



TANZANIA BANKERS ASSOCIATION

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SUSTAINABLE FINANCE - II

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A photograph of a glass globe representing Earth, resting on a bed of green, succulent-like plants. In the background, a small green plant sprout with two leaves is visible against a blurred green backdrop. The scene is lit with soft, natural light, creating a sense of growth and sustainability.

**We cannot
choose between
economic-growth
and sustainability
– we must have
both**



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FUNNY JOKES

Word from the Editor



Dear Esteemed Reader,

I welcome you once again to TBA Bankers Magazine. The theme of this edition is Sustainable Finance which is part two – a continuation from the previous one. The theme is inspired by an increasing focus on securing the sustainability of the earth by ensuring that the practices of individuals, businesses, and governments across the World are socially and environmentally responsible while maintaining economic stability.

Sustainable Finance which refers to integrating socially and environmentally responsible practices and policies into business decisions and investment strategies, is championed as a conduit towards a sustainable and safer future.

This Magazine begins with a summary of a study conducted jointly by TBA and WWF to assess the uptake of sustainable finance and alignment with relevant frameworks in Tanzania.

The article also touches on pro-sustainability initiatives that have been conducted so far, challenges, opportunities, and recommendations or focus areas that will promote the uptake of sustainable finance in the country. Other notable highlights covered include various sustainable finance initiatives implemented by several banks.

These include the issuance and development of bank-level sustainable finance frameworks by Stanbic Bank and investment in digital finance by Diamond Trust Bank (DTB).

This edition is the second of the three issues that significantly focus on sustainable finance and banking. TBA congratulates all banks that have embarked on various sustainable finance initiatives.

TBA hopes that other banks and financial institutions will initiate and continue interventions geared towards achieving sustainability.

We hope that this magazine will add value to your daily business processes and procedures.



Word from the Executive Director



Dear Readers,

Banks continue to earnestly provide financial services in the country. They are also at the frontline, spearheading the sustainability of the economy, environment, and society. These banks majority of whom are TBA members continue to improve the value proposition for their customers while striving to promote sustainability in the country.

As informed in the previous edition, TBA is currently implementing its Strategic Business Plan that runs for five years from 2022 to 2027 within which sustainable finance is well featured. In the recent past, the organization has collaborated with diverse partners to implement various activities that have revolved around research, advocacy, and capacity building on sustainable finance in the market. In line with this magazine, TBA continues enlightening the public about the contribution made by the industry towards a more sustainable future. The organization achieves this through its Beyond the Banking Hall Programme (published periodically through YouTube), its social media platforms, and various advocacy-related platforms.

Specifically, TBA endeavours to deliver gender-focused initiatives that are meant to close the gender gap in access to financial services and economic opportunities. These interventions include the TBA International Women's Day event that is held in March of every year, a women-themed special Bankers Magazine, and a banking industry Diversion and Inclusion Report to name a few.

This edition delves further into sustainable finance and sustainability-linked initiatives implemented by TBA member banks. These activities include the financing of sustainable public infrastructures, e-waste management schemes, skills development, youth employability initiatives, and the development of Sustainable Finance Frameworks

I hope you will find the Magazine insightful and therefore valuable.

Let's walk together on this sustainability journey!

Word from the Chairman



Dear Readers,

It is with great pleasure that I extend a warm invitation to delve into the latest edition of the TBA Bankers Magazine. This publication offers valuable insights into the strategic interventions, achievements, and focal areas that continue to shape our banking industry.

In this edition, we place a strong emphasis on Sustainable Finance, a matter of critical importance in our time. As global and local communities deepen their commitment to environmental stewardship and societal well-being, Tanzania is actively implementing initiatives that protect the environment, enhance societal welfare, and establish robust governance frameworks conducive to sustainability.

The banking sector stands as a pivotal force in advancing these initiatives, ensuring that our financial services contribute meaningfully to the creation of a more sustainable economy. The articles and narratives within this magazine serve as a clarion call to all players in Tanzania's banking sector to embrace and advance the principles of Sustainable Finance.

Our industry has already achieved significant milestones, including the introduction of innovative financial products such as the Jasiri Bond and Jamii-Bond by NMB, the Kijani Bond by CRDB Bank, the facilitation of the Green Water Bond for Tanga Urban Water Supply and Sanitation Authority (Tanga-UWASA) by NBC Bank, and the implementation of various sustainability-linked initiatives aimed at enhancing social livelihoods and environmental protection.

I strongly urge all banks and financial institutions to actively participate in this crucial endeavor by developing and offering financing and investment products aligned with sustainable finance principles, and by embedding these practices across their operations.

I extend my heartfelt congratulations to the TBA Magazine Team for their dedication and hard work in bringing this edition to life.

Green finance supports **sustainable** development by allocating financial resources to **environmentally-conscious** projects





Highlights of the Study of the Uptake and Engagement with Sustainable Finance Frameworks in the Tanzanian Banking Industry.

by TBA team

Overview

Tanzania Bankers Association (TBA) in collaboration with WWF Tanzania conducted a study to assess the uptake of Sustainable finance and engagement with national and international sustainable finance frameworks. The study deployed a mixed method approach in collecting data and data collected from 27 banks based in Dar es Salaam.

Findings

Banks have usually been lending to businesses and projects that are commercially viable. The key criteria are businesses and projects with adequate cash flows that can repay loans as per agreement. Risks that banks have traditionally been concerned about are those that would affect the repayment of loans, whereas the environmental and social impacts of their financing were not given much priority. However, on the positive side banks continue implementing activities that have an impact on society as part of their Corporate Social Responsibility (CSR). These CSR activities have been used as vehicles through which banks give back to the society within which they operate. However, because of the increasing awareness within society and global trends regarding the environment and social issues, there has been a mounting emphasis on banks and other financial institutions to incorporate Environmental, Society, and Governance (ESG) Considerations in their business strategy and operations.

The legal and regulatory frameworks linked to sustainability in the country are also informed by international frameworks, standards, or principles. These international standards, frameworks, or policies include; the IFC Performance Standards, and the United Nations Environment Programme – Finance Initiative (UNEP FI) which provides Principles for Responsible Banking (PRBs) as an overarching framework for managing sustainability principal considerations and associated risks. Other notable initiatives include the United Nations Framework Convention on Climate Change, the Kyoto Protocol, the Paris Agreements, and the Sustainable Development Goals.

Tanzania just like many other emerging markets in the World has implemented localized policy, legal, and regulatory frameworks to govern the sustainability aspirations of the country. These include cross-cutting ESG-related laws and policies such as those that are specifically related to the environment for example National Environmental Policy, 2021, and the Environmental Management Act, 2004 and those related to society for example the Employment and Labour Relations Act, 2004, and Labour Institutions Act of 2004. Moreover, the country is implementing strategic initiatives such as the Building Better Tomorrow (BBT) youth initiative, the country hosted the Alliance for Green Revolution for Africa (AGRF) Summit in 2023 and participated in the Africa Climate Summit held in Nairobi in demonstration of its commitment to achieving sustainability. Moreover, the country recently launched the National Clean Cooking Energy Strategy (2024-2034) which maps out interventions aimed at implementing a clean energy future.

The Tanzania banking industry has started embracing ESG considerations in its strategies and business. This is demonstrated by an increased appetite for the issuance of sustainable finance-themed products and services which have proved to be highly demanded (oversubscribed). There are also other sustainability interventions that banks are implementing, the study depicts that 59.2 percent of respondents reported they had either bonds or other sustainable interventions. Other sustainability interventions include those that impact society such as health and education. Moreover, interventions around environmental protection include improvement of the cleanliness of the environment through the distribution of dustbins and environmental maintenance sensitization to mention but a few. Other interventions include sponsorship of activities that have sustainability-linked objectives for example; health education and environment. These activities are usually organized by diverse stakeholders such as special groups (People with Disabilities (PWDs), women, and youth initiatives), the Government, and the private sector.



