaction records, and social contribution data.

The data on current transfers, social contributions, and other current transfers (including non-life insurance premiums and claims, etc.) were obtained from the National Accounts Statistics publication. The distribution of current transfers, social contributions, and other current transfers across the non-financial corporations, financial corporations, households, and NPISH sectors was estimated based on their respective shares of output. Gross Disposable Income (GDI) was estimated as the balancing item in this account and carried forward to the Use of Disposable Income Account.

Table 4: Secondary Distribution of Income Account by Transaction Code

Allocation of Primary Income Account	Transaction Code
Gross Operating Surplus /Gross Mixed Income	**B.2g/B.3g**
Net Operating Surplus/ Net Mixed Income	**B.2n/B.3n**
Compensation of employees	D.1
Taxes on production and imports	D.2
Taxes on products	D.21
Other Taxes on production	D.29
Subsidies	D.3
Subsidies on products	D.31
Subsidies on production	D.39
Property income	D.4
Interest after allocation of FISIM	D.41
Distributed income of corporations	D.42
Reinvested earnings on foreign direct investment	D.43
Other investment income	D.44
Rent	D.45
Balance of Primary Incomes, Gross / Gross National Income	**B.5g /B.5*g**

Source: SNA 2008 International Standards

2.1.2.3 Use of Disposable Income Account

The Use of disposable income account records how Gross Disposable Income is allocated between final consumption expenditure and gross saving within the institutional sector. The account provides an important analytical framework for assessing the extent to which disposable income is utilized for current consumption purposes or retained for future investment and capital accumulation.

Table 5: Use of Disposable Income Account by Transaction Code

Use of Disposable Income Account	Transaction Code
Gross Disposable Income	**B6g**
Net Disposable Income	**B6n**
Final consumption expenditure	P3
Individual consumption expenditure	P31
Collective consumption expenditure	P32
Adjustment for the change in pension entitlements	D8
Gross Saving	**B8g**
Net Saving	**B8n**
Current External Balance	**B12**

Source: SNA 2008 International Standards

In this account, the data used is final consumption expenditures, comprising the final consumption expenditures of the household including NPISH, and general government sectors. The data for these sectors was obtained from the 2019 Supply and Use Tables (SUTs) data framework. However, disaggregated individual and collective final consumption expenditures were allocated across the relevant sectors based on their respective shares of output. Gross saving is estimated in this account as balancing item and carried forward to the capital account.

Gross Saving = Gross Disposable Income − Final Consumption Expenditure

2.1.3 Capital Account

The capital account records transactions relating to the acquisition and disposal of non-financial assets by institutional sectors during an accounting period. It shows how gross saving, together with capital transfers received and paid, is used to finance gross capital formation and other changes in non-financial assets. The balancing item of the capital account is net lending (+) or net borrowing (−), which indicates whether an institutional sector has a financial surplus available to lend to other sectors or requires financing from them.

2.1.3.1 The Change in Assets Account

The change in assets account records the changes in the value and composition of assets and liabilities of institutional sectors. It captures changes arising from transactions, other changes in the volume of assets, and revaluation gains and losses. The account provides an integrated link between the opening and closing balance sheets, thereby showing how the net worth of institutional sectors changes over the accounting period.

Table 6: The Capital Accounts in Change of Assets

Capital Account	Transaction Code
Gross capital formation	P5
Gross fixed capital formation	P51g
Acquisitions less disposals of fixed assets	P511
Consumption of fixed capital	P51c
Changes in inventories	P52
Acquisitions less disposals of valuables	P53
Acquisitions less disposals of non produced assets	NP
Capital transfers, receivable	D9r
Capital transfer, payable	D9p
Net lending (+) / net borrowing (–)	**B9**

Source: SNA 2008 International Standards

2.1.3.2 The Change in Net Worth Due to Saving and Capital Transfers Account

The capital transfers account records transactions relating to capital transfers, including capital taxes, investment grants, and other capital transfers, both receivable and payable. The acquisition of non-financial assets account presents the variables used to compile the account, including gross capital formation, which is estimated as the sum of gross fixed capital formation (GFCF), changes in inventories, and acquisitions less disposals of valuables.

Total capital transfers receivable was estimated from the 2019 National Accounts Statistics publication and subsequently allocated to the non-financial corporations, general government, and household sectors, including NPISH, based on their respective shares of output. The change in net worth due to savings and capital transfers is estimated in this account as a balancing item and carried forward to the Acquisition of Non-Financial Assets Account.

The aggregate data for GFCF, changes in inventories, and acquisitions less disposals of valuables were extracted from the Supply and Use Tables (SUTs) data framework and subsequently allocated to each institutional sector based on its respective share of output. For the general government sector, however, the allocation was based on the sector's share of non-market output. Net lending (+) or net borrowing (–) is estimated in the Capital Account as the balancing item.

Net lending (+) / net borrowing (–) = Net Saving + Current Transfers receivable – Gross Capital Formation

Positive net lending implies that the economy generated surplus financial resources available for lending to other sectors or for acquiring financial assets. The external and capital accounts highlight the importance of external resources, investment financing, and capital accumulation in supporting macroeconomic stability and long-term economic growth within the Institutional Sector Accounts framework.

Table 7: Change in Net Worth due to Saving and Capital Transfers Account

Acquisition of Non-Financial Assets Account	Transaction Code
Changes in net worth due to saving and capital transfer	**B101**
Gross capital formation	P5
Gross fixed capital formation	P51g
Changes in inventories	P52
Acquisitions less disposals of valuables	P53
Consumption of fixed capital	P51c
Acquisitions less disposals of Fixed assets	P511
Net lending (+) / net borrowing (–)	**B9**

Source: SNA 2008 International Standards

2.1.4 Financial Account

The financial account records transactions in financial assets and liabilities among institutional sectors during an accounting period. It shows how sectors allocate financial resources through the acquisition of financial assets and the incurrence of liabilities and provides the basis for determining the net lending or net borrowing position of each sector. The financial account is compiled consistently with the capital account, with net lending or net borrowing serving as the balancing item between the two accounts.

