**NOTICE TO MEMBERS**

***01 October 2025***

## NOTICE TO MEMBERS: SUSPENSION OF RAPHAEL MAGANGA TPSF CEO

Dear Esteemed Members,

The Council of the Tanzania Private Sector Federation (TPSF) wishes to formally inform you of the governance matters that have transpired over the past months and the decision taken regarding the Chief Executive Officer, Mr. Raphael Maganga.

1. On 23rd July 2025, A CEO of a Construction Company who is also a Cooperate member of TPSF lodged a complaint to the Council for unpaid bill for the renovation work at the TPSF office on plot no. 1288 Mwaya Street, Masaki.

   The Governing Council noted that the renovation work was awarded without following due procurement process. There was no written contract, and no budget was allocated or approved by the board. It was further noted that the TPSF CEO has relocated the TPSF office to unknown location without approval of the Governing council and notification to the members.

2. On 25th July 2025, the Council wrote to the CEO questioning these actions, including the renovation whose budget had not been approved by the Board, and the unauthorized reallocation of the office.
3. On 28th July 2025, the Council raised additional governance concerns, including:
   - Violation of procurement procedures.
   - International travel is undertaken without approved budget.
   - Misleading the Board into overstepping its constitutional mandate.
   - Exclusion of some Council Members and TNBC Executive secretary from key communications and meetings.
   - Failure to provide minutes of critical meetings, including the AGM of 31st January 2025 and engagements at the Prime Minister's Office.
   - Unauthorized changes to TPSF Organization structure and hiring of senior staff without board approval
   - Change bank signatories without Board approval.

4. On 29th July 2025, the CEO Mr. Raphael Maganga, sent a reply to the email dated 28th July 2025 in which he informed the Governing Council that he was preparing a detailed report which will provide clarity and address the matter comprehensively.

   Through an email dated 30th July 2025, the TPSF CEO was directed to provide detailed report with all supporting documents within 48 hours. addressing these issues.

5. On 11th August 2025, the Council received another formal written complain from a TPSF member who claimed that the CEO, Mr. Raphael Maganga, took money from him during a business forum trip to New York. This issue has been recored as part of the Governance concerns.
6. In response to the failure by TPSF CEO to provide detailed report as earlier committed on **15th August 2025**, the Council convened to deliberate on identified governance and compliance issues and resolved to commission a forensic audit to be undertaken by TPSF External auditor, Auditax International.
7. The governing council formed a special committee, chaired by madame Mercy Sila, to develop terms of reference, oversee the forensic audit and report back to the council within 14 days.
8. On 27th August 2025, the TPSF CEO was formally notified by letter of the Governing Council's decision to commission for forensic audit.
9. On 28th August 2025, Auditax International contacted the TPSF CEO, Mr Raphael Maganga, for commencement of forensic audit. Mr. Maganga has stalled the commencement and blocked all communication with the auditor.
10. Auditax International has, through a letter dated 11th September 2025, informed the chairperson of the committee that they have not been able to commerce the audit for the following reasons.

    - The TPSF CEO requested the postponement of the audit by one week. He subsequently confirmed his availability for the audit kick-off meeting to be scheduled to 9th sept and committed to cooperate fully.
    - On 9th September 2025, the TPSF CEO did not attend the meeting and refused to cooperate.

11. On 1st October 2025 a special meeting of the governing council convened to receive progress report on the forensic audit from the special committee of the governing council.
12. Upon deliberation of the forensic audit progress report and recommendations of the special committee, the governing council resolved to suspend from duty the TPSF CEO, Mr. Raphael Maganga, with immediate effect for failure to comply with Council instructions, refusal to cooperate with independent forensic audit and conduct constituting gross insubordination.

13. The Governing council resolved and directed the immediate relocation of TPSF offices back to TPSF building on plot 1288 Mwaya street. Msasani Peninsula

The Council emphasizes that this decision was necessary to safeguard the integrity, transparency, and accountability of the Federation. The forensic audit will proceed, and members will be updated on its findings and subsequent actions.

**No staff or member of the federation or external stakeholders shall take instructions, approvals, or directives from Mr. Raphael Maganga in his capacity as CEO until further notice.**

**Any actions taken in contravention of this directive will be deemed null and void.**

We count on your continued trust and support as we uphold the highest standards of governance within TPSF.

Sincerely,



**Angelina Ngalula**
Interim-President
Tanzania Private Sector Federation (TPSF)