Despite these milestones so far achieved, the lack of adequate skills and expertise in sustainable finance and investment is one of the biggest challenges affecting the uptake of sustainable finance in the market. The study further noted that banks that have affiliations with international banks either as parent companies or investor/shareholding-related relationships are most likely to implement sustainable finance. This implies that there is a need for concerted efforts by all like-minded stakeholders to provide a conducive policy and regulatory atmosphere for addressing the skills gap in sustainable finance.

It has been noted that banks are aware of either national or international sustainable finance frameworks. This is largely because of the recently issued Guidelines on Climate-related Financial Risk Management, 2022 by the Bank of Tanzania (BOT) and Dar es Salaam Stock Exchange Plc Rules, 2022 by the Dar es Salaam Stock Exchange (DSE). Banks are required to comply with the guidelines. This has enhanced awareness in the market. However, because of the limited knowledge mentioned by most respondents, a modest proportion of banks were somehow unaware of sustainable finance.

A significant proportion of respondents are engaging with national frameworks that are related to sustainable finance and have an impact on sustainability. This notable high engagement with sustainability-linked frameworks is largely attributed to the introduction of the Guidelines on Climate-related Financial Risk Management, 2022 by BOT. Moreover, banks that have an international relationship either by having a foreign parent company or, having any other relationship with foreign investors are most likely to engage with any of the sustainable finance frameworks for issuance, operations, best practices, and reporting. It's observed that the country has in place different social and environmental laws such as the Environmental Management Act, 2004, and Occupational and Safety Act No.5 of OSHA. It should be noted that all businesses are obliged to comply with national and sector-specific laws that govern practices on the Environment and society. This has contributed to high engagement with ESG-related practices and interventions as observed by this assessment.

On the other hand, it should specifically be mentioned that the offering of sustainable finance products (loans and bonds) is very low in the market. Less than half (44 percent) of all banks in Tanzania have some form of youth and or women sustainable finance products or interventions. This is because to some banks these two special groups form a significant proportion of the SME clientele. It should however be mentioned that there are banks that do not have specialized facilities that cater to women and youths. This is largely attributed to inadequate expertise in product development of finance facilities for women and youth-led businesses. Further analysis is needed to assess the adequacy and value proposition of these facilities.

More than half of banks (59 percent) that implement sustainable finance initiatives, reported to have gained either financial or non-financial benefits. These included increased bank visibility and brand improvement mentioned by 70.4 and 59.3 percent of respondents respectively.

To effectively address the challenges that hinder the uptake and eventually engagement with both national and international legal frameworks, partnership among players and capacity building are critical. Other interventions for consideration include but are not limited to ensuring conducive trade, fiscal, and monetary policies that would incentivize banks and other players to engage in sustainable financing or implement sustainability-linked interventions. In addition, implementation of organizational-level measures has to be pursued to ensure that benefits gained from reforms at the national level are cascaded down to businesses (banks and other Financial Institutions).

Standard Chartered Bank Leads the way in Sustainable Finance.

At Standard Chartered Bank (“the Bank”), sustainability is a core component of its strategy, and one of four Group strategic priorities. This reflects the Bank’s commitment to supporting sustainable social and economic development through its business, operations and community. The world must reach net zero carbon emissions by 2050 to limit worst effects of climate change. This will require efforts from across stakeholder groups to accelerate the transition to a low-carbon, nature positive and climate-resilient economy. The Bank is catalysing sustainable finance and partnerships, aiming to provide USD300 billion in sustainable finance by 2030.

Recently, Standard Chartered hosted a sustainable finance forum – a first in the Tanzania banking industry. The forum brought together industry experts and thought leaders for in depth discussions on sustainable finance with a particular focus on climate finance and investments in adaptation strategies.

The event featured a panel discussion themed climate finance and investment in adaption.

The forum explored the significance of sustainable finance in the socio-economic development of Tanzania. This discussion was relevant for Tanzania at a time when the country has been experiencing a rise of climate change calamities such as land sliding and increased rains. This session provided insights into the required actions needed to be implemented by Government, public and private sectors to combat climate change through sustainable finance.

Speaking at the forum Herman Kasekende, Chief Executive Officer, Standard Chartered said, “Our purpose is to drive commerce and prosperity through our unique diversity.

We believe in the power finance can have in generating inclusive communities. Our dedicated Sustainable Finance team brings together our experience and expertise in managing environmental, social and governance risks with our ability to spot opportunities and structure solutions to maximise the positive impact potential of our financing.



On the right is CEO of Standard Chartered Tanzania, Herman Kasekende addressing the audience at forum. On the left, some of key dignitaries that attended the forum, pose for a picture.

We have a distinctive approach to sustainability client engagement, with a cyclical model of climate risk assessment, Environment Social and Governance (ESG) advisory and the provision of appropriate Sustainable Finance and/or transition finance products”.

Standard Chartered Bank aims to be a leader in sustainable finance across some of the world’s most dynamic markets. The bank has financial expertise, governance frameworks, innovative thinking, technology, and geographical reach to connect markets and activities to capital, where this is most needed. The bank is committed to accelerating the net zero transition by reducing our emissions, with targets for carbon-intensive sectors.

The bank aims to reach net zero carbon emission in our own operations by 2025, and in our financing activity by 2050

The forum themed climate finance and investment in adaptation brought together industry experts, key stakeholders including Marisa Drew, Chief Sustainable Officer for Standard Chartered and Masanja Kadogosa, Director General of Tanzania Railway Corporation.



Standard Chartered's Unwavering Commitment to Promoting Financial Inclusion

Increasing economic participation is key to helping people and communities thrive. Globally, 282 million young people are not in education, training or employment. Young women are almost 1.5 times more likely to be unemployed than young men. Investing in women has an incredible intergenerational multiplier effect with gender equality critical to sustained economic growth. Inequality means that many young people struggle to access the financial system.

The Bank is taking a stand to lift participation, committing to equitable access to finance for women and small businesses. By investing in youth economic empowerment, and sharing our knowledge and skills, we can help transform communities. We continue to deliver Futuremakers, a global youth economic empowerment initiative to help young people learn, earn and grow, and to help create and sustain 140,000 jobs from 2024 to 2030. Standard Chartered Foundation is the lead delivery partner for Futuremakers by Standard Chartered.

In Tanzania, we have a long-standing community engagement, through impact-driven partnerships with Standard Chartered Foundation and NGOs. Together we break down barriers and create opportunities for disadvantaged young people and microbusinesses.



Image: Liquid soap making, packaging, and branding of MSMEs' products and distributing to supermarkets.

Empowering youth with employability and entrepreneurship skills in Mwanza through EYEE project

Standard Chartered partnered with Voluntary Service Overseas (VSO) for the Enhancing Youth Entrepreneurship and Employability (EYEE) project with an objective of empowering youth, in particular women and people with visual impairment, with skills and knowledge to start up their businesses and identify employability opportunities. The 11-month project focused on strengthening the enabling environment in communities by providing capacity training, increasing awareness, protecting, and upholding their economic rights. Project was implemented in Illemela and Sengerema districts in Mwanza.

The project supported the growth of 180 young entrepreneurs (60% being women and 10% being youth with visual impairment) by providing business development services (BDS). Further to that, the project empowered 720 young people from youth social groups to develop job skills to benefit from full-time and part-time employment opportunities from existing companies and institutions in their community.

Benefits of the EYEE Project

Empowering young women through the GOAL project

Standard Chartered collaborates with BRAC Maendeleo for the GOAL program, which empowers and strengthens young women facing life challenges. The program is tailored for females who encounter obstacles in financial inclusion and stability. Our objective is to enhance job opportunities for women while providing a safe and supportive environment for girls to acquire new developmental skills. This project targets 1812 (612 direct in clubs, 1200 through community events) vulnerable adolescent girls between the ages of 15-24 years coming from low-income families in Kibaha District, Pwani Region including those living with disabilities or any other form of marginalization.

In addition, the project will benefit parents and community members from 2 Wards in Kibaha District, which will have a trickle-down effect on other indirect beneficiaries in the community including children.