2.1.4.1 Financial Account Change in Assets

The financial account change in assets records transactions in financial assets undertaken by institutional sectors. It shows the net acquisition of financial assets by sector and by type of financial instrument, providing information on the changes in financial claims made by institutional sectors.

Table 8: Financial Account Change in Assets

Net Acquisition of Financial Assets	Transaction Code
Monetary gold and SDRs	F1
Currency and deposits	F2
Debt Securities	F3
Loans	F4
Equity and investment fund shares	F5
Insurance, pension and standardized guarantee schemes	F6
Financial derivatives and employee stock options	F7
Other accounts receivables/payable	F8

Source: SNA 2008 International Standards

2.1.4.2 The Financial Account Changes in Liabilities and Net Worth

The financial account changes in liabilities and net worth record transactions that result in changes in the liabilities and net worth of institutional sectors. It shows changes arising from the net incurrence of liabilities and transactions affecting net worth and provides an important link between the financial account and the balance sheet. The account therefore illustrates how financial transactions contribute to changes in the financial position of institutional sectors over the accounting period.

Table 9: Financial Account Change in Liabilities and Net Worth

Transaction Code	Acquisition of Non-Financial Assets Account
B101	**Changes in net worth due to saving and capital transfer**
P5	Gross capital formation
P51g	Gross fixed capital formation
P52	Changes in inventories
P53	Acquisitions less disposals of valuables
P51c	Consumption of fixed capital
P511	Acquisitions less disposals of Fixed assets
B9	Net **lending (+) / net borrowing (–)**

Source: SNA 2008 International Standards.

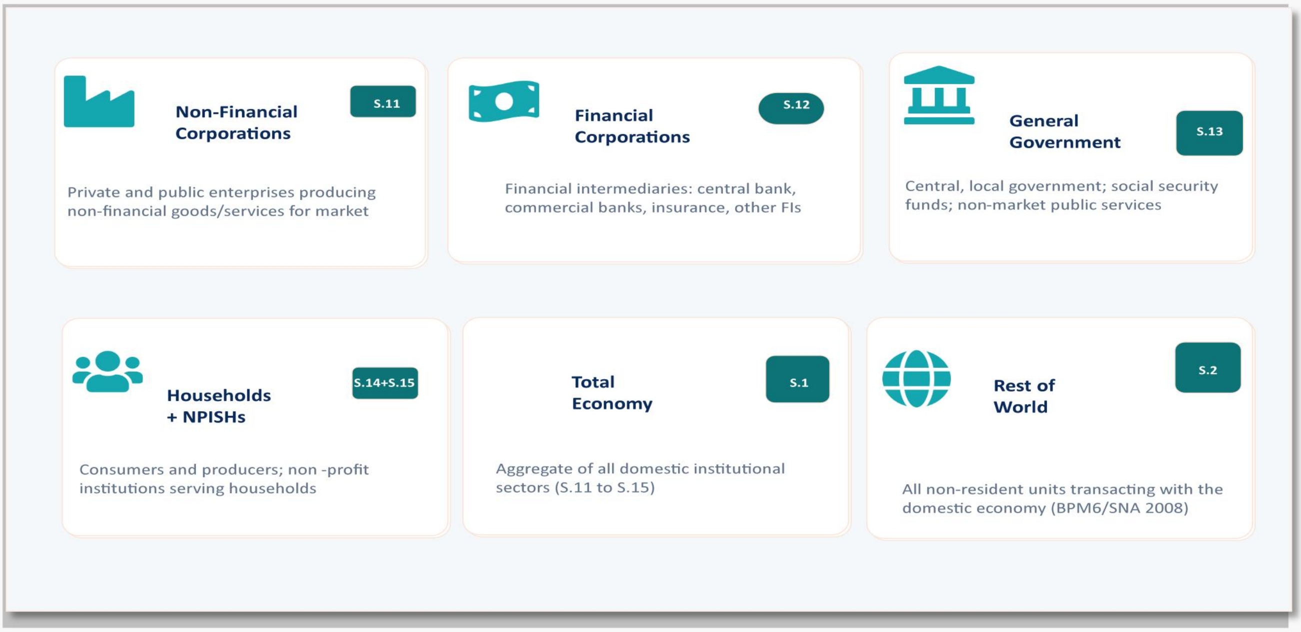
3.0. Institutional Sectors Accounts

The ISAs analysis focuses on the economic behaviour of the main institutional sectors, namely Non-Financial Corporations (S.11), Financial Corporations (S.12), General Government (S.13), Households (S.14), Non-Profit Institutions Serving Households (S.15), and the Rest of the World (S.16). Each sector is assessed in terms of production activities, income flows, consumption expenditure, saving patterns, capital formation, and net lending or borrowing positions. In addition, the analysis is the evaluation of sectoral balances, which highlights the financing relationship between surplus and deficit sectors and framework enables the assessment of macroeconomic imbalances by identifying gaps between saving and investment at sectoral level. These imbalances are important for understanding fiscal sustainability, private sector leverage, external sector vulnerability, and overall macroeconomic stability.

Institutional Sector Accounts (ISA) for Mainland Tanzania present a complete and consistent view of economic activities and transactions carried out by the main institutional sectors within the economy. These accounts follow the sequence accounts defined in the

System of National Accounts 2008 (SNA 2008), ensuring international comparability and internal coherence. The classification of Institutional Sector Accounts as presented below

Figure 2: The Classification of Institutional Sectors



Source: SNA 2008 International Standards

3.1 Non-Financial Corporations Sector (S.11)

The Non-Financial Corporations sectors (NFCs) comprise all resident institutional units principally engaged in the production of goods and non-financial services for sale at economically significant prices. These institutional units operate with the primary objective of generating profits or other financial gains for their owners through market-oriented production activities. They include private enterprises and public corporations operating in sectors such as manufacturing, construction, agriculture, and trade. The Non-Financial Corporations (NFCs) sector is characterized by its goal of generating profit through market transactions and investments, which makes it a key driver of economic activity and employment. In accordance with the SNA 2008, the sector includes public non-financial corporations, private non-financial corporations, cooperatives, quasi-corporations, and other legally constituted enterprises whose principal activity is the production of non-financial output.

