

Q1 Edition 2022

# Tembo

## NEWS

### President Samia inaugurates New iconic CRDB Bank Headquarters





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# Editor's Note

## Dear readers

For many of us, each new year marks a chance for writing an incredible story about ourselves, and our Bank, CRDB Bank, is no exception. The first quarter of the year 2022 has been remarkable, and we have many stories that will change you for the better.

Every story in this issue speaks to important milestones achieved, game-changing initiatives implemented, and the transformative efforts undertaken by our Bank. As a Bank that listens, our story is a story of shared values, growing together with our people, and transforming lives in our community.

Right up front, find out about the historic inauguration of the Bank's new iconic headquarters

which was graced by Her Excellency the President of the United Republic of Tanzania, Samia Suluhu Hassan.

The building is an epitome of modern architecture and demonstrates the Bank's long-term commitment to the Tanzania's and East Africa's financial sector.

Our commitment to the financial sector is also reflected by our sustained efforts toward supporting Micro, Small, and medium Entrepreneurs (MSMEs), Women, Youth, and other players in various sectors of the economy. During the quarter, in collaboration with the Government of Zanzibar, we launched an MSMEs empowerment program offering interest-free loans. We also reduced our agricultural and personal loan lending rate to a historic low.

To further accelerate the acceptance of digital payments in the country, we continued with our special campaign to promote card usage in partnership with Visa International which started toward end of 2021.

The campaign, dubbed **#ShindaNaTemboCard Visa**, aims to support the Government's agenda of establishing Tanzania as a digital society through our innovative solutions. The campaign coincided with the **"Unachostahili Ni..."**, a customer awareness campaign on various innovative services and products offered by the Bank.

Each of these stories speaks to our commitment to transforming the lives of our customers, and I'm excited to share them with you. Please keep your eyes on this newsletter for more exciting stories about your favorite Bank in the coming quarters. Whatever changes 2022 may hold, one thing remains constant: our commitment to our customers and the communities we serve.



**Tully Esther Mwambapa**

*Director of Corporate Affairs  
CRDB Bank Plc*



**Iconic  
Headquarters**

**MSMEs**  
Offering interest-free loans.



Accelerate the acceptance of digital payments



# President Samia hails CRDB Bank investment in the iconic headquarters

The president made the commendation when officially opening the multi-billion 11-story bank's head offices along the fashionable Ali Hassan Mwinyi Road in the commercial capital.

The event was attended by ministers and deputy ministers, diplomats, heads of public institutions, private sector executives, and various other stakeholders.

She said the new bank headquarters not only demonstrates the strength of the bank but also indicates the growth of the financial sector and the private sector as a whole.

**“I would like to commend CRDB Bank for building a good facility, modern and having international standards, meeting staff and customers' demand. From what I have seen, you deserve congratulations,”**

the president affirmed, noting how the new facility, a few hundred meters from its old six-story offices, change the skyline.

She praised the bank for being a leading financial institution through massive investments made to different groups and for development efforts generally.

The bank has been reducing interests for farmers from 20 percent to nine percent at present, she said.

**“I'm happy to see our local bank becomes the first to respond to the government's call of reducing interest rates to stimulate the economy. It has also offered a lot to farmers as agriculture is the backbone of the economy,” she stated.**

Furthermore, the bank had shown great financial capacity by collaborating with the government to support strategic projects, which other financial institutions need to take up, to develop the people, she said.





The Bank Group CEO, Abdulmajid Nsekela expressed gratitude to the president for their readiness to officiate the bank headquarters, after four years of construction work. He stated that the opening of the new headquarters indicates the bank's preparedness to improve the economy and strengthen the financial sector in the country.

**“This building is a symbol of innovation, efficiency and demonstrates our commitment to quality and sustainability. Not only does the building contribute to Dar es Salaam’s skyline but incorporates an environmentally sustainable design to reduce our impact on the environment and protect our planet for the benefit of our communities,”** he declared.

