



DAR ES SALAAM TANZANIA CHAPTER OF ICAI

7th Annual International Virtual Conference 2022
DIGITAL AFRICA



3 December 2022



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

BUILDING TRUST ENABLING SUSTAINABILITY

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MESSAGE OF CA. (DR.) DEBASHIS MITRA (PRESIDENT, ICAI)

For 7th International Conference
Organized By Dar Es Salaam
(Tanzania) Chapter Of ICAI



CA. (Dr.) Debashis Mitra

President of The Institute of
Chartered Accountants of India

It is heartening to note that Dar es Salaam (Tanzania) Chapter of ICAI is organizing its 7th International Conference on the theme “Digital Africa” on December 3, 2022.

The theme of the Conference resonates with the mode in which the Conference is being held. The pandemic has accelerated the digital transformation and technology implementation by several years and has compelled everyone to evolve with the changed time.

Digital evolution brings with itself its own set of challenges and we need to carve out our position to remain relevant. We need to treat these challenges as a catalyst to pursue the significant new

opportunities for growth thereby facilitating broader role for the Accountancy Profession. I am sure that the event would be an enriching experience and an apt platform for debate amongst professionals on this very appropriate theme.

I am happy to note that the Conference is being jointly held with Nairobi (Kenya) Chapter and participants from our MoU partner, NBAA are also joining the event with great enthusiasm.

I congratulate the entire Management Team of the Dar es Salaam (Tanzania) Chapter of ICAI for their tireless efforts in ensuring recognition for Indian Chartered Accountancy Profession in foreign soil and for organizing many such events for the benefit of the members and the profession at large.

I assure my full support in all the endeavours of the Chapter in enhancing the brand image of ICAI and creating opportunities for the members.

CA. (Dr.) Debashis Mitra
President
The Institute of Chartered
Accountants of India

MESSAGE OF HE BINAYA SRIKANT PRADHAN High Commissioner of India to Tanzania

For 7th International Conference
Organized By Dar Es Salaam
(Tanzania) Chapter Of ICAI



HE BINAYA SRIKANT PRADHAN
High Commissioner of
India to Tanzania

बिनय श्रीकांत प्रधान
BINAYA SRIKANTA PRADHAN
भारत के उच्चायुक्त
High Commissioner of India to
Tanzania



भारत का उच्चायोग
दारेस्सलाम
High Commission of India
Dar es Salam

Message

31 October 2022

I am happy to learn that Dar es Salaam Chapter of the Institute of Chartered Accountants of India (ICAI) are organizing the 7th International Conference on Digital Africa in Dar es Salaam and a souvenir is being brought out to commemorate this special occasion.

The Chapter in Dar es Salaam is a vital institution and I am delighted to note that they have continued to deliver highest standards in their professional field and in doing so remain an indispensable institution in promoting economic linkage between India and Tanzania.

I am sure that Dar es Salaam Chapter will continue to scale greater heights. I convey my best wishes to Dar es Salaam Chapter and its members in all their future endeavours.

Bs Pradhan

(Binaya Srikanta Pradhan)
High Commissioner of India to Tanzania

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



CPA PIUS A MANENO
Executive Director NBAA

I am delighted that Dar es Salaam (Tanzania) Chapter of ICAI is organizing its 7th Annual/International Conference through virtual mode on 3rd December 2022, 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. "Digital Africa" is so relevant and important in today's era as Africa is now in transformation process and evolving itself into a digital 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 seven years period that ICAI Chapter has been in Tanzania is characterized by committed leadership, team 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 accounting professionals.

NBAA as a regulator of the accountancy 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 on IFRS 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. BINU PAUL

Chairman – Dar es Salaam
(Tanzania) Chapter

*Dear Chartered Accountants,
Greetings from Dar es Salaam (Tanzania)
Chapter of ICAI*

Dar es Salaam (Tanzania) Chapter (DSMICAI) has completed 7 years since its establishment in 2015 and as a testament to the diligent efforts of its leaders and members has been granted almost as many 'Best Overseas Chapter' Award in these years, bringing Africa into the limelight.

We have been fortunate to be in this part of the world, where we have been relatively less affected by the restrictions brought down by Covid-19. However, it has affected us personally as well as on a corporate level and has altered our way of life in ways inconceivable few years ago by digitalizing almost all spheres of our existence.

The Teacher in Ecclesiastes says:
"If the axe is dull, And one does not sharpen the edge,
Then he must use more strength; But wisdom brings success."

The MOU signed between the ICAI and NBAA Tanzania for capacity building and knowledge transfer has enabled closer co-operation for the benefits of the profession.

This Souvenir is a rendering of the mix of events of the chapter, articles by members, articles by students of Indian School DSM and the tireless efforts of the Managing Committee to remain as memorabilia of the Chapter for this year 2022.

Awake in those that sleep. Proud to be a CA

Our 7th Annual International Virtual Conference being held on December 03, 2022, with the theme of 'Digital Africa' seeks to explore the digital world to come face to face with the new realities in order to recognize the challenges we face and the resources, skills, tools at our disposal to find optimal solutions.

It is a proud moment for us our Alma mater – The Institute of Chartered Accountants of India has successfully hosted the World Congress of Accountants being held in Mumbai from 18-12 Nov, 2022, a first for the whole Asian Continent.

It is indeed a privilege to be given an opportunity to serve the profession through Dar es Salaam (Tanzania) Chapter of ICAI and on behalf of the managing committee thank and seek support from each member as we strive to build capacity for the accounting professionals in Tanzania and around the world.

CA Binu Paul
Chairman – DSM (Tanzania) Chapter of ICAI
chairman@icaitanzania.org
www.icaitanzania.org

MESSAGE FROM Manish Bansal



MANISH BANSAL

Vice Chairman

*Dear Professional Colleagues.
A Warm welcome to all the members
of the Dar Es Salaam Chapter of ICAI*

It gives me immense pleasure in sharing my first message as the Vice Chairman of the Dar Es Salaam Chapter of the ICAI and feeling extremely proud to say that we all represent in the foreign land the members of ICAI which is the second largest professional body of Chartered Accountants in the world, with a strong tradition of service not only Indian economy but globally in the public interest.

Our Dar Es Salaam chapter was formed in 2015, with within just a span of 7 years, our chapter is awarded for top three best overseas chapters five times out of seven. This all happens due to the active involvement of all chapter members. Further, I encourage all the members to participate in chapter activities, participation will not only provide you the sense of giving back to the India's Chartered Accountant community in Tanzania but will also provide you a sense of belonging to the noble cause but also enhance your professional knowledge

We all are associated with such a profession that we need to become a lifetime learners. Things are changing very fast in this digital world, by the time we upgrade ourselves with the existing technology, a better newer version comes into the market. To keep this theme moving, your Dar es Salaam chapter is coming up with International Virtual Seminar on Digital Africa on 3 Dec 2022 on its 07th Annual Day Celebrations with the topmost eminent speakers to share their expertise and knowledge. I urge all the members to get the maximum benefit out of this.

Recently our mother body, The Institute of Chartered Accounts of India is organized an event "21st World Congress of Accounts 2022 - the Olympics of Accounts" from 18th - 21st November 2022 at Mumbai, India which is a proud movement for all of us, that our country got this opportunity to host this mega event which is attended by over 10,000 delegates from more than 135 countries globally. We all are feeling proud to say that we all members are associated with this esteemed institute and represent this in the foreign land

Further, in the last, I would like to thank all the members and speakers who assisted to reach our Dar es Salaam chapter at this height that we are hosting the Virtual International conference for second time in a continuous row, with all your kind support and involvement. There is no better time than now, to keep learning and raising the flag of our institute, nation, and community at new heights in this foreign land.