The Non-Financial Corporations (S.11) are compiled in accordance with the conceptual framework and recommendations of SNA 2008. The accounts provide a comprehensive statistical representation of the production activities, income generation, income distribution, capital accumulation, and financial position of resident non-financial corporations operating within the economy.

Non-Financial Corporations' methodology is designed to ensure consistency, comparability, completeness, and coherence across the sequence of accounts and with the broader national accounts' framework. For the Non-Financial Corporations sector, output is measured as the value of goods and services produced by institutional units, including private corporations, public corporations, cooperatives, and quasi-corporations. Output is generally valued at basic prices and includes both goods and services produced for sale (market output) as well as production for own final use, where applicable.

The NFCs compilation follows the integrated sequence of accounts as presented above including the production account; the generation of income account; the allocation of primary income account; the secondary distribution of income account; use of disposable income account; capital account; financial account; balance sheet accounts. The accounts are compiled on an accrual basis, whereby transactions are recorded when economic value is created, transformed, exchanged, transferred, or extinguished.

The compilation of the non-financial corporations' sector accounts relies on administrative data sources and surveys to ensure adequate sectoral coverage and consistency. The data sources typically included are quarterly and annual financial statements of corporations, administrative tax records, enterprises surveys; Balance of payments statistics; Foreign direct investment surveys; and Government finance statistics. Moreover, data sources for used to compile the output and intermediate consumption were enterprise surveys, and administrative records including tax records, financial reports; trade and customs data for imported and exported goods; and SUTs data.

3.2 Financial Corporations Sector (S.12)

The financial corporation's sector is one of sectors for ISA including all privately and publicly owned resident institutional units who play a central intermediation role by channelling funds between surplus and deficit units, thereby supporting investment and economic growth. The FCs as per the International Standard Industrial Classification (ISIC) includes financial institutions such as financial service activities except insurance, reinsurance and pension funding (64); Insurance, reinsurance and pension funding, except compulsory social security activities (65); and auxiliary to financial service and insurance activities (66). The sector examines the structure of financial assets and liabilities across sectors, including deposits, loans, equity, debt securities, insurance and pension entitlements, and financial derivatives and facilitates the mobilization of savings, provision of credit, risk management, and allocation of capital across the economy.

The financial corporations are institutional units which are independent legal entities and market producers, and whose principal activity is the production of financial services. The financial corporation sector is compiled using the sequence of accounts, in accordance with the guidelines set out in the System of National Accounts (SNA 2008). The main objective is to integrate the financial corporation sector as a key component of the Institutional Sector Accounts (ISAs).

The account within the sector follows its own specific methodology for estimating output and intermediation consumption (IC). Output and IC estimate in production, generation of income (which includes allocation of primary income, secondary distribution of income, and Use of disposable income accounts) as well as external accounts, are directly derived from Supply and Use Tables (SUTs). However, the Capital Account (which includes changes in net worth due to saving and capital transfers and acquisition of non-financial assets) is estimated by deriving relevant indicators from the financial reports of financial corporations.

The SUTs output of the Central Bank is estimated using the sum cost approach, which adds together Compensation of Employees (COE), Intermediation Consumption (IC), and Consumption of Fixed Capital (CFC). Since direct data for CFC is not available, depreciation is used as a proxy. IC is estimated based on financial reports, specifically from the expenses section. For commercial banks, output is estimated by applying the stock of loans and deposits while IC derived from the expense's items listed in their financial reports. Insurance companies, output is estimated using a combination of gross premiums, total investments, claims, benefits due, technical reserves, and changes in the equalization provision. The structure for IC is obtained from surveys. For other financial services, output is derived from financial reports, VAT turnover, and surveys, while IC is calculated from data provided by the surveys.

The data for compilation are mainly administrative data from private and public commercial banks and Central Bank of Tanzania (BOT) (i.e. income and expenditure data from audited financial reports); Tanzania Revenue Authority (TRA) (i.e. VAT turnover); and Insurance companies (i.e. income and expenditure data from audited financial reports).

3.3 General Government Sector (S.13)

The General Government (GG) sector encompasses all government entities that provide public services and enforce policies. In Tanzania the sector covers Central Government, Local Governments, and Social Security Funds. In addition, GG used to fulfil their political responsibilities and their role of economic regulation, produce services for individual or collective consumption mainly on a non-market basis and redistribute income and wealth.

i. Produces non-market services for individual and collective consumption,
ii. Redistributes income or wealth with the sub-sectors such as Central government (S.1311), Local Government (S.1313), and
iii. Social security funds (S.1314).

The estimation of the output for the General Government sector used the cost of production approach, given that many services are provided free or at minimal charges. Therefore, it involved summing up costs such as employee compensation, operational expenses, consumption of fixed capital, and taxes less subsidies on production (such as vehicle tax or insurance tax). Intermediate consumption (IC), on the other hand, includes the value of goods and services used as inputs during the production process, like office supplies, utilities, and outsourced services.

The data sources for the compilation of the GG were mainly Government Finance Statistics (GFS), Tanzania Revenue Authority, Bank of Tanzania, Treasure Register, Local Government Authorities and Social Security Fund

3.4 Household Sector (S.14)

The household sector encompasses both their roles as consumers, purchasing goods and services for personal use, and as producers, engaging in small-scale activities like farming or craftsmanship. The sector includes individuals or groups of people who share living arrangements and manage economic activities as a single unit. Households may also produce for own final consumption (e.g. farmers producing goods for their own consumption, owner-occupiers of houses producing housing services for themselves). Households are central to economic systems, influencing demand, saving, investment, and labor supply.

This methodology estimates household production for 2019 by using ratios derived from the more detailed 2017/28 Household Budget Survey (HBS) and applying them to 2019 national accounts data. In estimating the household output, two components were estimated such as output of own-use production (i.e. goods and services produced and consumed by households, such as home-grown food and imputed rent) and output of unincorporated household enterprises (i.e. goods and services from small informal businesses).