Image: Goal Program Alumnus showcasing their business products during a training session at Standard Chartered head quarters

Skilling youth with and without disabilities through the Ready for Inclusive Sustainable Employment and Entrepreneurship (RISE/E) project

Skilling youth with and without disabilities through the Ready for Inclusive Sustainable Employment and Entrepreneurship (RISE/E) project.



Image: Launching the Futuremakers' phase two project, Ready for Inclusive Sustainable Employment and Entrepreneurship (RISE/E)



Image: Launching the Futuremakers' phase two project, Ready for Inclusive Sustainable Employment and Entrepreneurship (RISE/E)

The goal of the RISE/E project is for young people with and without disabilities to have strengthened opportunities and outcomes for decent employment through increased employability skills, and organisational strengthening and job creation amongst micro-businesses led by young people. With an investment of TZS 2,254,699,620 (Two billion two hundred fifty-four million six hundred ninety-nine thousand six hundred twenty shillings) for a duration of 3 years, the programme targets to support 270 young people with disabilities (50% women) to access employability skills development, in alignment to labour market demands and their aspirations. 90 young entrepreneurs with and without disabilities will also participate in the programme, and youth-led microbusinesses will be given expert business development advice, creating job opportunities in the process.

Empowering young women through the GOAL project

This Futuremakers' Phase 2 RISE/E project builds on Sightsavers' existing collaboration with Challenges in other countries bringing their extensive expertise to Tanzania. Sightsavers the strategic partner will lead on the employability pathway and youth voice and bringing expertise and experience of implementing a standardised, holistic model to support people with disabilities to build employability skills and confidence, and transition to employment.

Cont.

In Tanzania, Sightsavers work with Youth with Disabilities Organisation (YoWDO) who are an implementing partner in the current economic empowerment programme.

Challenges Worldwide as the implementing partner bringing their extensive expertise to the entrepreneurship pathway of RISE/E providing expert business development advice to microbusinesses, facilitating access to markets and regulated business finance, and fostering talent pipelines for job creation. To reach more young women the project will collaborate with women and gender focused partners such as Tanzania Gender Networking Programme (TGNP), an implementing partner to the RISE/E project to mainstream gender throughout our activities.

Cultivating financial inclusion: Standard Chartered colleagues drive impact through employee volunteering.

Employee volunteering and engagement is a core component of our community engagement strategy and shows our commitment to create a positive impact in the communities in which we operate. We encourage our colleagues to share their knowledge and use their skills and experience, and fundraise, to make a positive difference and unlock potential in their communities. We offer every colleague in the Bank three days paid leave annually to volunteer and organise activities, such as fundraising, that align to the Group's community strategy or respond to local issues.

As part of employee volunteering our colleagues leverage on their skills to offer free financial education sessions, offer mentorship to youth and support micro-business with knowledge to grow their business. Most recently, the Standard Chartered conducted an employee volunteering activity at University of Dar es Salaam partnering with Nijjiri, a recruiting firm that organized UNIKONEKT career fair for youths in universities. Our colleagues spent the day providing financial education to students covering topics such as financial goals, budgeting and saving.

They also participated in an interview role play enabling employees to share best practices and pitfalls to avoid to students who were being interviewed.



Image: Standard chartered' s financial literacy employee volunteering activity at the university of Dar es salaam

In activations for global employee volunteering month in June, the bank also conducted a comprehensive basic due diligence and financial education training at Vocational Education and Training Authority (VETA) targeting both micro-business owners and students pursuing various vocational studies. Our colleagues spent the day providing basic due diligence tips to consider and action on in managing a business but provided a wide-ranging financially literacy session for the students to grasp on as they continue to manage their business or as they begin the journey of entrepreneurship.

Cont.



Image: Standard Chartered colleagues along with their children participated in the beach clean up activity at the Msasani Beach Club



Image: Standard chartered's basic due diligence and financial literacy training at the VETA

In addition to that, during the employee volunteering month, over 100 colleagues participated in cleaning up Msasani Beach.





Diamond Trust Bank E-Waste Management Program

Diamond Trust Bank Tanzania is fully committed in upholding Environment, Social and Governance framework – commonly referred to as ESG pillars – in its day-to-day business operations by adherence to sustainable, socially responsible and ethical governance practices.

In observation of the first ESG pillar of Environment, the bank has adopted a robust e-waste management guideline that promotes recycling and re-usage of all computers and electronic gadgets. Annually, the bank declares approximately 20–30% of its computers obsolete or other words termed as E-waste. The obsolete computers are refurbished for a new life and donated to public sector schools for establishment of computer labs that promotes ICT learning. Other beneficiaries of this program include the police force and not-for-profit entities within our communities.

Diamond Trust Banks' e-waste management program eliminates the traditional ground dumping or burning of electronics which negatively impact the environment by polluting waters sources, increases soil acidity and emission of Green Houses Gases [GHG] into the air. The obsolete gadgets are instead recycled into useful ICT learning materials and further enhances efficiency in community governance levels.

The Bank has cumulatively donated 130 recycled computers under the E-waste management program in 2024.

The beneficiaries includes Songoro Mnyonge Secondary School [30], Centre for Women's Children assistance [20], Lauren Education Promotion Centre [20], Daniel Chongolo Secondary [10], Benaco Primary [5], Kambangwa Secondary [10], Kilimahewa Secondary School [5] and Gongo la Mboto Primary School [25]. Maturubai Police Station [5] also benefited, using these computers to improve operational efficiency and data management, thereby enhancing community safety.

This initiative highlights Diamond Trust Bank Tanzania's dedication to sustainability and social responsibility. By reducing e-waste and supporting critical community services, the bank is making a lasting, positive impact in the Tanzanian communities as much as instilling the knowledge of recycling and its benefits to the young pupils at beneficiary schools.





Diamond Trust Bank Tanzania Plc Staff handing over donated computers to Kambangwa Secondary School as part of its CSR initiative.



Diamond Trust Bank Tanzania Plc Staff handing over the donated computers to Daniel Chongolo Secondary School as part of its CSR initiative.



Diamond Trust Bank Tanzania Plc Staff educating students of Kambangwa Secondary School on Financial literacy as part of its CSR initiative.



Diamond Trust Bank Tanzania Plc Staff handing over the donated computers to Benaco Primary School and Kilimahewa Secondary School as part of its CSR initiative.



Diamond Trust Bank Tanzania Plc Staff handing over donated computers to Maturubai Police Station as part of its CSR initiative.

Sustainable Finance: Stanbic/Standard Bank Group Focus

Continuing from our March 2024 issue that focused on sustainable finance, this issue takes a deep dive on Sustainable Finance at Stanbic and the Standard Bank Group (“Stanbic” or “Group”).

The Group is a leader in sustainable finance, and Stanbic partners with its clients and stakeholders to meet their unique needs and ESG ambitions, by focusing on raising finance for the Group in sustainable format, to support the delivery of positive impact.

Overall, Stanbic’s approach to driving sustainability is defined by two pillars:

1. Maximizing positive impact: Opportunity to grow earnings and market share by providing products and services that meet the development needs of Africa and Africa’s people
2. Effectively managing risk: Minimizing and mitigating the risks associated with environmental, social, and governance factors, arising from our own operations, who we do business with and what we finance.

The Group published the updated Sustainable Finance Framework (the “Framework”) in 2023. The Framework details the eligibility criteria and requirements to ensure alignment with international principles to facilitate the raising of finance in sustainable format, which includes green and social bonds or loans (including hybrid instruments), repurchase agreements and securitisation instruments by the Group.

The framework describes the process to select, evaluate, report, track and verify eligible assets. Eligible assets have to meet specific green and/or social criteria, or pure play criteria where the use of proceeds is not specific but classification as a sustainable finance asset is based on the company profile.

The framework also describes how the proceeds of the bonds or loans are managed and allocated, and how the Group verifies and reports on the management and allocation of proceeds and environmental and social impact of assets.