I am sure with the support of all the members, senior leaders, and committee members, our chapter will achieve new heights in the coming years. Wishing you all Happy Seventh anniversary for the Chapter and Happy New Year.

Thanking You.
Manish Bansal
(Vice Chairman)


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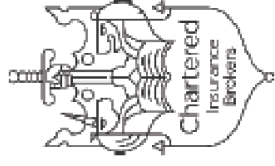
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ROBOTIC PROCESS AUTOMATION (RPA) IN FINANCE & ACCOUNTING



CA SURENDRA TADIKAMALLA

ACA, CPA

As we all know, over the past ten years, businesses have undergone unprecedented technological advancements, and one of them is RPA (Robotic Process Automation) technology. The world is currently heading toward automation, and RPA is a crucial driver of that movement. Although RPA has been around for a while, the adoption of this technology for automation has accelerated since 2016.

RPA can be applied to a plethora of operations; however, this article alludes to the automation of operations in the finance department. RPA, often referred to as "bots," is a type of software that mimics human movement and completes tasks without the need for human interaction. It is not an actual robot. The process's operation must, however, follow certain guidelines and be uniform.

According to current trends and the fast growth of technology, the majority of operations in the finance department will soon be automated by this technology. A recent poll found that 53% of financial processes would be replaced by robots, and that proportion is expected to rise over the next years¹ Robots will complete all of the ordinary tasks in the financial department by 2030.

Where the process or task is more repetitive and routine in nature with clearly established rules, RPA will be an effective automation tool. Since the majority of transactions in finance & accounts are routine and repetitive in nature, RPA would be a useful tool and the best option to start with when considering automation.

Accounts Payable/Accounts Receivable/Purchases/Invoice Processing are the greatest examples of processes that may be automated in the finance department. According to an Accenture 2021 CFO report, 60% of finance operations have been automated, compared to 34% in 2018, and the trend is obvious enough to suggest that very soon all repetitive and regular financial functions will be automated. "4

How it operates

There is no need for programming or coding knowledge to create this application, unlike artificial intelligence. Additionally, it is not required to be integrated with existing technology or ERP; it may "operate on a separate platform, which speeds up deployment. The process or job should be adequately specified with clear rules as one of the main requirements for using RPA.

Automation enables robots to duplicate "existing rule-based transactions and execute them exactly as a human would."It functions in a straightforward manner by reading data from excel, PDF, Word, screen printing, or any other digital form and entering it automatically into your ERP system.



"Every company will inevitably automate its financial operations since it reduces employment costs, expedites business operations, and provides outstanding returns on investment"



Below are the widely used RPA tools for the year 2021

- ▶ UI Path
- ▶ KOFAX
- ▶ BLUEPRISM
- ▶ PEGA
- ▶ AUTOMATION ANYWHERE

What are advantages?

Efficiency and accuracy

Robots completing the tasks would improve accuracy and efficiency by getting rid of human errors.

Increased productivity (Less process time)

It also enhances productivity since it can operate continuously for 24 hours without fatigue and retain the same level of accuracy and efficiency. Because of its high productivity and error-free data input, the finance department can provide excellent reports quickly.

Savings and higher ROI

As robot productivity is substantially higher than that of humans and with a 24-hour workday, a small number of robots may replace a big number of personnel, resulting in cost savings and a rapid return on investment for businesses. RPA delivers 30% to 200% returns depending on the amount of transactions for businesses², and according to Nasscom, it may help businesses save up to 65% of their manpower costs.

Job happiness among employees & greater business insight

According to a few research studies, 40% of employees in the finance department spend their quarter working on repetitive, routine tasks that are of little value, with data entry taking up the majority of their time.³,

By automating these tasks, employees may devote more of their time to value-creating activities, top priorities, strategies, and provide crucial business intelligence for important decisions. Additionally, employees would sense more job satisfaction and increase productivity and efficiency if less time was spent on repetitive tasks.

As it doesn't require more manpower to handle high volume transactions, RPA helps the quick expansion of enterprises.

The finance department may provide management with speedier and deeper business insights by creating effective reports and providing crucial business insights, which might support in the expansion of the firm.

CHALLENGES

Managers must do due diligence and weigh both financial and non-financial rewards before integrating new technologies. Additionally, problems, risk factors, and impediments should be thoroughly analyzed and dealt with in an effective and efficient manner.

Additionally, it is crucial to educate the staff so they may participate in the digital transition without fear of being displaced by technology. Instead of wasting time on repetitive and regular activities, employees will have the opportunity to focus more on high-value, challenging, and rewarding activities and on more strategic assignments.

CONCLUSION

Top management's view will transform from *"Our people are working like robots to We are having robots behave like my employees"*.

RPA is the newest technological tool required for a company to expand and compete in the market, with businesses driving innovation. Every organization will need automation and RPA, just as it will require email and Microsoft Office.

Finance departments are now expecting to provide daily crucial analytical insights to company executives by automating repetitive and regular tasks.

Every company will inevitably automate its financial operations since it reduces employment costs, expedites business operations, and provides outstanding returns on investment. The finest illustration of how automation has improved financial functions in recent years and allowed staff members to concentrate more on tasks that generate value is Amazon.



ATTENTION FINANCE SPECIALISTS

RPA is not physically similar to a person and does not possess a brain capable of thinking creatively, critically, or with emotional intelligence. Only repetitive, routine operations and procedures with clearly defined rules may be automated to replace humans.

However, we frequently overlook human talent, strength, creativity, and beauty (such as innovation, emotional intelligence, inventiveness, critical thinking, empathy, and so on), which are attributes that make us human and which are much more in demand than ever in the current technology-driven environment.

The World Economic Forum predicted in 2018 that the fast advancement of technology and automation in the workplace may result in the creation of 133 million new jobs, replacing the 75 million that would be lost.

The majority of the jobs that are being replaced are of a routine and repetitive type, and RPA is one of those functions that may be carried out by robots.

In the near future, financial professionals should focus on developing skills that robots can't execute, such as innovative, creativity, empathy, communication, and critical thinking, as these abilities will be much more in demand in the current technology-driven economy.

Appendix

1. Deloitte, "The Robots Are Ready. Are You? Untapped Advantage in Your Digital Workforce," <https://www2.deloitte.com/content/dam/Deloitte/uk/Documents/consultancy/deloitte-uk-consulting-robots-are-ready.pdf>
2. <https://www.mckinsey.com/capabilities/mckinsey-digital/our-insights/the-next-acronym-you-need-to-know-about-rpa>
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By:

CA Surendra Tadikamalla,
ACA, CPA

Email: tadikamallasurendra@gmail.com

THE BENEFITS AND CHALLENGES OF CLOUD COMPUTING IN THE BANKING INDUSTRY

Cloud Computing can be defined as the delivery of on-demand computing services (storage, application, and processing power) over the internet on a pay-as-you-go basis. This means Cloud Computing lets people use the internet to tap into hardware, software, and a range of related services on demand from powerful computers usually based in remote locations. By providing close to unlimited hardware and software resources on a pay-as-you-go basis over the internet, Cloud Computing can drive costs down, enables innovation and creates flexibility. Traditionally banks are reluctant to embrace cloud computing due to security concerns, the complexity involved in managing complex systems and regulations within the markets they operate.