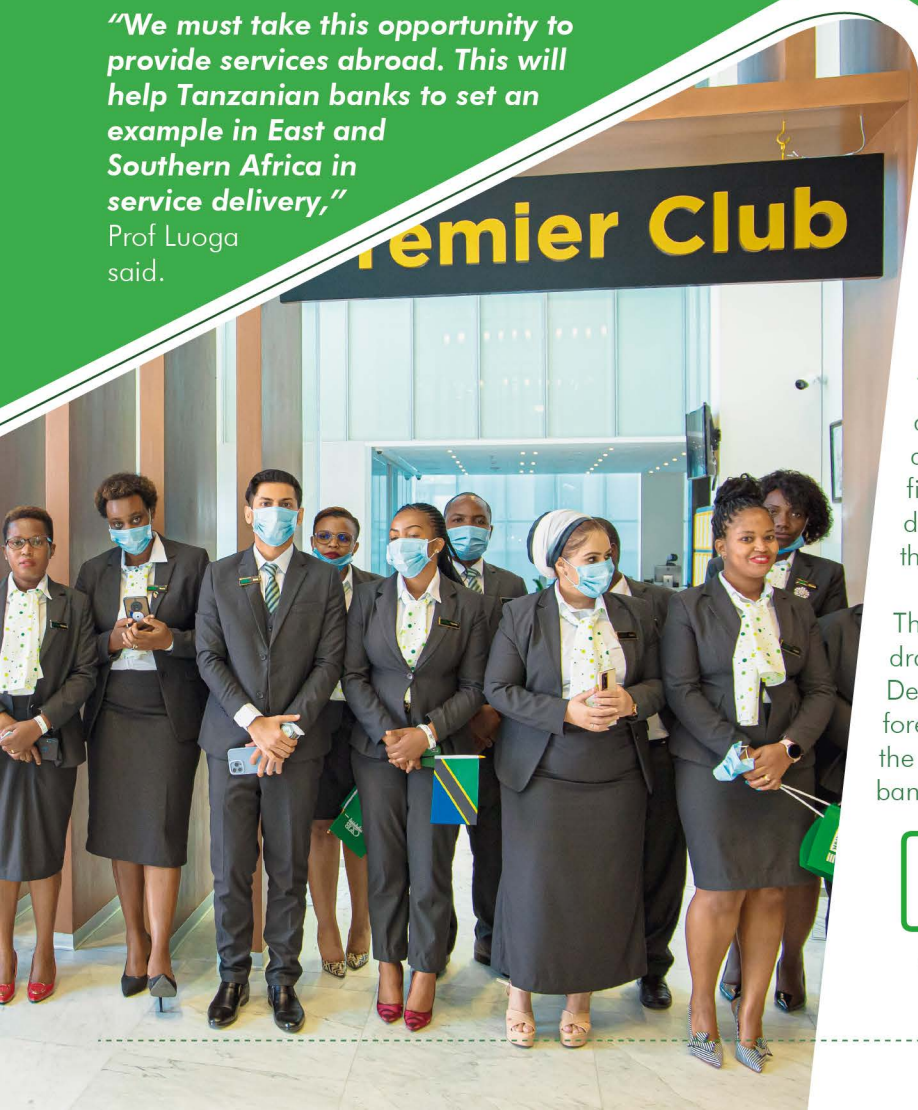
Nsekela said the new facility bolsters the journey of becoming a leading bank in the region, an important link enabling collaboration between Tanzania and neighboring countries.

He told the President that as a part of CRDB Bank’s regional expansion strategy, the entry into the DRC was to be effected in May this year. He hinted that, to begin with, the Bank will inject \$30 million (about Sh70 billion) as capital for its DRC subsidiary.

The Bank’s DRC subsidiary will be opened in Lubumbashi, Katanga Province. This will be CRDB Bank’s second operation outside Tanzania, it currently also operates in Burundi where it has three branches. Bank of Tanzania (BoT) Governor Florens Luoga said various countries had expressed interest in opening doors for Tanzanian banks to open branches there.

**“We must take this opportunity to provide services abroad. This will help Tanzanian banks to set an example in East and Southern Africa in service delivery,”**

Prof Luoga said.



**T**he bank headquarters building is an epitome of modern architecture, installed with the latest technology systems that enable staff to work at maximum capacity, he stated. Apart from offices, the branch has a special customers’ premier club and digital banking area, for customers’ self-service.