Eligible categories in the Framework:

Social:

- Affordable housing
- Access to essential services
- Affordable basic infrastructure
- Employment generation and programmes designed to prevent and/or alleviate unemployment stemming from socioeconomic crises, including through the potential effect of SME financing and microfinance
- Food security and sustainable food systems
- Socioeconomic advancement and empowerment.

Green:

- Renewable energy
- Electricity distribution networks
- Energy efficiency
- Pollution prevention and control
- Climate change adaptation
- Green building
- Clean transportation
- Sustainable management of natural resources
- Terrestrial and aquatic biodiversity conservation
- Sustainable water
- Circular economy
- Blue finance
- Carbon financing

Cont.

Sustainalytics (a global leader in ESG research and data, serving the world's leading institutional investors and corporations, also rating the sustainability of listed companies based on their environmental, social and corporate governance performance) has provided a Second-Party Opinion stating that the Group's Framework is credible and impactful and aligns with the ICMA Sustainability Bond Guidelines 2021, Green Bond Principles 2021, Social Bond Principles 2023, and the LMA Green Loan Principles 2023 and Social Loan Principles 2023.

The Group will update the framework as appropriate in line with evolving guidelines, principles and taxonomies.

The Group is in the process of developing a standardised impact reporting framework, aligned with the use of proceeds green and social categories in our Sustainable Finance Framework. This will aid in ensuring a consistent approach in developing key impact metrics that will align with the group's four positive impact areas.

In 2022, the Group set a target to mobilise more than R250 billion in sustainable finance by 2026 and is on track to meet the target:

Sustainable finance key metrics		2023 Rbn	2022 Rbn
A+B	Sustainable finance mobilisation (cumulative since FY22)	105.1✓	54.5
	Sustainable Finance Mobilisation - target (cumulative)	90.0	40
	Target met	Yes	Yes
	Annual sustainable finance mobilisation	50.6✓	54.5
A	Use of Proceeds	26.4	21.7
	Green	21.3	19.2
	Social	4.4	2.5
	Other ¹	0.7	0.0
B	General Purpose²	24.2	32.8
Sustainable finance mobilisation by Region		50.6	54.5
	South Africa	35.3	45.2
	Africa Regions	15.3	9.3

¹ Other may include sustainable (green and social) and transition use of proceeds.

² Financing and arranging for general corporate purposes with sustainability indicators and targets. May include sustainability-linked, transition and pure play.

Sustainable finance sub-metrics		2023 Rbn	2022 Rbn
	Renewable energy financing¹	15.5✓	18.2
	Renewable energy financing (cumulative since FY22)²	33.6	18.2
	Social projects financing³	4.2✓	2.0

¹ Financing of new renewable energy power plants, excluding bonds arranged.

² Cumulative target FY22 - FY24 R65 billion (R50 billion financing plus a further R15 billion underwrite).

³ Financing of social projects, excluding bonds arranged.

Treasury transactions ¹		2023 Rbn	2022 Rbn
	Use of proceeds (green, social, sustainable)	6.7	2.0
	General Purpose (sustainability-linked)	9.9	12.8
	Total quantum treasury transactions	16.6	14.8

¹ Treasury transactions are not included in SF Mobilisation.

Green issuances

Issuance Date	Maturity date	Issuer	Instrument	Green category	Instrument value	Allocations	No of projects/assets	Estimated CO ₂ e avoided (tonnes)		
								Estimated installed project capacity (MW)	Project	SBG attribution ¹
02/02/2020	26/02/2030	SBG	Green Bond (IFC private placement)	Renewable Energy	USD200 million	100%✓	5	358	903 932	N/A
05/07/2022	05/07/2025	SBN	SBN Green Bond ² (SBNG25)	Renewable Energy	NAD200 million	9%✓	1	3	2 426	2 426
05/07/2022	05/07/2027	SBN	SBN Green Bond ² (SBNG27)	Renewable Energy	NAD200 million					
07/12/2021	08/12/2031	SBG	T2 Green Bond (SST201)	Renewable Energy	ZAR1 444 billion	100%✓	5	831	2 247 434.17	934 761.56
30/08/2022	31/08/2032	SBG	T2 Green Bond (SST202)		ZAR1 639 billion					
02/03/2023	03/03/2033	SBG	T2 Green Bond (SST203)		ZAR2 billion					

¹ Impact indicator introduced from 2023 for issuances from 2021 onwards.

² Various renewable energy projects intended for allocation to the SBN green bond have not proceeded at our clients' discretion. Some projects have experienced market-related and regulatory-related delays, and remain in our 2024 pipeline. We will continue to provide investors with updated allocation reporting annually in our 2024 Sustainability Disclosure Report. Unallocated proceeds are invested in the bank's treasury liquidity portfolio, in cash or other short term and liquid instruments in line with the relevant Sustainable Bond Framework.

Social issuances

Issuance Date	Maturity date	Issuer	Instrument	Social category	Instrument value (ZAR)	Allocation	No of homeloans	Number of women borrowers	Percentage women borrowers (%)
19/08/2021	19/08/2024	SBSA	SBSS01 Tranche 1	Affordable Housing homeloans	926 000 000.00	100%✓	5 962	3 569	60%
19/08/2021	19/08/2026	SBSA	SBSS02 Tranche 1		1 074 000 000.00	100%✓			
09/12/2021	19/12/2024	SBSA	SBSS01 Tranche 2		750 000 000.00	100%✓			
09/12/2021	19/12/2026	SBSA	SBSS02 Tranche 2		750 000 000.00	100%✓			

Treasury, green and social bonds

The Group has raised six green bonds and a social bond under its Framework. In February 2023, the Group issued a five-year R2 billion Tier 2 green bond, listed on the Johannesburg Stock Exchange's sustainability segment. The capital raised was used to finance renewable energy assets.

Examples of sustainable finance deals in 2023

Green finance	Impact	Social finance	Impact
The African Stove Company (TASC) carbon credit project Provided debt funding to enable TASC's expansion in South Africa, where they aim to distribute 750 000 free, low-carbon cooking stoves, funded by carbon credits. The senior debt facility will roll over each year if certain credit metrics are achieved. First carbon credit project of its type in South Africa, designed to combat climate change and drive positive social outcomes in rural areas.	- The stoves require approximately 70% less wood for fuel, thereby reducing greenhouse gas (GHG) emissions and helping preserve biodiversity - Rural communities will spend less time and money sourcing wood, gain health benefits from the cleaner-burning stove, and safety benefits since they are not cooking on an open fire.	Eastcastle DRC telecom towers We acted as co-lead mandated arranger alongside IFC, with SBG providing USD32 million equivalent in total financing to Eastcastle, of which USD20 million is allocated as a social loan to support affordable basic infrastructure in alignment with UN SDG 9. Affordable housing in Cabinda Province, Angola Provided a AOA17.5 billion (R400 million) loan for construction of 120 social housing units to the Angola Ministry of Finance. These units will be allocated free of cost to eligible citizens, aligning with government's strategy to provide better living conditions for people in the province. Kenyatta-Mzimba roads development project, Lilongwe, Malawi Provided MK21 billion (R357 million) of a MK34.5 billion syndicated term loan as joint mandated lead arranger, facility agent and security agent for the first six-lane highway in Malawi.	- Rollout of new telecom towers to under-served and rural communities in the DRC, thereby improving digital access. - Free housing to vulnerable individuals - Use of local contractors, labour and suppliers, resulting in local job creation and skills development over the two-year construction period. - Improved road infrastructure will alleviate traffic congestion in Lilongwe, improve road safety and provide efficient access to essential services - Efficient access will boost economic activity - Job creation and SME development related to the construction sector.
Wilderness nature-conservation loan Sustainability-structuring agent and sole lender for USD80 million loan. First nature conservation loan in the African market, with potential to raise appetite in commercial banks to channel funds to nature conservation and biodiversity protection in Africa.	- The funding will support Wilderness to double the amount of land conserved over the next decade, with a focus on biodiverse sensitive areas in Kenya, Rwanda, Zambia and Zimbabwe - Expansion of the Wilderness conservation and sustainable eco-tourism model will create positive socioeconomic impacts for local communities and small businesses by creating sustainable employment in the tourism ecosystem.	SBSA affordable housing home loans SBSA's affordable housing loan book was valued at R32.6 billion in 2023, comprising 97 388 loans. We lent R2.6 billion to 4 659 new affordable housing mortgage customers during the year. 51% of these loans went to women.	Improved access to affordable housing for low and middle income households that earn above the qualifying threshold to receive state subsidised housing (>R3 500 per month) but below the qualifying threshold to secure a home loan <R29 600 per month).
Red Rocket's onshore wind projects Provided R5.5 billion for three wind projects that were awarded under REIPPP bid window 5 across multiple debt facilities as joint mandated lead arranger, underwriter and hedge provider.	- Adds total installed capacity of 364MW renewable energy supply to the national grid - Aligns with SA's energy transition strategy - Improves energy security.		
GoSolr expansion of rooftop solar Equity investor, sole sustainability coordinator and sole mandated lead arranger for a green term loan.	GoSolr's rollout of home solar systems will help address the challenge of accessible energy security for households, while lowering average household carbon emissions and reducing monthly electricity bills.		