The output of own use production, the total output value of own produced food and imputed rent was calculated from 2017/18 HBS. This was divided by total household final consumption expenditure for 2017/18 to obtain a ratio of 0.4, indicating that 40 percent of household consumption came from own production. This ratio was then applied to 2019 household consumption to estimate own use production for that year.

For unincorporated enterprises, the 2025 output (TZS 46,722 billion) was divided by GDP to obtain a ratio. Before applying this ratio to 2019, government nonmarket output was removed from GDP to isolate market output, as household enterprises operate only in the market economy. The ratio was then applied to 2019 market output to estimate enterprise output for that year.

The methodology assumes stability in household production patterns between 2019 and 2025, no major economic shocks, and more detailed 2017/18 HBS data which include even informal unincorporated household enterprises.

The data sources for compilation of Household sector were obtained from the household surveys, labor force surveys, agricultural censuses, and expenditure surveys. Administrative records, such as tax, social security data, and local government records, household activities like rental income or small-scale enterprises.

3.5 Non-Profit Institutions Serving Households Sector (S16)

Non-Profit Institutions Serving Households (NPISH) are organizations that provide services to individuals or households without seeking profit. These institutions often focus on areas like education, health, social welfare, and community development. They rely on donations, grants, and volunteer support to operate and aim to address societal needs, especially for marginalized or underserved populations. NPISH plays a vital role in fostering social cohesion and improving the quality of life in communities.

The output of the NPISH stems from providing services of education, health, social work, entertainment, and recreation. NPISH final consumption is defined as: output, less sales and fees receivable. Output is measured as the sum of costs.

The data sources for the compilation of the NPISH were mainly from the Integrated Household Budget Survey, VAT turnover data, the Population and Housing Census, Foreign trade statistics, Balance of Payment (BOP) statistics, the Survey of Services, and administrative records for services, such as electricity, telecommunications, education, financial services.

3.6 Rest of the World Sector (S.2)

The rest of the world sector comprises all economic transactions between residents and non-residents. It captures flows such as exports and imports of goods and services, income earned and paid abroad (e.g., interest, dividends, remittances), foreign aid, and cross-border financial transactions. These transactions influence the country's net lending or borrowing position and provide insight into external sector vulnerabilities, trade performance, and financial integration with the world economy.

The rest of the world sector is compiled using the Balance of Payments framework as recommended by SNA 2008 and BPM6. It captured all economic transactions between resident and non-residents units, including trade in goods and services, primary and secondary income flows, capital transfers, and financial transactions.

The main data sources for the compilation this sector comprises Balance of Payments and International Investment Position statistics from the Bank of Tanzania, customs trade data from the Tanzania Revenue Authority (TRA), trade and enterprise surveys from the National Bureau of Statistics (NBS), and administrative records on remittances, foreign aid, and external debt. Transactions are recorded on an accrual basis, and mirror data with partner countries was used where available to ensure accuracy and consistency.

4.0. Highlights Findings of 2019 Institutional Sector Accounts

Table 10 indicates the summary of macroeconomic indicators that shows that the economy recorded a Gross Domestic Product (GDP) at market prices of TZS 139,135 billion, representing the total value of goods and services produced within the domestic economy during the accounting period. The GDP recorded under the production account reflects the combined contribution of all economic activities through the generation of value added by resident producer units.

However, the economy generated a Gross National Income (GNI) at market prices of TZS 136,816 billion under the Allocation of primary income account. GNI measures the income received by residents from domestic production and net primary income flows with the rest of the world, as payments made to non-residents like investment income and compensation of employees exceeded income received from abroad.

During the year under review, the economy recorded Gross Saving at market prices amounted to TZS 47,061 billion. Gross saving represents the portion of disposable income that remains after accounting for final consumption expenditure. The saving indicates the retained resources in the economy which could be used to finance investment activities.

In 2019, Mainland Tanzania recorded Gross Capital Formation (GCF) of TZS 49,647 billion under the capital account that represents investment in fixed assets, changes in inventories, and acquisitions of valuables. The level of investment indicates continued efforts to expand productive capacity and support future economic growth.

Table 10: Macroeconomic Indicators by Type of Sequence Accounts, Mainland Tanzania, 2019 at Market Prices.

Macroeconomic Indicators (TZS Billion)			
Indicator	**SNA Code**	**Value**	**Account**
Gross Domestic Product	B1*g	**139,135**	Production
Gross National Income	B5g	**136,816**	Allocation of Primary Income
Gross Disposable Income	B6g	**128,457**	Secondary Distribution Income
Gross Saving	B8g	**47,061**	Use of Disposable Income
Gross Capital Formation	P5	**49,647**	Capital Account
Exports of goods and services	P6	**22,033**	Capital Account
Imports of goods and services	P7	**23,257**	Capital Account

Source: National Bureau of Statistics, 2026

The macroeconomic indicators demonstrate that the economy experienced significant production and investment activity during the accounting period at a GDP of TZS 139,135 billion, which reflects a substantial level of economic output. The Gross National Income and Gross Disposable Income indicate the income available to residents after considering primary income and transfer flows. Therefore, these findings highlight the importance of strengthening domestic saving capacity while maintaining productive investment to ensure sustainable economic growth and financial stability.

During the reference period, the total economy of Mainland Tanzania recorded total output amounting to TZS 221,420 billion. The non-financial corporations' sector was the largest producer, generating output valued at TZS 146,533 billion, equivalent to approximately 66.2 percent of total domestic output. The growth of output was contributed mostly by large output of construction, manufacturing, and wholesale and retail trade activity. This was followed by Households, including Non-Profit Institutions Serving Households (NPISHs), with total output of TZS 53,484 billion (24.2 percent). General Government contributed TZS 14,872 billion (6.7 percent), while financial corporations accounted for TZS 6,531 billion (2.9 percent).