The building features services such as restaurants, a library, kids playing areas, a gym, and digital archives where CRDB Bank becomes the first financial institution with such facilities, demonstrating the growth of the financial sector in the country, he added.

The Bank has been in the market for over 2 decades drawing its history from the Cooperative Rural Development Bank. CRDB Bank has been at the forefront of the banking and economic evolution of the country and continues to provide best-in-class banking solutions.



11 Floors.



Carrying capacity of approximately 1200 employees.



Conference hall with a capacity of 200 people.



# Launch of CRDB Bank HQ in Photos















## **BEST CSR INITIATIVE TANZANIA 2022**

*We are committed into transforming for  
the better good of our society.*



# CRDB Bank Wins Best Corporate Social Responsibility Award by Global Business Magazine

**T**he bank has been engaged in corporate social responsibility with the goal of bettering our communities, the economy, and the environment.

Corporate Social Responsibility (CSR) is a type of self-regulation that reflects the Bank's accountability and commitment to contributing to the well-being of communities and society through a variety of environmental and social measures.

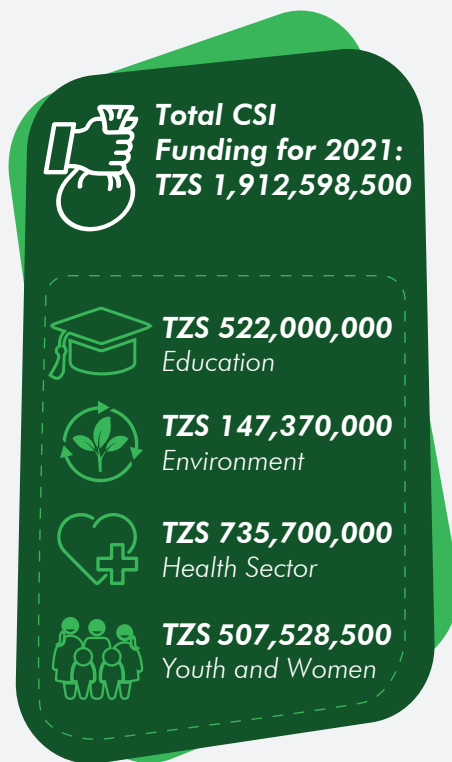
CSR has played an important role in the bank's brand perception, attractiveness to customers, employees, and investors, talent retention, and overall business success over the years.

As a result, The Bank has won the 2021 Tanzania's Best Corporate Social Responsibility (CSR) initiatives by Global Business Magazine.

The Bank was recognized for its well-thought-out CSR initiatives undertaken in 2021, which covered a wide spectrum of areas such as health, education, environment, and youth and women

The Bank confirms to have donated over TZS 422,000,000 to education only in the past year.

**“The bank has made an investment in education by providing assistance in the construction and renovation of classrooms, teacher offices, and the provision of desks.”**



Other beneficiaries of the Bank's CSR initiatives last year included the Health Sector, to which the bank donated over TZS 585,700,000, the Environment, to which the bank donated over TZS 147,370,000, and the Youth and Women, to whom the bank donated over TZS 147,370,000.

Social responsibility is central to the culture at CRDB Bank, The Best Bank for Corporate Social Responsibility Award highlights the Bank's commitment and dedication to sustainable investing, which we see as critical to mobilizing private capital to address pressing societal challenges.

According to Global Business Magazine, the awards reflect the global finance community's innovation, achievement, strategy, progressive, and inspirational changes.

**“The awards were created to recognize companies of all sizes that are prominent in specific areas of expertise and excellence in the financial world.”**  
according to the Magazine.

Since their inception in 2011, the Awards have expanded to include categories such as Banking, Foreign Exchange, Insurance, Hedge Funds, Pension Funds, Compliance, and Advisory, Corporate Governance, Brokerage and Exchanges, Project Finance, Binary Options, Investment Management, Technology, Asset, and Wealth Management, Islamic Finance, Exchange Traded Funds, real estate, CSR, and others.

Global Business Magazine has also evolved over the years to provide a more balanced perspective on informative and independent financial news.