 More information about these deals is available in **Standard Bank Group's Report to Society**

² Eligible citizens will need a declaration from the local authority attesting that they are under a precarious economic, financial and social situation, considered to be in a state of poverty and vulnerability, in need of rehousing and live in risk areas.

¹ Renewable Independent Power Producer Programme.

Sustainability-linked	Impact
M-KOPA sustainability-linked multi-currency facilities Mandated lead arrangers, lead funders and sustainability coordinator for two facilities totalling USD202 million (R3.8 billion). The deal incentivises M-KOPA to reach its environmental and social goals by embedding a series of environmental, social and green key performance indicators within the funding structure.	- Financial inclusion in the form of expanded access to credit for underbanked customers in Kenya and Uganda - Climate risk mitigation as households use the loans to acquire solar power, thereby reducing emissions.
Largest syndicated facility in the fintech sector in Africa and the largest syndicated sustainable finance facility in East Africa.	
Curro schools Sustainability coordinator for Curro's sustainability overlay to the refinancing of its existing debt facilities. Sustainability KPIs, which focus largely on social impact, are now embedded into the funding package.	As the largest independent schools network in South Africa, Curro aims to enhance access to quality education. The KPIs demonstrate the centrality of social impact to the group strategy.
First sustainability-linked structure in the education sector in South Africa.	
Transition finance and decentralised energy	Impact
Lephalale Solar Project Provided R664 million funding of a R1.3 billion debt facility for Cennergi's solar project which will supply power to Grootegeluk mine.	- The 68MW solar project will supply around 36% of the mine's electricity demand, reducing operational emissions and supporting Exxaro's transition strategy to pivot to renewable energy - Reduces pressure on the national grid.
Treasury	Impact
IFC's first sustainable loan in SA IFC provided a USD250 million (R4.4 billion) sustainable loan to SBSA to enable financing of renewable energy projects and affordable housing mortgages.	Part of the funding will be allocated to utility-scale renewable energy projects, which will contribute to energy security in SA, and part will be allocated to affordable housing mortgages, which will contribute to financial inclusion in SA.
First sustainable loan IFC has concluded with a commercial bank in South Africa	
SBSA's first sustainability-linked bond listed on the JSE's sustainability segment The R2.4 billion three year sustainability-linked note forms part of a R5.5 billion issuance across two separate public auction offerings, receiving a total of R14 billion of bids from multiple fixed income investors. SBG was the sole arranger and sustainability coordinator, and the advisor in marketing, timing and pricing of the notes.	Embedded KPIs focus on financing renewable energy power plants and financing social projects.
First sustainability-linked bond issued out of the financial sector in South Africa.	

The first Green Bond in Tanzania for CRDB (TZS 171.82 billion) and the largest issue by a corporate to date issued in 2023 was arranged by Stanbic Tanzania. The proceeds of the bond will be used to finance sustainable farming projects and programmes in Tanzania, enabling environmentally sustainable management of natural resources, as well as renewable energy, water infrastructure and sustainable forestry projects. This transaction is one of few that will inject funds into sustainable farming, and will realise the following positive impacts for Tanzania:

- Growth in the agricultural sector based in sustainable practices;
- Greenhouse gas emissions avoidance and sequestration
- Improved socio-economic conditions and improved livelihoods of communities
- Investment in climate adaptation and resilience, which address climate risks.

Digital Banking in Tanzania: Evolution, Challenges and Opportunities



Digital banking allows users to access a wide range of financial transactions remotely without the need to visit a physical bank branch traditionally. Major Banks, have developed robust digital platforms that offer a range of services, from mobile banking to internet banking. Customers can now perform transactions, pay bills, transfer money, and even apply for loans online, without stepping into a bank branch.

Types of Digital Banking Products in Tanzania

Mobile Money Services:

Platforms like M-Pesa, Tigo Pesa, and Airtel Money offer users the capability to store money on their mobile devices, facilitating payments, receipts, and cash withdrawals via a network of agents.

Digital Payment Solutions:

1. Bill Payments: For utilities, school fees, and other bills directly through digital banking platforms
2. Merchant Payments: Facilitates retail purchases through QR codes or mobile transfers, enhancing the adoption of cashless transactions across various sectors.

Online Banking Platforms:

1. Account Management: Banks provide online interfaces where customers can manage their accounts, view balances, and download statements without physical bank visits.
2. Fund Transfers: Enables intra-bank and inter-bank money transfers, supporting both local and international transactions efficiently online.

Digital Loans and Credit Facilities:

- Instant Loans: Offered by many banks and fintech companies, these loans can be accessed quickly and easily without the traditional requirement for physical documentation.
- Credit Lines and Overdrafts: Available directly from users' devices, these facilities help manage cash flow and unexpected expenses.

Savings and Investment Products:

- Digital Savings Accounts: These accounts can be opened and operated entirely online, often offering higher interest rates compared to traditional accounts.
- Investment Platforms: Include options for fixed deposits, government securities, and mutual funds, all manageable via digital channels.

Insurance Services:

- Microinsurance Products: Digital platforms enable the distribution of microinsurance products that are affordable and accessible, covering areas such as health, life, and asset protection.
- Bancassurance: This integration allows customers to purchase and manage insurance policies through banking platforms, providing a seamless way to secure comprehensive financial protection.

E-commerce and Business Solutions:

- E-commerce Integrations: Digital banking is integrated with online shopping platforms to facilitate easy payment solutions.
- Business Tools: Digital services tailored for businesses include tools for managing payroll, invoicing, and financial planning.

Digital Banking Delivery channels / Models in Tanzania

Internet Banking:

Has assisted fintech startups to collaborate with traditional banks to introduce innovative services like mobile wallets, real-time payments, and financial management tools.

Mobile Banking:

Focuses on providing a platform for sending and receiving money, bill payments, airtime recharge, and more complex financial products like savings accounts, international transfers, and microloans.

Partnerships and Synergies:

Have fostered collaborations between different stakeholders in financial services have been observed in the Tanzania E.g. between MNOs, Fintechs and banks.

Benefits Realized Through Digital Banking in Tanzania:

- a. Increased and Widespread Financial Inclusion- More people, especially in remote areas have access to financial services through digital banking particularly those in rural or underserved areas.
- b. Economic Empowerment - Empowered individuals and small businesses to manage cash flows more effectively, save for the future, and access credit.
- c. Innovation in Financial Products - The need to provide superior internet banking services has driven banks to innovate customer- centric products continually. For instance, mobile loan products tailored to farmers' seasonal needs is a direct responses to market demands.
- d. Social Impact - Promotes gender equality in financial services especially to women, who historically have been underserved by traditional banks, now have more control over their financial lives and can participate more fully in the economy.
- e. Integration with the National Economy - The volume of transactions conducted through mobile phones has made mobile banking a significant factor in the country's economic indicators. On the other hand, internet banking has facilitated the integration of Tanzania's financial system with global markets.