Table 11: Production Account by Institutional Sector, 2019 (TZS Billion)

Uses							Current Accounts		Resources						
Sum over sectors S.1+S.2	Rest of the world S.2	Total economy S.1	Households including NPISH S.14+S.15	General government S.13	Financial corporations S.12	Non-financial corporations S.11			Non-financial corporations S.11	Financial corporations S.12	General government S.13	Households including NPISH S.14+S.15	Total economy S.1	Rest of the world S.2	Sum over sectors S.1+S.2
							SNACode	Production Account	**146,533**	**6,531**	**14,872**	**53,484**	**221,420**		
							P.1	Output	146,533	6,531	14,872	53,484	221,420		
							P.11	Market output	146,533	6,531		27,961	181,025		
							P.12	Output for own final use				25,523			
							P.13	Non-market output			14,872		14,872		
		93,052	12,392	4,377	1,456	74,826	P.2	Intermediate consumption							
		128,368	**34,826**	**23,033**	**5,075**	**65,434**	**B1g**	Gross value added							
							D21-D31	Taxes less subsidies on products					10,767		
		139,135					**B1*g**	Gross domestic product							
		9,316	778	2,933	552	5,054	P.51C	Consumption of fixed capital							
		129,819	**40,314**	**7,561**	**4,524**	**66,653**	**B1n/B1*n**	Net value added / net domestic product							

Source: National Bureau of Statistics, 2026

In 2019, the production account recorded Gross Value Added (GVA) at basic prices amounting to total of TZS 128,368 billion during the reference period. In the institutional sectors, Non-Financial Corporations generated the largest share of value added at 55.9 percent of total domestic gross value added, followed by Households, including NPISHs by 32.0 percent. The General Government sector contributed 8.2 percent, while Financial Corporations generated 4.0 percent.

Gross operating surplus represents the returns to capital earned by corporations after compensating labour and paying taxes on production. During the year under review, Net Gross Operating Surplus (GOS) amounted to TZS 93,916 billion, which was recorded in the generation of income account. In addition, the economy recorded a Net Operating Surplus (NOS) of TZS 84,600 billion, that represents the income available after accounting for the consumption of fixed capital.

The account demonstrates that the Tanzanian economy generated substantial value added during the accounting period, with Non-Financial Corporations and Households, including NPISHs, accounting for the majority of production income. The high level of gross operating surplus that returns to capital and self-employment activities remains a key contributor to income generation, while the relatively moderate level of consumption of fixed capital indicates that a significant proportion of operating surplus remained available as net income. These results provide important insights into the structure of income generation and the relative contributions of institutional sectors to economic activity.

Table 12: Generation Income Account by Institutional Sector, 2019 (TZS Billion)

Uses									Resources						
Sum over sectors S.1+S.2	Rest of the world S.2	Total economy S.1	Households including NPISH S.14+S.15	General government S.13	Financial corporations S.12	Non-financial corporations S.11	SNA Code	Generation of Income Account	Non-financial corporations S.11	Financial corporations S.12	General government S.13	Households including NPISH S.14+S.15	Total economy S.1	Rest of the world S.2	Sum over sectors S.1+S.2
							B.1g/B.1*g	Gross value added / Gross domestic product	71,707	5,075	10,494	41,091	128,368		
35,011		35,011	8,657	7,514	1,628	17,211	D.1	Compensation of employees							
		10,767					D.21	Taxes on products							
		586	42	164	34	345	D.29	Other taxes on production							
							D.31	Subsidies on products							
		1,145		1,145			D.39	Other subsidies on production	94	16	1,027	7	1,145		
		93,916	32,400	3,843	3,429	54,244	B.2g/B.3g	Gross operating surplus / Gross mixed income							
		9,316	778	2,933	552	5,054	P.51C	Consumption of fixed capital							
		84,600	31,622	910	2,877	49,191	B.2n/B.3n	Net operating surplus / Net mixed income							

Source: National Bureau of Statistics, 2026

The allocation of primary income account as per 2008 SNA indicates how primary income generated from production process is allocated among Institutional sectors. The primary incomes receivables and payables recorded in this account include compensation of employees, taxes on production and imports less subsidies, operating surplus and mixed income, and property income (interest, dividends, other investment income), In 2019, the account shows property income of TZS 2,806 billion on the uses side and TZS 486 billion on the resources side.

The balancing item of the account is Gross National Income (GNI). During the reference year, the estimated GNI at market prices amounted to TZS 136,816 billion, after adjusting for taxes to derive the corresponding amount at basic prices, total gross saving amounted to TZS 126,048 billion. This level of Gross National Income indicates that the economy generated a substantial primary income, reflecting the overall income available to resident institutional units after accounting for cross-border primary income flows (Table 13).

Table 13: Allocation of Primary Income Account, by Institutional Sectors, 2019 (TZS Billion)

Uses									Resources						
Sum over sectors S.1+S.2	Rest of the world S.2	Total economy S.1	Households including NPISH S.14+S.15	General government S.13	Financial corporations S.12	Non-financial corporations S.11	SNA Code	Allocation of Primary Income Account	Non-financial corporations S.11	Financial corporations S.12	General government S.13	Households including NPISH S.14+S.15	Total economy S.1	Rest of the world S.2	Sum over sectors S.1+S.2
							B.2g/B.3g	Gross operating surplus / Gross mixed income	**54,244**	**3,429**	**3,843**	**32,400**	**93,916**		
							B.2n/B.3n	Net operating surplus / Net mixed income	**49,191**	**2,877**	**910**	**31,622**	**84,600**		
							D.1	Compensation of employees				35,011	35,011		35,011
							D.2	Taxes on production and imports			11,353		11,353		11,353
							D.21	Taxes on products			10,767		10,767		10,767
							D.29	Other taxes on production			586		586		586
							D.3	Subsidies							
							D.31	Subsidies on products							
							D.39	Subsidies on production							
2,806		2,806	1,019	175	83	1,529	D.4	Property income	265	14	30	177	486		486
1,271		1,271	434	146	52	639	D.41	Interest after allocation of FISIM	91	11	15	109	226		226
544		544			7	536	D.42	Distributed income of corporations	30				30		30
							D.43	Reinvested earnings on foreign direct investment							
							D.44	Other investment income							
991		991	585	29	23	354	D.45	Rent	144	3	15	68	231		231
		126,048	**40,249**	**10,350**	**5,007**	**70,443**	B.5g/B.5*g	Balance of primary incomes, gross / gross national income							

***Source**: National Bureau of Statistics, 2026*

The Secondary Distribution of Income Account shows how Gross Disposable Income (GDI) is derived through current transfers, including current taxes on income, net social contributions, and other current transfers. The balancing item of the account is Gross Disposable Income at market prices, which amounted to TZS 137,773 billion after adjusting for taxes to derive the corresponding amount at basic prices; total gross saving amounted to TZS 127,006 billion.