It has experienced contributors who provide quality and in-depth insights in a clear and concise manner, providing up-to-date information in the finance sector to leading players and key figures. The magazine is read in 200 countries by Presidents, CEOs, CFOs, and Senior Decision Makers in Fortune 500 companies, Major Banks, Financial Institutions, Central Banks, Traders, and individuals interested in business and financial markets and news



# CRDB Bank Taifa Cup

## Scholarships changing lives of youths

**B**y any standards, athletes are rewarded in cash or material presents when they excel at a tournament competition. But for Jesca Mbowe, a Bachelor of Tourism Management degree at the University of Dodoma, things were different this year at the climax of the annual CRDB Bank Taifa Cup tournament.

The Bank decided to change the way that it rewards the best performers at the competition which draws hundreds of players from all over the competition for silverware and more.

**“ I am very happy for this unique gift from CRDB Bank because it will assist me to complete my degree studies without worrying, ”**

Jesca said after being named as one of the 10 recipients of the bank’s scholarships to enable them to complete their studies.

**“ It’s a dream come true and I say thank you to CRDB Bank for coming up with this unique prize that will change our lives because we will concentrate on our studies and realize our goals, ”**

she said while extending a victory smile full of hope that her degree costs have been secured.

Her sentiments were backed by the Tanzania Basketball Federation’s Vice President, Rwehabura Balongo who also showered praises on the bank’s leadership saying that apart from assisting develop the game of basketball in the country, it also helps children from struggling families realize their educational dreams.

**“ We say thank you to CRDB leadership because these scholarships will change people’s lives while also helping to help**

**attract more youth to the game as there is a life-changing investment ”**  
Balongo pointed out.





He also paid tribute to the bank's leadership and staff for continuing to sponsor the annual event which has seen an increase in the number of participants as well as teams taking part thanks to the announced incentive.

During this year's competition, the bank announced a Tshs 300m as the amount allocated to sponsor the tournament which attracted 32 teams from all over the country involving both boys and girls. Dar es Salaam teams emerged as winners of the tournament which was held in the new capital, Dodoma city.

The competition which was beamed live by Azam TV was fully sponsored by the bank which, among other things included payment for players' transport, accommodation, and food plus a small stipend to facilitate other expenses.



Explaining the scholarships, CRDB's Senior Corporate Social Investment Manager, Joycelean Makule said the sum of Tshs 10m was allocated for the 10 successful athletes of CRDB Bank Taifa Cup to assist them to cover part of expenses incurred at school.

Make said the scholarships are a continuation of the bank's policy to improve the well-being of young people through sports. She said CRDB's corporate investment policy targets several sectors in the country with a focus on young people so that they can actively participate in the country's development process.

**“ Participants to CRDB Bank Taifa Cup are young people coming from all walks of life and are largely those attending school hence the need to assist those who excel in the game by providing them with scholarships” she noted.**

The bank's Senior Corporate Social Investment Manager further noted that although globally popular, basketball has been less popular among young people in the country which convinced the bank to invest in the sport which is also a big working experience.

**performance on the field and reference of their performance on the field and reference of their academic progress in collaboration with Tanzania Basketball Federation, ”**

**“We are proud to be associated with sponsoring students attending various courses at different levels and institutions in the country through this basketball game,”** Makule added while stressing that the increase in the number of teams taking part annually is an indication of the growing popularity of the tournament.

**“ After conducting s lengthy process of evaluating the players through their**

she revealed while stressing that last year, some 25 students received scholarships valued at 50m/-. This year's event was the second edition of the tournament.





**22**  
Regions

**32**  
Teams

**10**  
Days

**10**  
Scholarship





inuka

NA UCHUMI WA BULUU



**President Mwinyi  
assigns CRDB Bank  
Blue Economy  
bankrolling role**

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**Z**anzibar President Dr. Hussein Ali Mwinyi has assigned CRDB Bank the role of providing financial literacy and dishing out zero interest charging loans to entrepreneurs and petty traders in the isles as part of realizing his blue economy development agenda.

Speaking when he unveiled an 'Inuka na Uchumi wa Buluu' programme being implemented jointly with CRDB Bank, Dr. Mwinyi said his government has allocated 81.5bn/- for the purpose and will benefit groups formed entrepreneurs and petty traders.