Banks are dealing with the complex nature of operations which involves different systems and processes across many platforms in different units. For example, the majority of banks' documents are placed in a record room/ filed in a files room. This process of storing physical files in a room is risky as makes it harder to protect the documents from any type of disaster. I believe managing customers' inquiries is challenging enough without adding the task of managing documents retentions for each department. In addition, the cost of managing all the files is very high which affects the bottom line of the income statement of a bank. Due to the competitive environment in the banking industry, banks have realized that they have to reinvent their core operations and core products and services offering to meet their market's demands.

Failure to do that might lead a bank to lose relevance to its customers which will result in fewer revenues and hence fewer profits.

One of the cost-effective ways for a bank to stay competitive is by leveraging Cloud Computing. Cloud Computing provides a high level of redundancy and backs up at a lower price than traditional document managed solutions.



KELVIN MKWAWA

MBA Season Banker

Various banks are starting to realize the importance of Cloud Computing and are adopting this option for many reasons.

With Cloud Computing, large banks, as well as many other financial industries, can expect many enormous benefits. Here are some of the benefits of using Cloud Computing for a bank/financial institution:

1. Cutting Costs/Economical —With Cloud Computing, a bank will not have to invest heavily in dedicated software, hardware, and related associated manpower associated. Cloud computing does not require a bank to purchase any hardware and software systems. This will enable a bank to avoid unnecessary capital expenditures as well as large upfront costs of the infrastructure. Since Cloud Computing is available on-demand, a bank can choose services on a pay-as-you-go model which means it only pays when it's using the services (software and hardware).

2. Improve Flexibility —Cloud Computing gives a bank the ability to respond quickly to changing market, customers, and technological needs. It enables a bank to respond quickly to unpredictable business requests. As banks move from the traditional model to the digitalization model as the majority of consumers prefer to use banking's services on the go, Cloud Computing can help banks to ensure their services and products are accessible from any location, and anytime with a portion of current costs required to setup a physical infrastructure to support digitalization platforms. The ability to respond quickly can be an added value to a bank in this fiercely competitive industry.

3. Increase Efficiency and Resiliency—The standardization of systems in Cloud Computing makes it easier for a bank to integrate new technologies and applications. Also, the technology and business operations can be aligned much closer with Cloud Computing which gives banks a golden opportunity to drive out complexity. Hence makes a bank' operations more efficient thus improving efficiency ratios and operating leverage.

Also, due to Cloud Computing ability to create a wide enough enterprise availability, it gives a bank the capacity to recover quickly from difficulties.

Furthermore, since Cloud Computing can scale the IT operations according to the needs of a bank, it offers good scalability and easy integrations which are critical factors as acquisitions and mergers are very frequent in the banking industry.

4. Improve Customer Experience—Cloud Computing makes developing new or bundled together existing products and services easier because it eliminates procurement delays for required IT systems and processes. This improves a bank's competitiveness as it will have the capability to retain the market share by improving its products and services and increase the market share by introducing new products and services faster than its competitors. Also, by having potentially unlimited computing power through Cloud Computing, a bank will develop systems that are capable of providing better insights into its clients and making better decisions on their behalf hence forging stronger clients' relationships.

Despite these extraordinary benefits of Cloud Computing, most banks are still slow in adopting it due to security issues and challenges associated with it. Some of the main challenges causing the banks to be reluctant to use Cloud Computing are;

1. Securities—Security is one of the major issues which reduce Cloud Computing adoption in the banking industry. When a bank chose to store data or host applications on Cloud Computing, it loses its ability to have physical access to the servers hosting that information. As a result, potentially business-sensitive and confidential data is at risk from insider attacks such as from employees of Cloud Computing providers.

Many reports conducted throughout the years have found that approximately insider attacks are the third biggest threat in Cloud Computing. Also, to maintain efficiency, and cut costs, Cloud Computing providers often store more than one customer's data on the same server.

This might lead to one user's data being viewed by other users which can be very costly in regard to confidentiality. Banks need to keep in mind that consumers have entrusted their data with them which shows very high confidence hence banks must ensure the security and confidentiality is intact by considering the security challenges when adopting cloud computing.

2. Reliability—Reliability is another challenge that needs to be considered when adopting Cloud Computing. Reliability means how Cloud Computing is available to provide the services intended even when some of its components fail.

I understand that it is impossible to have Cloud Computing that is completely free from failures but a bank must have systems that are reliable and adaptable to changing situations. If the Cloud Computing system has a lower reliability rate means most of the time the systems are disconnected between the Cloud Computing provider and its customer (i.e. bank). This will lead to downtime outages of data which will affect the bank's transactions hence affecting the bank's profitability. The challenge is that it is hard to analyze the reliability of cloud computing since it is made up of different components as there are many complicated interactions among the components of Cloud Computing.

3. Regulations—The laws governing Cloud Computing vary from one country to another. Many countries' data protection laws impose constraints on where the data is kept. With Cloud Computing, it is a challenge to know-how is in the possession of the stored data. The Cloud Computing provider can be considered as legal custodian and owner of the data hence causing issues in legal matters as banks are considered and act as legal custodians of its customers as well. The rapid growth of Cloud Computing must be mirror the rapid evolution of regulations to prevent reputational risk to banks if they.

In summary, Cloud Computing lets people use the internet to tap into hardware, software and a range of related services on demand from powerful computers usually based in remote locations. In traditional banking, clients' accounts are managed by a bank either on the intranet or manually by the branch. In traditional banking, customers' files are stored physically in a stored room which takes too much space and difficult to protect the documents from any type of disaster. To maintain a competitive advantage and achieve better results, a bank needs to reshape and reinvent its core banking operations to create an efficient and sustainable operations model. A bank can achieve that with Cloud computing. Lastly, in this article I shared the benefits and challenges of Cloud Computing in the banking industry; the benefits are; cloud computing helps to cut costs, improve flexibility, increase efficiency and resiliency, and improve customer experience. The challenges of Cloud Computing are; Security, reliability of Cloud Computing, and regulations that govern Cloud Computing.

Written by Kelvin Mkwawa,
MBA Seasoned Banker

Email address: Kelvin.e.mkwawa@gmail.com



CA RAJESH AGARWAL, FCA

Chapter Member

INCOTERMS- RELEVANCE IN INTERNATIONAL CONTRACTS

Executive Summary

Incoterms or International Commercial terms are a series of 11 numbers of predefined commercial terms published by International Chamber of Commerce relating to international commercial law. They are 3 letter trade terms used in execution of buy and sell of goods internationally i.e. when goods have different country of origin and country of destination. The Incoterms rules are accepted by governments, legal authorities, and practitioners worldwide for the interpretation of most commonly used terms in international trade. They are intended to reduce or remove altogether uncertainties arising from the differing interpretations of the rules in different countries. Latest Incoterms are Incoterms2020 effective 1st January 2020.

“**Incoterms**” is a common term being used while execution of any contract for purchase of goods. More commonly people use the term “Incoterm 2010”. Let us sail through various areas w.r.t incoterms like who is the body governing such terms, why it is followed by whole world, what terms are commonly referred to by such body and what is the future of such international commercial terms.

Governing body

Incoterm or “International Commercial Term” is promulgated by ICC(International Chamber of Commerce) having headquarter at Paris, France. This body was established in 1919. ICC is the highest business representative organization having 6 million members from over 100 countries.

Why ICC formed

ICC has three main activities: rule setting, dispute resolution, and policy advocacy. Because its member companies and associations are themselves engaged in international business, ICC has unrivalled authority in making rules that govern the conduct of business across borders.