- a. Convenience and Efficiency - The convenience of conducting financial transactions 24/7 without visiting bank branches has transformed the banking experience for individuals and businesses, leading to greater efficiency in financial management.



Challenges of Digital Banking in Tanzania

Despite the progress, the digital banking sector in Tanzania faces several challenges:

- a. Customer Adoption: Many customers, particularly in rural regions, are still hesitant to embrace digital banking due to a lack of awareness and trust in online financial services. A survey by Financial Sector Deepening Trust (FSDT) found that 60% of rural Tanzanians prefer cash transactions over digital methods.
- b. Cybersecurity: Banks need to invest heavily in advanced security measures to protect customer data and maintain trust.
- c. Infrastructure: Inadequate technological infrastructure like reliable internet connectivity



Cont.

Future Trends Recommendations for Digital Banking in Tanzania

- **Fintech Integration:** Collaboration between traditional banks and fintech companies will drive innovation and enhance service offerings.
- **Blockchain Technology:** The adoption of blockchain technology could revolutionize banking operations, ensuring more secure and transparent transactions. The Tanzania Blockchain Association is already working with banks to explore potential applications.
- **Artificial Intelligence:** AI-driven solutions will enable banks to offer personalized services, improve customer support, and detect fraudulent activities more efficiently.



Conclusion

The evolution of digital banking in Tanzania is a testament to the industry's adaptability and commitment to serving customers better. By addressing these challenges and embracing innovation, Tanzanian banks can pave the way for a more inclusive, efficient, and customer-centric banking sector.

News & Highlights 2024



Launch of the Total Tax Contribution Report of the Tanzania Banking Sector

Reflecting on the banking sector's journey of impact and responsibility. TBA launched the Total Tax Contribution report, highlighting 'Contribution beyond profits' from 2021-2023.



Deputy Governor Ms. Sauda Msemu the guest of honor during the event Celebrates Banking Sector's Economic Impact at Report Launch Ms. Sauda Msemu highlighted the sector's role in tax revenue, job creation, credit provision, and corporate social responsibility,

Ms. Msemu applauded the sector's support for national development. She reaffirmed the government's commitment to fostering a conducive environment for banking growth and collaboration. The event underscored the importance of continued partnerships to drive Tanzania's prosperity.





Welcome to the first edition of the Total Tax Contribution (TTC) study of the Tanzanian banking sector. This edition covers the 2021, 2022 and 2023 financial periods. The study provides valuable insight to the substantial contribution of the banking sector to government tax revenues.

[CLICK HERE TO DOWNLOAD THE TOTAL TAX CONTRIBUTION REPORT](#)



TBA Footie Tournament, 2024

Bankers Footie Tournament is an annual sporting event that brings bankers from different banks with other potential stakeholders in a conducive competitive social, sporting and interacting environment to compete, network, and celebrate the uniqueness and achievement of the banking industry.



The winners of this year's footie tournament is Diamond Trust Bank, and runner up winners being CRDB Bank followed by Finca Microfinance Bank



This year's footie tournament was featured with exciting games, such as rede challenge, tennis, lemon balance among others. Football matches BoT Vs Gymkhana Club, and Simba senior bankers and Yanga Senor Bankers





Official Handover of the Oxygen Generator to JKCI Hospital

Mr. Herman Kasekende, CEO of Standard Chartered Bank, represented the TBA chairman at the new Oxygen Plant handover ceremony at JKCI, Dar Group Hospital.



This vital facility, funded by over 300 million TZS from TBA members, will greatly improve patient care and provide essential medical resources for heart patients.

A heartfelt thank you to all member banks for their generous contributions. Together, we're making a tangible impact and building a healthier future for our community.



The Vice President, Dr. Philip Isidor Mpango, officially opens the 21st Conference of Financial Institution (COFI) at the Arusha International Conference Centre.

The two-day conference, was organized by the Bank of Tanzania in collaboration with the Tanzania Bankers Association with a main theme being, “Strengthening Financial Sector Resilience in Challenging Economic Times.”

The 21st Conference of Financial Institutions

During the event, the Vice President launched the Tanzania Instant Payment System (TIPS), a groundbreaking platform designed to facilitate instant funds transfer across different payment systems providers, including banks and non-banks.



Advancing Financial Resilience: Dr. Philip Mpango, Vice President URT, calls for Innovation and unity in Tanzania's Financial sector.

Vice President Dr. Philip Mpango address highlights the crucial role of digital payment systems and commends the launch of the Tanzania Instant Payment System (TIPS).

Participants to the conference include prominent government officials, chief executive officers of financial institutions, mobile network operators, and representatives from international financial institutions, academia and research institutions.



About the 2nd TBA Conference on Financial Inclusion

Early in February, TBA held the 2nd TBA Conference on Financial Inclusion held at Serena Hotel, Dar es Salaam. During the Event, TBA launched the Sustainable Finance Principles for Tanzania's financial sector marking a significant milestone towards a greener and more inclusive economy.

The event exploring Cutting-Edge Solutions for Financial Inclusion, Innovative strategies to insightful panels, it was an enriching experience indeed.



Note:

To get the principles please visit:
www.tanzaniabankers.org or scan the QR Code on the left



The 122nd TBA Members Meeting

A snapshot of the 122nd TBA Members meeting that was held at Onomo Hotel, Dar es Salaam



Members' Watch

From January to July, 2024

EMPOWERMENT

NMB Bank has released a set of improved financing solutions meant to empower local contractors

NMB empowers 600 local contractors

Commending the bank for supporting the construction industry, Mr Kasekenya said the endeavour aligns with the aspirations and directives of President Samia Suluhu Hassan to financially empower local contractors

By The Citizen Reporter
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Dar es Salaam. NMB Bank has released a set of improved financing solutions that are specifically meant to empower local contractors and foster the growth of the construction industry.

Speaking during a networking session with contractors, the NMB's Chief of Retail Banking, Mr Filbert

Mponzi, said during the past two years, the bank has disbursed Sh1.1 trillion in loans to over 600 contractors and the entire value chain of the construction industry.

"To ensure we expand the scope of our services in addressing the financial challenges faced by local contractors during the undertaking of projects, the financing improvements we have made include increase in the value of bid bond guarantees as

well as performance and advanced payment guarantees," he said.

NMB said Mr Mponzi, has also increased its bid bond guarantee for local contractors to Sh5 billion without collateral, up from Sh2.5 billion.

The unsecured performance and advance payment guarantees have been raised to Sh3 billion, from the previous limit of Sh1.5 billion. Mr Mponzi explained that the guarantees will not only be timely but also come with lenient conditions.

"We strongly believe these new solutions are a major milestone for

our local contractors and reaffirm NMB Bank's commitment to support the government's efforts in advancing the construction industry and boosting its contribution to the national economy," Mr Mponzi told Works Deputy Minister Godfrey Kasekenya, who officiated the debut of the enhanced financial solutions.

He explained that, in addition to providing loans, NMB also collaborates closely with contractors in various economic and social spheres through their professional associations and regulatory bodies, including CRB, TUCASA, and TWCA.

Commending the bank for supporting the construction industry, Mr Kasekenya said the endeavour aligns with the aspirations and directives of President Dr. Samia Suluhu Hassan to financially empower local contractors, enabling them to grow, compete effectively, and contribute meaningfully to national building efforts.

He noted that the scope of works locals can bid on has now been expanded from Sh10 billion to Sh50 billion, highlighting that funding and working capital are among the major challenges contractors face.

Exim Bank marks 27 years with over Sh3 trillion assets

By The Citizen Reporter
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Dar es Salaam. Exim Bank Tanzania yesterday marked its 27th anniversary, reporting the growth of assets to over Sh3 trillion last year.

According to the bank statement issued yesterday, the lender's customer deposits also grew to Sh2.4 trillion while profit before tax was Sh91.5 billion in 2023.

"These achievements reflect the dedication of the bank's team and the trust placed in Exim Bank by its customers," said Exim Bank Tanzania chief executive officer, Mr Jaffari Matundu.