**“ We have assigned CRDB Bank the role of providing financial literacy and interest-free loans to groups of entrepreneurs and petty traders because of the bank’s track record,”**

Dr. Mwinyi said.

He pointed out that his government has already started issuing petty traders with identity cards so that

they don’t get harassed when conducting their businesses saying the isles government is also building world-class markets to accommodate everybody including small businesses.

Briefing Dr. Mwinyi on the bank’s activities in the isles, CRDB Bank Group CEO and Managing Director, Abdulmajid Nsekela said the deal with the isles government is a new opportunity for businesses to exploit and graduate into big companies.

**“Since last year, we have already issued over 150bn/- in loans to businesses in various sectors including tourism, fisheries, agriculture, and trading,”**

Nsekela said while noting that under the 'Inuka na Uchumi wa Buluu,' initiative, entrepreneurs and petty traders have already started receiving training on financial literacy.

He said informal businesses which contribute at least one percent of the Spice Islands' gross domestic product, are an important

segment of clients being served by the country’s largest bank in terms of deposits and net assets value.

**“Through Inuka Program, the bank has set aside 60bn/- to lend to businesses and if the need arises more will be provided at zero interest rate as agreed with the government,”**

he pointed out.

Prior to launching the blue economy initiative, the bank had given 94m/- worth of loans to five groups.



**Sh150 billion**

issued out since 2021.

**Sh 60 billion**

Has set aside to lend to businesses

**Sh 2 billion**

Loan approved to a group of fishermen

**This project is expected to benefit over 700,000 entrepreneurs**



***“We also have just approved a 2bn/- loan to a group of fishermen to buy modern fishing boats and related gear,”***

the CRDB chief noted.

During the past year, CRDB also invested billions of shillings in community projects as part of its corporate social responsibility with much of the proceeds supporting the ‘Kizimkazi’ cultural festival which last year was graced by President Samia Suluhu Hassan.

Speaking at the same event, Permanent Secretary at the President’s Office responsible for Finance and Planning, Dr. Juma Malik Akil said the 81.5bn/- will, among other things, give loans to fishermen to acquire 577 fishing boats, another 500 small vessels to enable seaweed farmers who

are mostly women move about easily on their ocean farms and construction of a seaweed processing factory on Pemba islands.

***“This project is expected to benefit over 700,000 entrepreneurs directly during the initial stage because the funding is revolving and will last several years to come,”***

Dr. Akil said while urging the beneficiaries, especially men to desist misusing the money by marrying second wives.

Proving testimony on the program, one of the beneficiaries, Hamis Hamad Hamis from Pemba Islands said his group of 20 members who engage in livestock keeping has been able to get a

keeping has been able to get a 25m/- loan to set up a milk processing plant.

***“As a result of value addition, our milk which lacked a reliable market hence perished has appreciated at price with a liter now selling at over 3,000/- from 1,500,”***

Hamis said while noting that the group which used to produce 100 liters per day has also increased production to 500 liters.

When successfully implemented, the program will generate more than 300,00 formal jobs with an estimated 700,000 business owners benefiting directly in terms of loans but also training on financial literacy.









Kuza biashara yako  
kupitia **Mkopo Halal**

 **UNACHOSTAHILI  
NI FURAHHA!**



AL - Barakah





# Driving Financial inclusions through CRDB Al Barakah

Zanzibar President Hussein Ali Mwinyi cuts a ribbon to formally launch CRDB Al Barakah Banking yesterday. Others in the picture (from left) are the Zanzibar Minister of State in the President's Office (Finance and Planning), Jamal Kassim; CRDB Bank Plc managing director Abdulmajid Nsekela; CRDB Bank board chairman Ally Laay, and the Bank of Tanzania deputy governor (Financial Stability and Deepening), Bernard Kibesse.

Tanzanians now have a broader option in fulfilling their banking needs in a manner that aligns with Muslims' religious beliefs **"Sharia'h,"** thanks to the newly launched CRDB Bank Islamic banking window, which can be accessed across the country.

CRDB Bank becomes the first Bank to establish an Islamic banking window in all its branches, thus making the service available. Inaugurating the service and the Bank's new branch at Michenzani mall, the President of Zanzibar, President Hussein Ali Mwinyi, hailed the move that would up the government's financial inclusion agenda.