Although these rules are voluntary, they are observed in thousands of transactions every day and have become part of international trade. It helps in minimizing dispute among the trade carried out.

When Incoterms generated by ICC

First published in 1936 by ICC, Incoterms provide internationally accepted definitions & rules of interpretation of most common commercial terms used in context of sale of goods. ICC celebrated its centenary last year (1919-2019). It has completed its 100 years of existence. Now it is going to come with revised edition viz Incoterms 2020. “Incoterms” is a registered trademark of the ICC.

Why Incoterms

The use of Incoterms eliminates inconsistencies in language by giving all parties the same definition of specific terms within a trade agreement. As a result, the risk of problems during shipment is reduced since all parties clearly understand their responsibilities in performing trade under the given contract

History of Incoterms

Year 1923- ICC conducts first study of most commonly used trade term. It also highlighted disparity in its interpretation.

Year 1928- Second Incoterms rules involving clarity on trade terms in over 30 countries.

Year 1936- ICC publishes first edition of Incoterms rules featuring six trade terms relating to carriage by sea.

Year 1953- Three new non maritime terms address the rise of transport of goods by rail in the wake of World war II. Terms were

FOR(free on rail)

FOT(free on truck)

DCP(delivered cost paid)



Year 1967- ICC launched third edition of Incoterms rules including two new terms including DAF(delivery at frontier) and DDP(delivery in country of destination).

Year 1976- Fourth edition of Incoterm rules announces new terms to end confusion relating to term FOB interpretation for air transport.

Year 1980- To address rise of containerization FRC term introduced meaning Free carrier and new documentation process introduced.

Year 1990- ICC unveiled Incoterms 1990 a complete revision of 1953 version reflecting contemporary practices in international trade and use of intermodal transport. FRC became FCA. Also changes w.r.t use of electronic messages were considered

Year 2000- Incoterms 2000 sees major changes to the Delivery section which made the term FCA far clearer and easy to use.

Year 2010- Icc releases Incoterms 2010 reducing number of terms from 13 to 11 by inclusion of two new rules for use irrespective of agreed mode of transport. Other modifications to reflect contemporary trade landscape comprises measure to enhance cooperation among parties and adaptation regarding commodities sales and domestic transaction.

What are the terms?

The word “term” is now referred to as “rules”. INCO classification is of two types: One for any mode of transport and other one for sea freight or inland waterways.

Terms have been broken down as follows:

Rules for any mode or modes of transport (multimodal transport)	Rules for sea and other waterways transport
EXW - EXWORKS	FAS- FREE ALONGSIDE SHIP
FCA- FREE CARRIER	FOB- FREE ON BOARD
CPT- CARRIAGE PAID TO	CFR- COST AND FREIGHT
CIP- CARRIAGE AND INSURANCE PAID TO	CIF- COST INSURANCE FREIGHT
DAT- DELIVERY AT TERMINAL	
DAP- DELIVERED AT PLACE	
DDP- DELIVERED DUTY PAID	

Let us briefly sail through various terms highlighted above:-

1.Exworks- It represent the seller minimum obligation, since he has only to make available goods for the buyer at its own place. The buyer bears all further task viz arrangement of transport, export and import clearance etc. Carriage and insurance also borne by buyer.

2.FCA (free carrier)- Seller delivers the goods cleared for export to the carrier nominated by buyer. Carriage upto the place of carrier shall be borne by seller. It means in FCA, buyer responsibility starts from paying origin terminal charges, loading on carriage charges and all charges subsequent to bring goods in his place of destination.

3.CPT (carriage paid to)- Seller delivers goods to buyer at his designated place of destination. Even destination terminal charges are paid by seller. But insurance is not paid by seller.

4.CIP(carriage and insurance paid to)- All conditions as per CPT with addition that insurance cost also borne by seller.

5.DAT(delivery at terminal)- Seller risk and responsibility to transfer goods ends once goods reach unloading terminal and unloaded. Term can be used in all mode whether road,rail, sea or air.

6.DAP(delivery at place)- Similar to DAT minus unloading activity by seller. Thus under this term buyer is responsible to unload goods from destination terminal.

7.DDP (delivered duty paid)- In this type of arrangement, maximum responsibility is placed on seller as he need to take responsibility for import clearance and payment of taxes. This can be highly problematic due to the fact that in several countries import procedure are highly complex and can be bureaucratic.

Waterways terminologies

In our above terms we are now left with four terms viz FAS, FOB, CFR and CIF. According to me these four terms can be easily understood if we compare FAS as Exwork, FOB as FCA, CFR as CPT and CIF as CIP, already explained above.

However, above terms have been brief description of various terms used in Incoterms. However these terms never intends to be all inclusive of associated cost and risks.

Incoterms 2020

ICC published incoterms 2020 which came into effect from 1st January 2020. In FCA terms changes have been made. Let us elaborate why FCA terms have been revised.

Free Carrier (FCA) has been revised for Incoterms 2020 to cater to a situation where goods are sold FCA for carriage by sea and buyer or seller (or either party's bank) requests a bill of lading with an on-board notation. FCA in article A6/B6 now provides for the parties to agree that the buyer will instruct the carrier to issue an on-board bill of lading to the seller once the goods have been loaded on board, and for the seller then to tender the document to the buyer (often through the banks).

Also all costs associated with given incoterm rule now appear in an article. To be more specific now users can see full list of associated cost with respect to any incoterms.

"Incoterms 2020 rules help importers and exporters around the world to understand the responsibilities and avoid costly misunderstandings. " – John W.H Denton AO, Secretary General, International Chamber of Commerce.

The abbreviations of Incoterms 2010 are provided by United Nation Economic Commission for Europe (UNECE) Recommendation 5.

Recommendation 5 applies in cases where a coded representation is required to specify trade terms for information exchange between parties involved in international trade and transport. Incoterms 2010 applies to contracts of sale and may in turn be reproduced in contracts of carriage, manifests and customs documents.

UNECE recommends that the abbreviations of the trade terms to be accepted and used by Governments, international organizations and business whenever these trade terms are referred to in abbreviated form and mutually promote their use in support of a common approach to trade facilitation.

This recommendation implies: for participants in international trade and transport: to accept and implement the 3-letter abbreviations as an alphabetic code for Incoterms 2010.

Common mistakes w.r.t useability of INCOTERMS

There are several mistakes generally committed by people w.r.t useability of INCOTERMS during execution of any contract. Briefly such mistakes are enumerated below:-

ICC invented only 11 Incoterms as stated above. Any combination of word over and above these 11 terms do not form part of Incoterms.

Use of incoterms in national sales contract is also another mistake. Incoterms are designed for international sales contract. Incoterms must be used in sales contracts in which goods have origin and destination in different countries.

Generally contracts have only 3 letter word inserted in INCOTERMS. However correct procedure is to write 3 letter term+ exact delivery address+ Incoterms 2010 (if that has been used).

Transport are generally multimodal or single mode. During execution of contract one common mistake is use of term CFR and CIF. These terms are designed for use in transactions in which the entire transport process is carried out by sea or inland waterways. In other words, its use would be reserved to goods produced in port terminals or those travelling to port terminals through pipes or tubes, as is the case of solid and liquid bulk cargo and gasses. The alternative to CFR and CIF is the use of CPT and CIP respectively.