"Twenty-seven years ago, we embarked on a mission to transform banking in Tanzania, and today, we stand as one of the leading financial service providers in the region. Our presence extends beyond Tanzania," he said.

Exim Bank has branches in the Comoros, Djibouti and Uganda, he added.

Mr Matundu said the bank was now committed to innovation which "has been a driving force" behind the bank's success.

Recently, the bank was awarded as the "most innovative banking brand, Tanzania - 2024" by the International Business Magazine Awards.

"Exim Bank aims to continue growing, expanding our reach and impact across Tanzania and beyond," Mr Matundu said.

"We will keep innovating, finding new ways to serve our customers better and contribute to the development of the financial sector."

Amount in billions of shillings of profit before tax that the bank recorded by 2023

91.5

CRDB, NALA to enhance remittance service

By FLORIAN JAMAX

CRDB Bank has partnered with NALA to offer the diaspora a cost-effective, convenient and secure way to send money home.

The lender, one of the largest in the region and NALA, a prominent domestic fintech firm, partnership underscores both companies' dedication to streamline cross-border money transfers.

CRDB's Director of Retail Banking Mr Bonaventura

Paul said most African diaspora are facing challenges of sending money home.

"Despite numerous options for sending money to Africa, the continent remains the most expensive for diasporas to transfer funds to," Mr Paul said.

The partnership with NALA aligns with both organisations' shared vision of eliminating payment inefficiencies through advanced technology and innovative end-to-end solutions.

"Our collaboration aims to make it easier and more affordable for the diaspora to send money home for business, investment, or other purposes," he said.

The Bank of Tanzania (BoT) announced early this year that the value of diaspora remittances rose by 60.52 per cent to 1.3trn/- in 2022 compared to 837.33bn/- in 2021.

While the volume of inflows increased by 20.41 per cent to 500,849 transactions from 415,960 transactions.

NALA's Founder and Managing Director, Benjamin Fernandes said the growth they have registered was driven by geographic expansion, product differentiation and continuous infrastructure improvement.

"Our partnership with CRDB will offer cost-effective money transfer solutions, enabling immediate transfers to mobile money and bank accounts while ensuring reliable transactions for users," Mr Fernandes said.

NALA is an international money transfer app that allows individuals and businesses to send money from the UK, US and EU to Tanzania, Kenya, Uganda, Ghana, Rwanda, Cameroon, Cote

People's Bank of Zanzibar (PBZ) board chair Joseph Mwa (right) and PBZ managing director Amani Haji present a gift to insurance deputy commissioner Khadija Said during the launch of PBZ's bancassurance services in Zanzibar yesterday.

PHOTO | CORRESPONDENT

PBZ introduces bancassurance services

By The Citizen Reporter
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Zanzibar. People's Bank of Zanzibar (PBZ) has launched a bancassurance service as part of its efforts to increase the inclusion of more communities in the formal financial system.

The government targets in its Financial Strategy to ensure that 80 percent of Tanzanians have sufficient understanding of insurance services, with 50

percent in the sales as well as nationwide. This initiative is very important to the government as it supports the implementation of the ten-year financial strategy (2020-2030), which aims to deepen the insurance penetration, also seeking to ensure that 80 percent of Tanzanians have sufficient understanding of insurance services.

Mr Said called on financial institutions in the country to

from the Tanzania Insurance Regulatory Authority (TIRA) and the bank of Tanzania (BoT), is part of the bank's strategy to continuously improve its service.

This product will be provided through all

es, with the intention of creating a one-stop shop. "This product will be provided through all PBZ branches in the country, in collaboration with various insurance companies, as authorized by TIRA. PBZ customers can now access insurance services and other financial services, such as obtaining loans for insurance premium financing, at a competitive level," he said.

The bank's director of business, Mr Eddie Mhina, stated that

TADB receives Sh613bn boost, expands lending

Since 2022, the bank's total assets have more than doubled to Sh753.22 billion, while net profit surged to Sh29 billion in the first half of 2024.

By Josephine Christopher

Dar es Salaam. Tanzania Agricultural Development Bank (TADB) has received Sh613 billion in capital during the last three years as the government is seeking to improve

agriculture, livestock and fisheries sectors. The government increased the budgets for these ministries and boosted the capital of the TADB, he said.

The capital boost began in 2021 when President Hassan approved Sh209 billion in initial capital. This support continued in 2022, with Sh209 billion allocated for a fishing project in 2023. The trend persisted in 2024 with an additional Sh707 billion in capital.

The bank's profitability has also improved to a cumulative half-year net profit of Sh2.9 billion recorded during the same period in 2023.

The bank's total assets have also improved to Sh753.22 billion as of June 30, 2024, more

than doubling from Sh362.84 billion recorded at the end of December 2021.

Mr Nyabundege also addressed the misconception about the farmers, who are always considered risky and form the loss of farmers, particularly those in lower-income brackets, by providing them with farming equipment.

"Our aim is for this bank to offer loans to farmers, especially those in lower-income brackets, to ensure their transformation from low-income earners to middle income levels. This includes transitioning from using hand tools to tractors or power tillage," he said.

According to the bank's financial statement, the bank has provided over Sh466.66 billion by the end of June 2024, compared to Sh257.42 billion in the preceding quarter ended March 2024.

FRANK | TADB DIRECTOR

TCB, agency partner to empower women, youth

The two institutions signed a Memorandum of Understanding (MoU) over the weekend to establish a special loan program aimed at providing affordable financing to 75 groups.

By Godfrey Lumley

Dar es Salaam. The Tanzania Commercial Bank (TCB) and the Zanzibar Economic Empowerment Agency (ZEEA) signed a Memorandum of Understanding (MoU) at the weekend that will see the two institutions working together in empowering women, youth, and other special groups in the island.

Specifically, the MoU will see them working together in the administration of a special loan programme that is designed to provide affordable access to finance for groups of women, youth, and other special groups involved in economic activities across Zanzibar.

The executive director for Zanzibar, Mr. Juma Burhan Mohamed, said the MoU was signed at the weekend.

Mr. Burhan Mohamed said the MoU was signed at the weekend. He said the MoU was signed at the weekend. He said the MoU was signed at the weekend.

Targeting 75 groups, each with between five and 20 members, the initiative is set to stimulate business expansion, create jobs and drive overall economic development in the region, senior officials from the two institutions said at the weekend.

So far, ZEEA has recruited 16

from the two institutions said at the weekend.

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Stanbic commits to develop top-tier talent

By DAILY NEWS Reporter

STANBIC Bank Tanzania has said it will continue to nurture and develop the next generation of leaders within the banking industry through its graduate programme.

The Bank's Chief Executive Officer, Mutu Rwegosira said yesterday at the graduation event that this transformative programme underscores Stanbic's commitment to fostering local talent and driving innovation in the financial industry.

"As you step into your new roles, I urge you to embrace innovation and continuous learning. Your journey at Stanbic is just beginning and I am confident that you will make significant contributions, not just to our bank, but to the broader financial landscape," Mr Rwegosira told the graduates of the programme.

He said with a 93 per cent retention rate, the programme has demonstrated its effectiveness in selecting and nurturing top talent.

"As we celebrate the graduation of this exceptional group, we also look forward to the implementation of a new 12-month model for future cohorts. This shift is designed to provide our trainees with enhanced expertise and quicker integration into substantive roles."

"We believe that this focused approach will not only benefit our graduates but also bring substantial value to the bank," he said.

Mr Rwegosira said the graduates have gained hands-on experience across various departments, preparing them for substantive roles within the bank.

The graduation event celebrated the accomplishments of the current cohort, who have demonstrated resilience, innovation and a commitment to excellence over the past 18 months.

Since its inception, the Stanbic Bank Tanzania graduate programme has been instrumental in strengthening the bank's internal talent pipeline.

Stanbic Bank Tanzania Head of People and Culture Ms Rabina Masanja said the revamped graduate programme is a testament to the bank's commitment to innovation and sustainable growth.