**"There is a big number of people who shy away from formal banking services due to lack of access to financial services that align with their religious beliefs. CRDB Al Barakah comes as a response to such a stand,"** said Dr. Mwinyi,



urging Zanzibaris to take advantage of the service.

Islamic banking is the provision of financial services based on the ethical principles of Shari'ah, the latter being principles and jurisprudence that govern social, political, and economic relationships and actions of Muslims and Islamic institutions.

Islamic banking generally results in the Islamic financial service provider becoming a co-owner of the underlying assets - thereby assuming risks and sharing losses and profits. Under Islamic banking principles, investment in illicit **"Haram"** activities is prohibited, such as alcohol or gambling.

The same applies to **"Riba"**- transactions on a risk-free basis such as conventional loans and bonds- and **"Gharar:"**

excessively speculative transactions such as future sales or swaps. According to Dr. Mwinyi, the CRDB Al Barakah Banking assures Muslims that their money will be invested in activities compliant with Islamic principles.

**"The good thing is that, through this service, you will be assured that your money will not be invested in areas that do not conform to your religious beliefs,"** he said.

The Deputy Governor of the Bank of Tanzania, Dr. Bernard Kibese said the CRDB Al Barakah would stimulate access to financial services - thus playing an integral role in the realization of the country's 10-year Financial Sector Development Master Plan for the period 2020 to 2030.



**“ Available data show that it is only 15 percent of Zanzibaris who have access to banking services. CRDB Al Barakah will attract many people - and, thus, stimulate the availability of loans to the private sector, thereby fueling economic development,”** he said.

Speaking at the launch event, the Bank’s Group CEO and Managing Director, Abdulmajid Nsekela, said the Bank decided to develop the services following the feedback from clients and the general public.

He said CRDB Al Barakah products and services would be offered to Muslims and non-Muslims who want such banking services. The service will be available at all of CRDB Bank’s 268 branches across the country.

The Bank’s Head of Islamic Banking, Rashid Rashid, said clients would access all services under the CRDB Al Barakah, including depository products. So far, the Bank has more than 15 accounts that cater to various customer groups, including children, students, women, SMEs, and corporates.

The Bank also uses the Murabaha form of financing to offer different types of interest-free loans such as personal loans to the government and private sector employees, business loans, mortgage financing, and project financing solutions.

To ensure that Islamic banking principles are being followed at all times, the Bank has formed a special Advisory Board composed of experts on Islamic finance and sharia law. These board members are selected from within Tanzania, East Africa, and beyond and are entrusted with advising and guiding operations.

President Mwinyi encouraged Tanzanians to take advantage of the opportunities offered through CRDB Al Barakah especially access to capital to boost their participation in the economy.

**“ I believe CRDB Al Barakah will play a bigger role in the economic development of the Isles, especially the government’s Blue Economic aspirations,”** he said.

CRDB Al Barakah Banking has the potential to contribute to higher and more inclusive economic growth by increasing access to banking services to underserved populations.

**10 Years**  
Financial Sector  
Development Master  
Plan 2020 - 2030.

**268 Branches**  
across the country

**15+ accounts**  
that cater to various  
customer groups,  
including children,  
students, women,  
SMEs, and corporates.



# Customers encouraged to use the Bank's innovative products



**T**he public has been challenged to seize opportunities being provided by CRDB Bank which has a variety of innovative products and services meeting everybody's needs.

The Bank's Managing Director and CEO, Abdumajid Nsekela said of the beginning of the year when launching a promotional campaign dubbed, **'Unachostahili'** which seeks to sensitize the public on innovative banking products and services tailored to meet customers, that CRDB Bank has a lot on offer which many members of the public don't know or understand.

**“ The bank has many innovative products targeting different groups in the market based anywhere in the country which we want to promote during this awareness campaign, ”**

Nsekela said. He explained that since its establishment, the bank which is a market leader has been an important financial services provider contributing to rapid and inclusive economic growth.

He further noted that as a publicly-owned bank, CRDB Bank's leaders understand the important role that it needs to play in order to help develop the financial services sector in the country with a focus on financial inclusion.