Conclusion

Now we have briefly visited various features of technical term which we were coming across almost every day during our official duty whether we are accountants, auditors, contract executers or approving authority for execution of any international contract. Any person eager to excel in this subject can get INCO certification offered by ICC academy. Course is fully online and can be carried out anywhere in world. Once you finish the Incoterms 2020 Certificate you will be eligible to join the Incoterms LinkedIn group with over 20,000 members and run by a member of the Incoterms 2020 Drafting Group i.e one can be a member of an international community who make the rules. One can visit ICC website for more information.



DIGITAL AFRICA

Our Chapter invited Articles on “Digital 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 7th Anniversary Function

Africa is the world’s second largest and second most populous continent. It has a lot of resources, both human and natural. Africa is rich of natural resources and has recently discovered oil reserves which has become a pivotal factor for economic growth in certain economies. On top of this, these resources are not even functioning to its utmost potency.

But in the recent years employing the human resources dexterously has created a perfect set piece for an upcoming digital revolution. Africa has seen a massive leap in the digital space and some of them are leading the digitalisation. African countries are the highest users of mobile money transfer. As many of them have mobile phones, it becomes convenient for them to transfer money in this format. Even though many other options are available such as online banking which ideally is cheaper, but mobile money transfer becomes a quicker way for the users.

One of the very great features of Africa is that the computers of revenue authority are linked with electronic fiscal which are used by the suppliers in order to issue the customer with the sales invoices. Thereby submitting real time information to the revenue authority system of the country, which has helped in reducing embezzlement of government revenue. Thus the government revenue are accurately recorded and are safe from other unnecessary threats. Also, all the revenue authority information like submission of the return of income tax, VAT (Value Added Taxes), and employment related taxes are all online.

In the countries they use prepaid system of electricity voucher which are immediately issued when the customer pays the money, it can be done via online platform which aids in reducing the hazel of going all the way to the electricity department.

The census that had been recently conducted in Tanzania on 23rd August 2022 was fully online. The enumerators filled the data given by respondents online which shows a positive sign that many African countries are shifting their processes online and it is very impressive to see that the government is laying the foundation by primarily adapting to the online environment.

Information and communication technology (ICT) activities are spreading across the continent, and young Africans are responding with digital technology to the challenges posed by COVID-19. For example, at an ICT hub in Kenya, FabLab created Msafari, a people-tracking application that can trace the spread of infection. Many such start-ups are flourishing and the number of start-ups is increasing all over the continent and are highly encouraged by the government. Investors are attracted and are coming aboard and utilising the human resources and exploring the natural resources of the countries. Thus also bringing revolution in terms of digital economy. Many other initiatives by different organisations such as Digital Africa aims supporting high-impact digital start-ups fundraising and sourcing finance to scale-up Africa’s tech innovations etc. These organisations help and motivate young talent in Africa and it is inevitable that with the human resource Africa will begin to have a heavy influence in the world. Africa in the upcoming decade will have a lot to put on the table and will become the game changer.

Shlok Vishwakarma, Class 11

Jubilee

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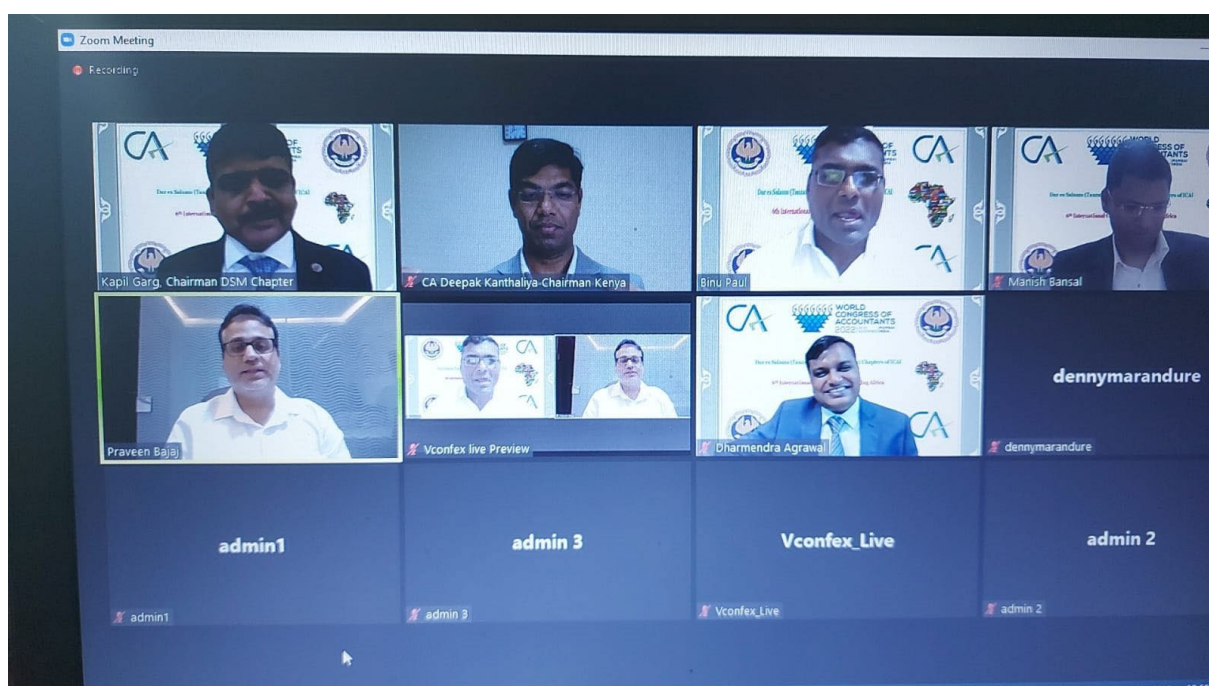
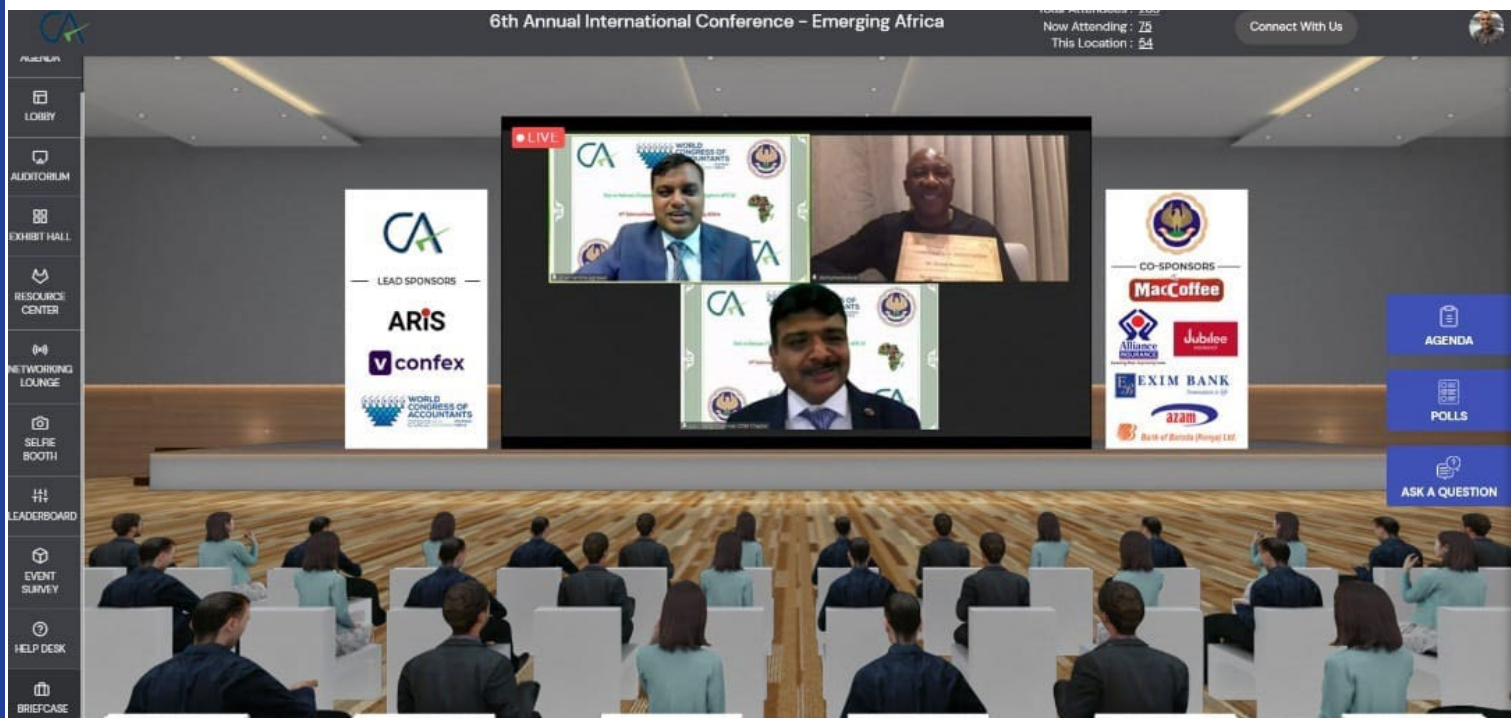
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2021 CA Day Celebration Event with Physical event on Tanzania Finance Act 2021