The estimated Gross Disposable Income represents the income available to resident institutional sectors for final consumption and saving after the redistribution of primary income through current transfers. The increase from primary income to disposable income reflects the role of redistribution mechanisms, such as taxes, social contributions, and transfers, in reallocating income across institutional sectors within the economy (Table 14).

Table 14: The Secondary Distribution of Income Account by Institutional Sectors, 2019 (TZS Billion)

Uses									Resources						
Sum over sectors S.1+S.2	Rest of the world S.2	Total economy S.1	Households including NPISH S.14+S.15	General government S.13	Financial corporations S.12	Non-financial corporations S.11	SNA Code	Secondary Distribution of Income Account	Non-financial corporations S.11	Financial corporations S.12	General government S.13	Households including NPISH S.14+S.15	Total economy S.1	Rest of the world S.2	Sum over sectors S.1+S.2
							B.5g/B.5*g	Balance of primary incomes, gross / gross national income	**70,443**	**5,007**	**10,350**	**40,249**	**126,048**		
129		129	70	4	4	51		Current transfers	546	110	185	245	1,087		
45		45	14		2	29	D.5	Current taxes on income, wealth, etc.			45		45		45
45		45	14		2	29	D.51	Taxes on income							
							D.59	Other current taxes			24		24		24
43		43	43				D.61	Net social contributions	39	1	2	0	43		43
							D.62	Social benefits other than social transfers in kind							
41		41	13	4	2	23	D.7	Other current transfers	507	109	138	245	999		999
							D.71	Net non-life insurance premiums	507	109			616		616
							D.72	Non-life insurance claims							
							D.74	Current international cooperation			138		138		138
41		41	13	4	2	23	D.75	Miscellaneous current transfers							
		127,006	**34,159**	**23,069**	**5,113**	**64,665**	**B.6g**	Gross disposable income							

Source: National Bureau of Statistics, 2026

The total gross saving at market prices in the economy amounted to TZS 46,061 billion, after adjusting for taxes to derive the corresponding amount at basic prices, total gross saving amounted to TZS 36,294 billion. However, this aggregate masks a sharp divergence in saving behaviour across institutional sectors. The total gross saving were attributed by non-financial corporations, as it is producing units rather than consuming units, retain their entire net disposable income as saving; a large corporate contribution of this size typically signals healthy retained earnings and reinvestment capacity in the productive sectors of the economy and points to corporate profits as the main engine financing domestic investment.

Government's negative saving indicates that current revenue was not sufficient to cover current expenditure (recurrent spending on goods, services, and social transfers), requiring the government to borrow or use other financing to sustain consumption. Households, including NPISH, represent households as a group that spent substantially more on final consumption than they earned in net disposable income, a level of dissaving large enough to offset almost the entirety of financial corporations' and government's combined saving (Table 15).

Therefore, national saving is concentrated almost entirely within the corporate sector. Government and financial corporations contribute only modestly, while households act as a net drag on aggregate saving. This composition has important implications for macroeconomic sustainability: when saving is driven primarily by corporations while households dissave at this scale, financing for investment becomes increasingly reliant on corporate profitability rather than on broad-based household savings mobilization. Also, a possible early warning sign of household financial strain, even as the headline national saving rate continues to appear strong.

Table 15: Use of Disposable Income Account by Institutional Sector, 2019 (TZS Billion)

Uses									Resources						
Sum over sectors S.1+S.2	Rest of the world S.2	Total economy S.1	Households including NPISH S.14+S.15	General government S.13	Financial corporations S.12	Non-financial corporations S.11	SNA Code	Use of Disposable Income Account	Non-financial corporations S.11	Financial corporations S.12	General government S.13	Households including NPISH S.14+S.15	Total economy S.1	Rest of the world S.2	Sum over sectors S.1+S.2
							B.6g	Gross disposable income	**70,938**	**5,113**	**10,531**	**40,424**	**127,006**		
		90,712	77,482	13,230			**P.3**	Final consumption expenditure							
		82,614	77,482	5,132			P.31	Individual consumption expenditure							
		8,098		8,098			P.32	Collective consumption expenditure							
1,392		1,392					D.8	Adjustment for the change in pension entitlements				1,392			
		36,294	**- 37,058**	**- 2,698**	**5,113**	**70,938**	**B.8g**	Gross saving							

Source: National Bureau of Statistics, 2026.

During the period under review, the external account (Rest of the World sector) recorded exports of goods and services totalling TZS 22,033 billion, comprising TZS 12,500 billion in goods exports and TZS 9,532 billion in services exports. Imports of goods and services amounted to TZS 23,257 billion, comprising TZS 19,342 billion in goods imports and TZS 3,915 billion in services imports. On a net basis, the economy recorded an external deficit of TZS 1,224 billion. This outcome reflects a goods trade deficit of TZS 6,842 billion (goods exports of TZS 12,500 billion against goods imports of TZS 19,342 billion), partly offset by a services trade surplus of TZS 5,618 billion (services exports of TZS 9,532 billion against services imports of TZS 3,915 billion).This net position is reflected in the external balance of goods and services (B.11), which stood at negative TZS 1,224 billion, and the current external balance (B.12), estimated at negative TZS 4,038 billion, assuming no net flow of property income(Table 16).