STANBIC special trainee on the

TIB Bank rebounds with 5.6bn/- profit in Q2

By HENRY LYIMO

TIB Development Bank has marked a significant turnaround, emerging from a period of financial strain to report a net profit of 5.6bn/- for the quarter ending June.

This represents a striking reversal from the 2.5bn/- loss recorded in the same quarter of the previous year, signaling both a robust recovery and promising future prospects for the government-owned institution.

The bank's latest financial statement, unveiled last week, highlights a substantial improvement in both interest and non-interest income.

Net interest income surged by 37.8 per cent to

13.5bn/-, up from 9.8bn/- a year ago, driven by increased lending activity and favorable shifts in interest rates.

This growth reflects strategic enhancements in the bank's lending operations and investment portfolio.

Non-interest income also saw a notable rise, climbing from 2.9bn/- to 8.5bn/-, largely attributed to successful foreign currency dealings and significant translation gains. These figures underscore the bank's ability to navigate currency fluctuations effectively and capitalise on foreign exchange opportunities.

In terms of lending, the bank's loans, advances

and overdrafts increased to 343.5bn/- in the quarter ending June 2024, up from 319.5bn/- a year earlier, highlighting robust growth in this segment.

Meanwhile, impairment losses on loans and advances fell to 6.2bn/-, down from 8.7bn/-, indicating improved asset quality.

Bad debts written off also decreased markedly to 14m/- from 102m/-, reflecting enhanced credit risk management.

Despite a rise in non-interest expenses to 10.2bn/-, up from 4.9bn/- and other operating expenses climbing to 7bn/- from 1.8bn/-, the bank managed to keep salary and benefits expenses stable at 3.15bn/-.

The reduction in the workforce to 135 employees from 149 suggests enhanced operational efficiency.

The bank's basic earnings per share (EPS) improved significantly to 19 from a negative 11, with return on average total assets (ROA) rising to 1.2 per cent from a negative 1.1 per cent.

Return on average shareholder funds (ROE) also increased to 4.9 per cent from a negative 5 per cent, reflecting a stronger overall financial performance.

The ratio of non-interest expense to gross income rose to 39.6 per cent from 30.2 per cent reflecting increased operational cost or reduced cost efficiency.

Net interest income to

average earning assets ratio improved to 2.5 per cent from 1.9 per cent, showcasing the bank's enhanced income generation capacity.

Industry experts attribute the bank's success to its strategic efforts in optimising financial operations and leveraging currency market opportunities.

Looking ahead, TIB Development Bank's leadership is poised to continue leveraging its recent achievements while addressing ongoing economic challenges.

The bank's ability to sustain and build upon its recent performance will be closely monitored by both government stakeholders and market analysts.

UZINDUZI WA MAENDELEO BANK MARATHON

Maendeleo Bank PLC leo Agosti 02,2024 tumefanya uzinduzi wa Maendeleo Bank Marathon Hatua ya Faraja Msimu wa Pili itakayofanyika Septemba 07,2024 katika viwanja vya Farasi,Oysterbay

Uzinduzi huo umeongozwa na Mwenyekiti wa Bodi ya Wakurugenzi ya Maendeleo Bank PLC Prof. Ulingeta Obadia Mbamba,akiambatana na Kaimu Mkurugenzi Mtendaji CPA,Peter Tarimo na Mkurugenzi Mtendaji Mstaafu wa Maendeleo Bank PLC Dkt.Ibrahim Mwangaalaba.

Baada ya uzinduzi huo ambao uliambatana na kutambuliisha jezi mpya,tulifanya mbio fupi zenye shamrashamra kutoka Makao Makuu ya Maendeleo Bank PLC Luther House-Posta mpaka viwanja vya Farasi,Oysterbay



Mkombozi Bank graduates to DSE main market

By DATIVA MINJA

MKOMBOZI Commercial Bank (MKCB) has graduated to the main board of Dar es Salaam Stock Exchange (DSE) from an alternative market.

The catholic church bank managed to graduate after a series of stellar performance in the last three years, especially profit-making.

One of the house rules for a shift from the alternative market (EGM) to the Main Investment Market Segment (MIMS) is profit-making for consecutive three years. The MKCB Managing Director, Mr Regege Kimati said the lender profits increased from 342.7m/- in 2013 to 8.6bn/- last year. "We have made various reforms to maximise profit while venturing in bancassurance and digital revolution," Mr Kimati said recently. The bank assets grew from 64bn/- in 2013 to 255.8 bn/- last year while loans increased from 28.8b/- to 134.8bn/-.

Additionally, MKCB deposits went up from 49.7bn/- a decade ago to 207.4bn/- last year.

The bank with its head-

quarters in Dar es Salaam had 13,991 customers in 2013 compared to 118,531 last year. "This shows the increasing trust of customers to our services," said Mr Kimati. MKCB has 13 branches in Moshi, Dar es Salaam, Mwanza, Arusha, Morogoro, Dodoma, Bukoba, Iringa, and Njombe. Also has 1,083 agencies countrywide.

Earlier, the Deputy Min-

ister for Finance Mr Hamad Chande, who officially graced the event to promote MKCB to MIMS, said: "is proof that the DSE market is growing and can transform companies."

The lender was elevated to the main market mid this month.

MKCB started as an initiative of the Tanzania Episcopal Conference in 2009 to estab-

lish a commercial bank with the main objective of serving and supporting emerging Tanzanian businesses for the provision of financial services.

The lender targets SMEs, SACCOS, and institutions such as schools, universities, hospitals and corporations.

The bank share was selling at 610/- yesterday down from 1,000/- during the listing a decade ago.

BoT urged to improve interbank cash market functioning

By DAILY NEWS Reporter

THE International Monetary Fund (IMF) has said the Bank of Tanzania should improve the functioning of the interbank cash market and standing facilities to ensure that the target interbank rate remains close to the policy rate.

Following the launch of the new monetary policy framework,

the BoT injected liquidity through reverse repo to alleviate temporary cash shortages which caused a few small banks to borrow unsecured in the interbank cash market at relatively high rates, pushing the 7-day interbank market rate to the upper band of the corridor.

The BoT should ensure that liquidity conditions are consistent with aligning the 7-day interbank rate with the Central Bank rate and the target rate is appropriate during the introduction phase of the new framework, the corridor needs to narrow over time.

The BoT launched new interest rate based monetary policy framework in January, initially setting the Central Bank Rate (CBR) at 5.5 per cent.

The Monetary Policy Committee (MPC) increased the CBR to 6 per cent in April, adopting a moderately tight stance in response to increases in core inflation and complementing efforts to ease pressures in the FX market.

Interest rates in the interbank and Treasury bill markets rose over the past year, reflecting lagged effects of liquidity withdrawal and the tighter monetary policy stance.

The BoT has been largely successful in keeping the 7-day interbank rate within 200bp of the

CBR, in accordance with the new framework.

However, the 7-day rate has occasionally exceeded CBR+200bp due to temporary cash shortages in a few small banks.

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NBC Dodoma Marathon raises 300m/- to save mothers and children

RT
-1 win
Olympic
beats



Compass, the main sponsor of the race, said the proceeds will be used to support the health and education of mothers and children in the Dodoma region. The NBC Dodoma Marathon is a 10km race that takes place annually in Dodoma, Tanzania. It is organized by the National Broadcasting Corporation (NBC) and is one of the largest and most popular marathons in the country. The race attracts thousands of runners from across Tanzania and neighboring countries. The proceeds from the race are used to support various social and community development projects in the Dodoma region. The NBC Dodoma Marathon is a key event in the Dodoma region's calendar and is a source of pride for the local community.

CRDB Bank marks world MSME day with elegance



Funny Jokes..



My dad came up to my room, and handed me my soaking wet wallet, after accidentally leaving it in my jeans as they went through the wash. "Son, you're going to have to stop money laundering."

"The banker fell overboard from a friend's sailboat. The friend grabbed a life preserver, held it up, not knowing if the banker could swim, and shouted, "Can you float alone?" "Obviously," the banker replied, "but this is a heck of a time to talk business."

What is the role of stock analysts? Making weather forecasters look good!

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