As part of the Conference, our Chapter invited articles on 'Digital Africa' from the students of Indian School Dar es Salaam. We received twenty five articles, out of which the best articles are selected and rewarded along with gifts for each participants. One of the best articles is being published in the souvenir here.



6th International Conference Held on 9th October 2021



CSR ACTIVITIES CONDUCTED BY DAR ES SALAAM (T) CHAPTER OF ICAI





Family Day Celebration 2021



ACTIVITIES CONDUCTED BY THE CHAPTER DURING THE YEAR 2021

No.	Date	Activity
1	08-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	CPD Event - 6 th Annual International Conference 2021 – Emerging Africa Jointly with Nairobi (Kenya) Chapter
10	7-Nov-2021	Diwali Get Together 2021
11	19-Nov-2021	CPD Event – Customer Relationships Management
12	10-Dec-2021	CPD Event – Declaration of Ultimate Beneficial Ownership
13	17-Dec-2021	CPD Event – Power Queries in Excel – Most Useful for Accountants

DAR ES SALAAM (TANZANIA)

CHAPTER OF ICAI

Managing Committee Members 2022



CA BINU PAUL
Chairman
☎ +255 712444806
✉ chairman@icaitanzania.org



CA MANISH BANSAL
Vice Chairman
☎ +255 689 534 451
✉ manish683@gmail.com



CA DHARMENDRA AGARWAL
Secretary
☎ +255 753 111 210
✉ ca.dka2011@gmail.com



CA PINAL BRAHMBHATT
Joint Secretary
☎ +255 676 255 811
✉ pinal2806@yahoo.com



CA ATUL MOVALIYA
Treasurer
☎ +255 717 679 999
✉ atul.movaliya@icai.org



CA SANTOSH JAISWAL
Joint Treasurer
☎ +255 685 431 527
✉ casantoshjaiswal@gmail.com



CA KAPIL GARG
Member
☎ +255 785 079 051
✉ gargkapilfca@gmail.com




CA RAKESH SAINI
Member
☎ +255 784 774 342
✉ rakeshsaini1970@gmail.com



CA SUMIT SHEKHAR
Member
☎ +255 685 740 148
✉ Sumits@eximbank.co.tz



CA RAVISH SHAH
Member
☎ +255 715 848 863
✉ ravishshahca11111@gmail.com



CA KINJAL SONI
Member
☎ +255 682 884 880
✉ kinjaldsoni@gmail.com



CA NARENDER JUNEJA
Member
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✉ junejank@yahoo.com



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MEMORIES FROM OUR 2022 ANNUAL ANNIVERSARY PROGRAM



Dar es Salaam (T) Chapter of ICAI congratulates NBAA for its 50th Anniversary. As a part of its anniversary celebrations, NBAA conducted a charity walk on 12th November 2022 where our chapter took active participation.

ACCOUNTANCY CHARITY WALK

THEME:
FUNDS RAISING FOR SECONDARY SCHOOLS
ACCOUNTANCY TEXTBOOKS

PLACE:
MNAZI MMOJA GROUNDS

DISTANCE:
5KM

REGISTRATION FEE:
30,000 TZS

DATE:
12 NOVEMBER 2022 - 06:30AM

FOR REGISTRATION
SCAN BAR CODE



ACCOUNTANCY CHARITY WALK
ROUTE MAP
12 NOVEMBER 2022 - 06:30AM

KEY

- water
- route
- direction
- checkpoints
- first aid

Map labels: Tanzanite Bridge, NBAA HQ, Dar es Salaam, Mnazi Mmoja.