**“ In order to ensure that we serve our customers and the general public better, our priority has been investment in innovative technology products which are secure, efficient, and reliable in service delivery, ”** the CEO stated.

Apart from investment in technology to enhance the delivery of banking services and products, CRDB Bank also continues to do the same through its nationwide network of



**260**  
Branches



**21**  
Mobile branches

and digital outlets which include:



SimBanking



Internet Banking



Sim Account



Thousands of CRDB  
Wakalas and  
Point of Sales



**“ In 2002, when other banks were still using passbooks, our bank introduced TemboCards alongside ATMs and Point of Sale gadgets. In 2011, we were the first bank to introduce SimBanking services which involve mobile phones, ”**

he added.

Masekela revealed that major improvements have been made to SimBanking including the incorporation of a SimBanking application the result of which has been overwhelming as 90% of customers are transacting digitally.

**“In 2002, when other banks were still using passbooks, our bank introduced TemboCards alongside ATMs and Point of Sale gadgets. In 2011, we were the first bank to introduce SimBanking services which involve mobile phones,”**

he added.



Nsekela revealed that major improvements have been made to SimBanking including the incorporation of a SimBanking application the result of which has been overwhelming as 90% of customers are transacting digitally.

**“CRDB Wakala followed suit in 2013 when we launched the service with the target of improving the provision of banking services to our customers and the general public,”**

Nsekela stated adding that the agency network has since grown to over 20,000 countrywide.

Apart from improving service delivery channels, the bank has also introduced a number of accounts such as Junior Jumbo for children, Scholar for students, Salary for employees Hodari for entrepreneurs, Current Account for business people, FahariKilimo for farmers; Malkia Account for women and Pension Account for retirees.

**“All these accounts are backed by loan facilities of different magnitude based on needs and one’s ability to repay,”** he noted saying apart from individuals,

companies, groups of people, and public institutions, CRDB Bank has the technical and financial muscles backed by an over Tshs 7 trillion net assets.

The bank which is accredited with Global Climate Fund also has many foreign partners with which it syndicates if the need arises.

In remarks at the launch, CRDB Bank Chief Commercial Officer, Dr. Joseph Witts said the new campaign is a continuation of the bank’s efforts to broaden the customer base in the provision of banking services.



***“But this campaign goes a bit far to ensure that the majority Tanzanians know and understand products and services which are available and use them to attain their goals,”***

Dr. Witts said.

He said during the campaign, the bank will unleash all of its resources including manpower to reach all corners of the country and mobilize the public. ***“As we continue to grow as a bank, we want to grow with our customers which translates into national growth,”*** he said.

Dr. Witts urged CRDB Bank employees countrywide to actively participate in the campaign and ensure maximum results saying the exercise will also help the bank get feedback from existing customers on service delivery.





# Congratulations



**ABDULMAJID M. NSEKELA**

*Group Ceo, Managing Director, Tanzania*



**AFRICAN BANKING PERSONALITY  
OF THE YEAR AWARD.**



# Economists, farmers hail CRDB Bank single digit rate

**E**conomists and farmers have reacted to the decision by the CRDB Bank to lower lending rates to nine from 20 percent for farmers, arguing that the move will trigger more agricultural activities, production, and address unemployment.

In February this year the bank announced a significant reduction for the agriculture sector which employs over



**of Tanzania's workforce.**

The bank also slashed the lending rate for salaried employees to 13 percent from 16 percent. Reacting to the new development, an Economist-cum Investment Banker, Dr. Hildebrand Shayo said the move showed that the issue of credit interest drops, which has long been a public outcry amongst the business community and particularly those operating within the agricultural sector, has now begun to be addressed

**“ This move proves that President Samia’s appeal has now sunk into the bank’s corridors, ”**

Dr. Shayo remarked.

**In my view, under ceteris paribus thinking, this will widen and to some extent boost more activities in the agricultural sector,”** he stated.

Cutting lending rates is highly commendable since the outcry for a reduction in bank lending rates has been there for a long time but there has been a tendency to turn a blind eye to this issue.

**The efforts and present move to settle to lower lending rates, and if other banks will do the same is a good sign that, in any case, President Samia’s efforts are continuing to be supported, that in my view will significantly increase and boost and broaden economic activity, especially in agriculture in Tanzania,”** he stressed.