Table 16: External Account, 2019 (TZS Billion)

Uses									Resources						
Sum over sectors S.1+S.2	Rest of the world S.2	Total economy S.1	Households including NPISH S.14+S.15	General government S.13	Financial corporations S.12	Non-financial corporations S.11	SNA Code	External Account	Non-financial corporations S.11	Financial corporations S.12	General government S.13	Households including NPISH S.14+S.15	Total economy S.1	Rest of the world S.2	Sum over sectors S.1+S.2
	22,033						**P.6**	Exports of goods and services							
	12,500						P.61	Exports of goods							
	9,532						P.62	Exports of services							
							P.7	Imports of goods and services						**23,257**	
							P.71	Imports of goods						19,342	
							P.72	Imports of service						3,915	
	- 1,224						B.11	External balance of goods and services							
	- 4,038						**B.12**	Current external balance							

5.0. Recommendations

To enhance the quality, coverage, consistency, and timeliness on compilation of Institutional Sector Accounts (ISA) in Mainland Tanzania, it is recommended that source data systems and financial reporting be strengthened, informal sector coverage be improved, and the timely provision, reconciliation, and validation of administrative data be enhanced. In addition, technical capacity and institutional coordination among data-producing institutions should be strengthened, alongside the adoption of modern data-management and compilation systems to support efficient and reliable ISA production.

6.0. Conclusion

The compilation of Institutional Sector Accounts represents a significant advancement in the development of a comprehensive macroeconomic statistical framework. It provides an integrated and consistent view of economic transactions across institutional sectors, enabling a deeper understanding of income generation, redistribution, consumption, saving, investment, and financial positions within the economy. Despite existing data and methodological challenges, the ISAs remain essential for strengthening national accounts systems and improving the quality of economic statistics. They enhance the ability of policymakers and analysts to assess sectoral performance, monitor economic stability, and support evidence-based decision-making. Continuous improvements in data sources, administrative integration, technical capacity, and adherence to international standards such as the System of National Accounts (SNA 2008) are critical for enhancing the reliability and usefulness of ISAs. Therefore, the development and institutionalization of ISAs will significantly contribute to improved economic governance, better planning processes, and alignment with national development priorities and international statistical requirements.

Appendix

Appendix 1: Production and Generation of Income Accounts, 2019 (TZS Million)

Uses							Current Accounts		Resources						
Sum over sectors S.1+S.2	Rest of the world S.2	Total economy S.1	Households including NPISH S.14+S.15	General government S.13	Financial corporations S.12	Non-financial corporations S.11			Non-financial corporations S.11	Financial corporations S.12	General government S.13	Households including NPISH S.14+S.15	Total economy S.1	Rest of the world S.2	Sum over sectors S.1+S.2
							SNA Code	**Production Account**	**146 532 860**	**6 531 217**	**14 871 927**	**53 483 760**	**221 419 764**		
							P.1	Output	146 532 860	6 531 217	14 871 927	53 483 760	221 419 764		
							P.11	Market output	146 532 860	6 531 217		27 960 979	181 025 056		
							P.12	Output for own final use				25 522 781	25 522 781		
							P.13	Non-market output			14 871 927		14 871 927		
		93 051 978	12 392 488	4 377 499	1 456 035	74 825 956	P.2	Intermediate consumption							
		128 367 786	41 091 272	10 494 427	5 075 182	71 706 904	**B.1g**	Gross value added							
							D21-D31	Taxes less subsidies on products					10 767 426		
		139 135 212					**B.1*g**	Gross domestic product							
		9 315 792	777 552	2 933 126	551 517	5 053 597	P.51C	Consumption of fixed capital							
		129 819 421	40 313 720	7 561 301	4 523 666	66 653 308	**B.1n/B.1*n**	Net value added / net domestic product							
								Generation of Income Account							
							B.1g/B.1*g	Gross value added / Gross domestic product	**71 706 904**	**5 075 182**	**10 494 427**	**41 091 272**	**128 367 786**		
35 010 656		35 010 656	8 656 920	7 514 143	1 628 398	17 211 195	D.1	Compensation of employees							
		10 767 426					D.21	Taxes on products							
		585 892	42 189	164 193	34 179	345 330	D.29	Other taxes on production							
							D.31	Subsidies on products							
		1 144 796		1 144 796			D.39	Other subsidies on production	93 793	16 277	1 027 244	7 483	1 144 796		
		93 916 035	**32 399 645**	**3 843 335**	**3 428 882**	**54 244 172**	B.2g/B.3g	Gross operating surplus / Gross mixed income							
		9 315 792	777 552	2 933 126	551 517	5 053 597	P.51C	Consumption of fixed capital							
		84 600 243	**31 622 093**	**910 208**	**2 877 366**	**49 190 575**	B.2n/B.3n	**Net operating surplus / Net mixed income**							

Appendix 2: Allocation of Primary Income and Secondary Distribution Income Accounts, 2019 (TZS Million)