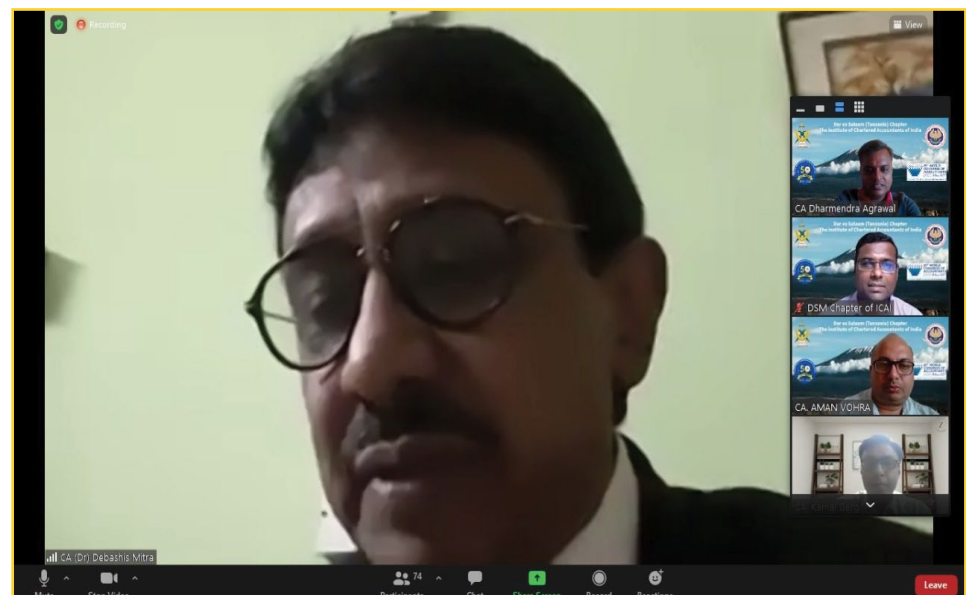
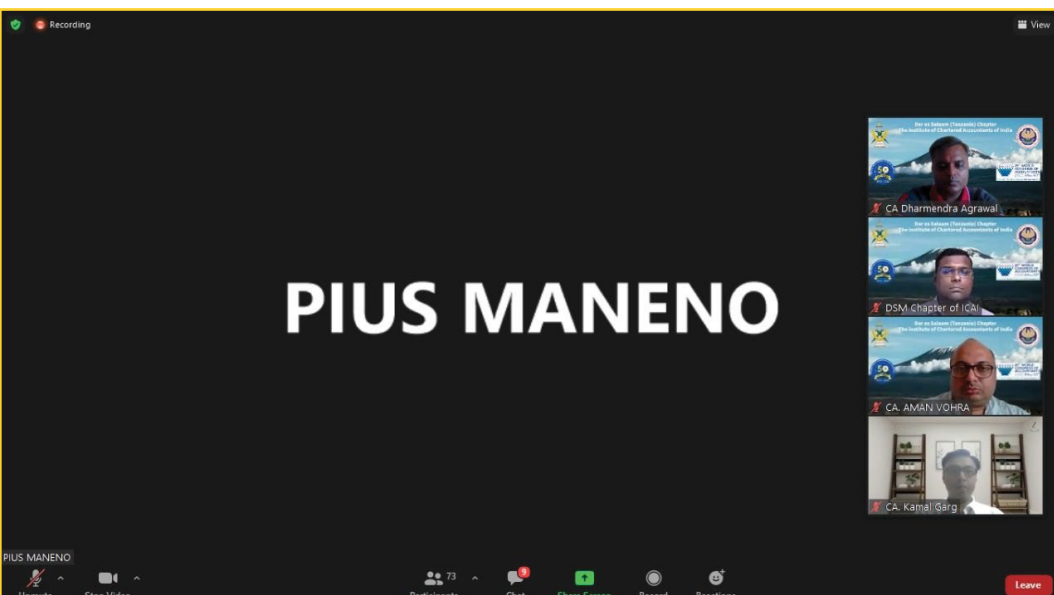
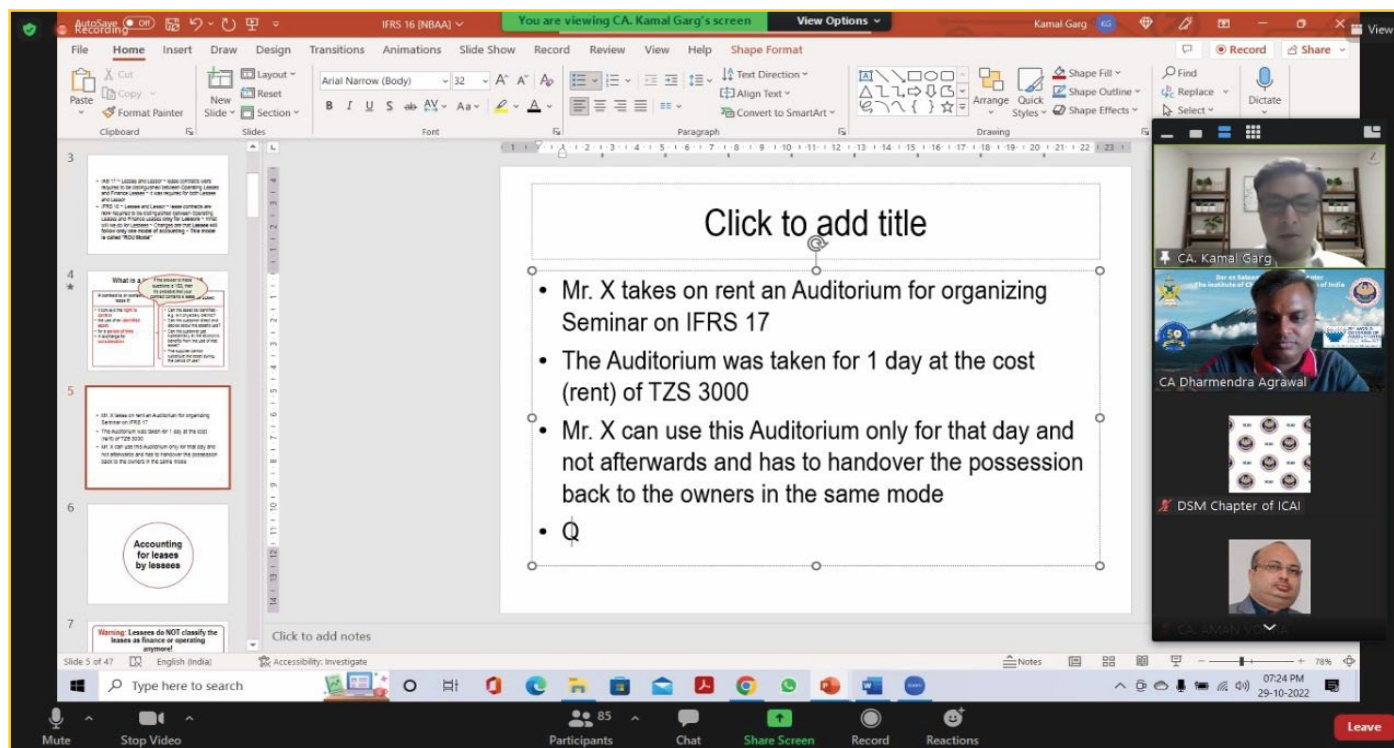
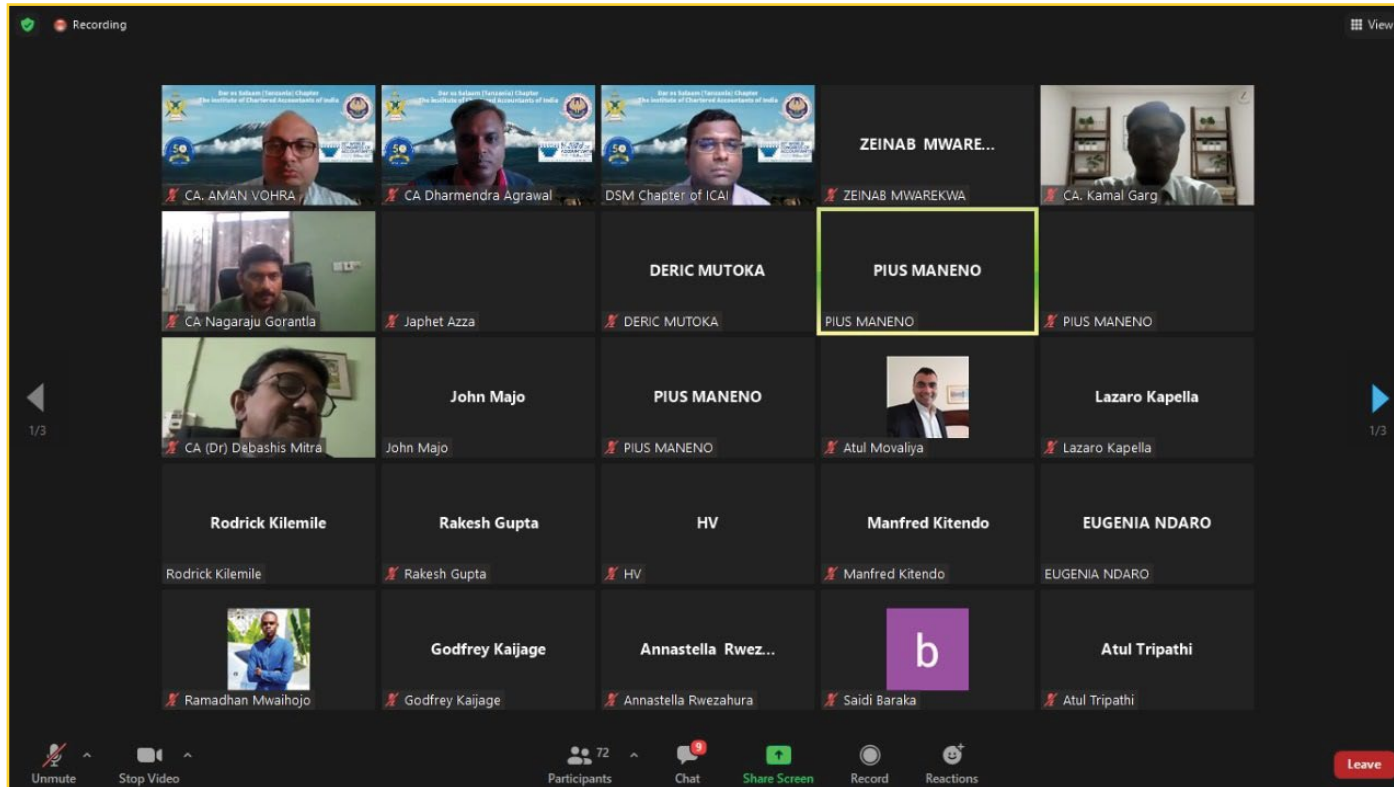


MEMORIES FROM OUR 2022 ANNUAL ANNIVERSARY PROGRAM

Ca Day Celebration with seminar of Tanzania Finance Act 2022 with our Chief Guest H.E Shri Vinaya S. Pradhan



JOINT EVENT WITH OUR TANZANIA REGULATOR NBAA



DSM Chapter of ICAI Tanzania conduct a career counseling session in Indian School Dar es Salaam. Session was attended well with _120 students along with Principal and teachers



INDEPENDENCE DAY CELEBRATIONS AT HIGH COMMISSION OF INDIA, DSM, TANZANIA



2022 Family Fun Day



Participation in International Yoga day celebration organized by Indian High Commission in Tanzania



Cricket Match Organized between Yellow and Orange team with Family outing



A photograph of two men in business suits shaking hands over a table. A white coffee cup is on the table. The background is slightly blurred, showing a meeting room setting.

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ACTIVITIES CONDUCTED BY THE CHAPTER DURING THE YEAR 2022

NO	DATE	ACTIVITY
1	19-Feb-22	The Annual General Meeting 2022 & CPD Event – Upgraded VAT e-filing system
2	11-Mar-22	CPD Event – Women Empowerment & Career Growth
3	29-Apr-22	Basics of Private Equity & Fund Formation
4	14-May-22	CPD Event – Leadership in Business Management
5	3-Jun-22	CPD Event – Basis of stock market invest & Cyber Crime, Medical and Life Insurance (Aris)
6	4-Jun-22	CPD Event – Integrating ESG (Environmental, Social, Governance) in your Business
7	19-Jun-22	Yoga Day Celebration organised by Indian High Commission
8	5-Jul-22	CA Day Celebration & CPD Event – Finance Act, 2022 (Tanzania)
9	29-Jul-22	CPD Event – Foreign Exchange Regulations Act 2021 (Tanzania) & Introduction to Tally Prime
10	6-Aug-22	CPD Event – The Power of Decision Making in Difficult Situation
11	18-Aug-22	Fun Cricket Tournament
12	16-Sep-22	CPD Event – Anti-Money Laundering Act, Amendments & Tanzania Reporting Standards
13	29-Oct-22	CPD Event – IFRS 16 & 17 Highlights
14	12-Nov-22	Family Fun Day
15	3-Dec-22	CPD Event – The Annual Virtual International Conference

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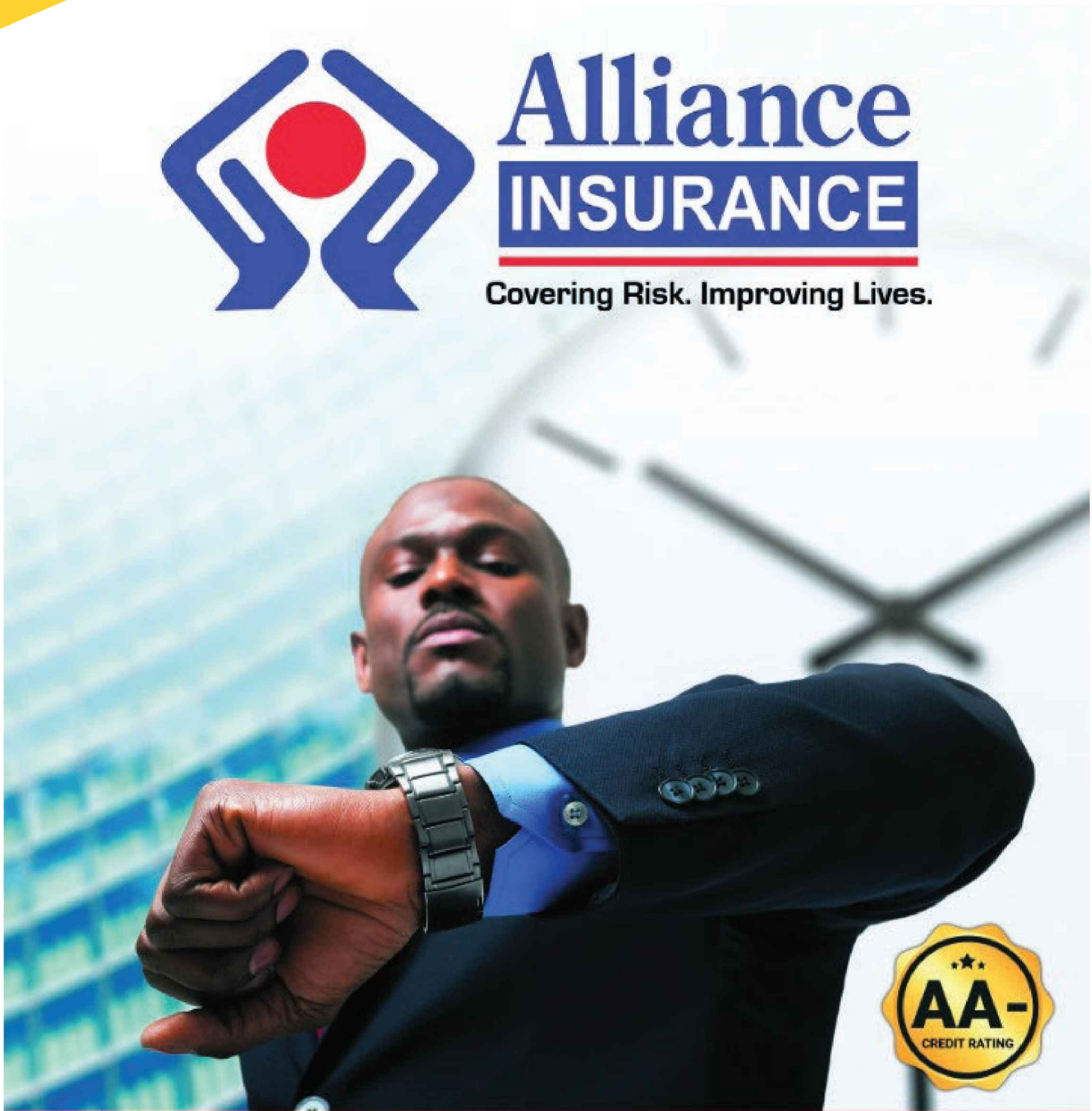
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Dar es salaam (Tanzania) Chapter of ICAI

P.O. Box 38338

Dar es Salaam, Tanzania

Email: chairman@icaitanzania.org