Uses									Resources						
Sum over sectors S.1+S.2	Rest of the world S.2	Total economy S.1	Households including NPISH S.14+S.15	General government S.13	Financial corporations S.12	Non-financial corporations S.11		Current Accounts	Non-financial corporations S.11	Financial corporations S.12	General government S.13	Households including NPISH S.14+S.15	Total economy S.1	Rest of the world S.2	Sum over sectors S.1+S.2
								Allocation of Primary Income Account							
							B.2g/B.3g	Gross operating surplus / Gross mixed income	**54 244 172**	**3 428 882**	**3 843 335**	**32 399 645**	**93 916 035**		
							B.2n/B.3n	Net operating surplus / Net mixed income	**49 190 575**	**2 877 366**	**910 208**	**31 622 093**	**84 600 243**		
							D.1	Compensation of employees				35 010 656	35 010 656		35 010 656
							D.2	Taxes on production and imports			11 353 318		11 353 318		11 353 318
							D.21	Taxes on products			10 767 426		10 767 426		10 767 426
							D.29	Other taxes on production			585 892		585 892		585 892
							D.3	Subsidies							
							D.31	Subsidies on products							
							D.39	Subsidies on production							
2 805 769		2 805 769	1 019 158	175 112	82 762	1 528 737	D.4	Property income	264 868	14 339	30 340	176 579	486 127		486 127
1 270 705		1 270 705	433 684	145 927	52 219	638 875	D.41	Interest after allocation of FISIM	91 049	10 901	15 362	108 733	226 045		226 045
543 588		543 588			7 389	536 199	D.42	Distributed income of corporations	29 549				29 549		29 549
							D.43	Reinvested earnings on foreign direct investment							
							D.44	Other investment income							
991 476		991 476	585 474	29 185	23 154	353 663	D.45	Rent	144 271	3 438	14 978	67 846	230 532		230 532
		126 048 143	**40 248 693**	**10 349 655**	**5 006 760**	**70 443 036**	**B.5g /B.5*g**	**Balance of primary incomes, gross / gross national income**							
								Secondary Distribution of Income Account							
							B.5g /B.5*g	Balance of primary incomes, gross / gross national income	**70 443 036**	**5 006 760**	**10 349 655**	**40 248 693**	**126 048 143**		
129 069		129 069	70 050	3 682	4 165	51 171		Current transfers	545 996	110 067	185 408	245 288	1 086 760		
45 017		45 017	14 062		2 348	28 608	D.5	Current taxes on income, wealth, etc.			45 017		45 017		45 017
45 017		45 017	14 062		2 348	28 608	D.51	Taxes on income							
							D.59	Other current taxes			24 381		24 381		24 381
42 972		42 972	42 972				D.61	Net social contributions	39 315	1 195	2 420	41	42 972		42 972
							D.62	Social benefits other than social transfers in kind							
41 080		41 080	13 016	3 682	1 818	22 563	D.7	Other current transfers	506 681	108 872	137 971	245 247	998 771		998 771
							D.71	Net non-life insurance premiums	506 681	108 872			615 553		615 553
							D.72	Non-life insurance claims							
							D.74	Current international cooperation			137 971		137 971		137 971
41 080		41 080	13 016	3 682	1 818	22 563	D.75	Miscellaneous current transfers							
		127 005 834	**40 423 931**	**10 531 381**	**5 112 661**	**70 937 861**	**B.6g**	**Gross disposable income**							

Appendix 3: Use of Disposable Income and Capital Accounts, 2019 (TZS Million)

Uses									Resources							
Sum over sectors S.1+S.2	Rest of the world S.2	Total economy S.1	Households including NPISH S.14+S.15	General government S.13	Financial corporations S.12	Non-financial corporations S.11		Current Accounts	Non-financial corporations S.11	Financial corporations S.12	General government S.13	Households including NPISH S.14+S.15	Total economy S.1	Rest of the world S.2	Sum over sectors S.1+S.2
								Use of Disposable Income Account								
							B.6g	Gross disposable income	**70 937 861**	**5 112 661**	**10 531 381**	**40 423 931**	**127 005 834**		
		90 712 163	77 482 289	13 229 874			P.3	Final consumption expenditure							
		82 614 154	77 482 289	5 131 865			P.31	Individual consumption expenditure							
		8 098 009		8 098 009			P.32	Collective consumption expenditure							
1 392 414		1 392 414					D.8	Adjustment for the change in pension entitlements				1 392 414			
		36 293 671	**- 37 058 358**	**- 2 698 493**	**5 112 661**	**70 937 861**	**B.8g**	Gross saving							
								External Account							
	22 032 684						P.6	Exports of goods and services							
	12 500 224						P.61	Exports of goods							
	9 532 460						P.62	Exports of services							
							P.7	Imports of goods and services						23 256 797	
							P.71	Imports of goods						19 341 812	
							P.72	Imports of service						3 914 985	
	- 1 224 113						**B.11**	External balance of goods and services							
	- 4 037 700						**B.12**	Current external balance							

									Saving and capital transfers receivable							
Sum over sectors S.1+S.2	Rest of the world S.2	Total economy S.1	Households including NPISH S.14+S.15	General government S.13	Financial corporations S.12	Non-financial corporations S.11		Capital Accounts	Non-financial corporations S.11	Financial corporations S.12	**Genel devlet** General government S.13	Households including NPISH S.14+S.15	Total economy S.1	Rest of the world S.2	Sum over sectors S.1+S.2
								Change in Net Worth due to Saving and Capital Transfers Account							
							B.8n/B.8g(1)/B.12	Net saving /gross saving/current external balance	**70 937 861**	**5 112 661**	**- 2 698 493**	**- 37 058 358**	**36 293 671**		**36 293 671**
1 762 790		1 762 790	189 270	321 418	25 634	1 226 469	D.9	Capital transfers	3 314 819	821 512	5 097 916		9 234 247	1 086 760	10 321 007
							D.91	Capital taxes			4 136 331		4 136 331		4 136 331
319 878		319 878		319 878			D.92	Investment grants		10 053	961 585		971 638		971 638
1 442 912		1 442 912	189 270	1 540	25 634	1 226 469	D.99	Other capital transfers	3 314 819	811 459			4 126 278		4 126 278
43 765 128		43 765 128	- 37 247 628	2 078 005	5 908 538	73 026 212	**B.10.1**	Changes in net worth due to saving and capital transfer							
								Acquisition of Non-Financial Assets Account							
							B.10.1	Changes in net worth due to saving and capital transfer	**73 026 212**	**5 908 538**	**2 078 005**	**- 37 247 628**	**43 765 128**		**43 765 128**
		49 647 642	17 384 548	2 965 431	1 463 950	27 833 713	P.5	Gross capital formation							
		49 173 777	17 218 415	2 937 146	1 449 987	27 568 230	P.51G	Gross fixed capital formation							
		244 666	85 794	14 603	7 209	137 061	P.52	Changes in inventories							
		229 199	80 340	13 682	6 755	128 423	P.53	Acquisitions less disposals of valuables							
							P.51C	Consumption of fixed capital	5 053 597	551 517	2 933 126	777 552	9 315 792		
1 140 909		1 140 909				1 140 909	NP	Acquisitions less disposals of non-produced non-financial assets							
- 11 591 181		- 11 591 181	- 54 253 636	- 5 342 507	3 674 345	44 330 617	**B.9**	Net lending (+) / net borrowing (–)							

Vision:

To become a one-stop centre for official statistics in Tanzania.

Mission:

To produce quality official statistics and services that meet needs of national and international stakeholders for evidence-based planning and decision making