He thought that one of the major outcomes will be more job opportunities along the agriculture value chain that will indirectly help to curb the unemployment problem.

Another economic expert, Mr. Iman Muhingo, said for a while the government has been pushing for lower interest rates to spur credit into the economy.

Various initiatives have been undertaken, with the most significant being the lowering of treasury yields.



*The efforts are now paying off as banks lower lending rates. The recent efforts by the government have increased focus on credit to agriculture which employs the majority of Tanzanians and contributes more than a quarter of the GDP while the sector has been at most neglected by credit providers,” Mr. Muhingo argued.*

He added: *“The Bank of Tanzania (BOT) has opened up its chest with a facility of up to 1 tri/- at a rate of 3 percent, and we see banks picking up the offer to provide loans to agriculture at rates of 10 percent or lower.”*

Considering the size of the population employed by the sector, an increased inflow into the sector is a major way to inject liquidity into the economy, he argued.

Speaking separately to the TemboNews correspondent in Dar es Salaam, and the Pwani region, some stakeholders said the action taken by the CRDB Bank was the right decision, especially because agriculture is one of the sectors that was expected to revive the economy affected by the Covid-19 pandemic.



*“90 percent of coffee farmers are smallholder farmers, therefore high lending rates were a sharp thorn; the reduction in lending rates on reduction in lending rates on agricultural loans is a relief that will greatly encourage them to produce this important cash crop for the nation’s economic well-being,”*

commented a coffee stakeholder, Mrs. Mary Obunde.

Mrs. Obunde went on to say that coffee farming and its businesses generally involved improving markets, the facilitation of coffee cultivation, and the working capital, all of which he said required agricultural loans to facilitate.

She continued to say that apart from the farmers themselves, even the Agricultural Marketing Co-operative Societies (AMCOS) would benefit from the slashing of the lending rates, as they would be able to borrow at a lower interest rate for coffee collection and also buy inputs for distribution to farmers at affordable prices, which he said would help reduce costs during their agricultural activities.



For his part, an industrial animal feed producer Dr. Boaz Magito said they (agribusiness companies) welcomed the CRDB Bank’s decision with great enthusiasm, saying the decision was a first step in liberating farmers and the whole agricultural value chain.

The high-interest rates on agricultural loans was a huge burden on the farmer, who faced several obstacles during their farming activities, starting from buying inputs and transportation of produce after harvest; the high-interest rates when it came to repaying loans was an extra burden,” he said.

He added, “The CRDB Bank’s agricultural lending loan rate cuts to farmers means it will benefit farmers by bringing down the total costs of the loans they will acquire; this will motivate them to cultivate more and therefore increase food and cash crops produced in the country.”



# About the New Lending Rates

CRDB Bank has significantly cutting its lending rates to farmers and salaried workers as it seeks to play an increasingly important role in Tanzania's economic development endeavours.

The bank will now be charging only nine percent (instead of the usual 20 percent) on agricultural loans in a move that promises farmers of an affordable financing option to tweak their operations.

The move comes within months after President Samia Suluhu Hassan's administration – through the Bank of Tanzania (BoT) - announced several measures that it would undertake in a deliberate effort to create conditions for reducing interest rates on loans and promoting credit intermediation.

CRDB Bank Plc also slashed lending rates on personal loans for salaried workers to 13 percent from the usual 16 percent.

"We sat down with the BoT late last year and embarked on the implementation of a review of our lending rates and I am happy that we have come up with a solution," CRDB Bank Plc managing director Abdulmajid Nsekela, said.

The new nine percent lending interest rate on agriculture will stimulate production for the sector that accounts for 26 percent of Tanzania's gross domestic product (GDP) and which employs 75 percent of the country's working-age population.

## Advertisement

**“Our aim is to stimulate agricultural production by availing affordable loans for the purchase of farm inputs and implements to small scale farmers thereby allowing them to undertake commercial farming,**”  
he said. ”

Currently, CRDB Bank prides itself for being the lender with the highest amount in loans to the agricultural sector. In total it has extended Sh1.6 trillion in loans to various players within the agricultural value chain.

On loans to salaried workers, Nsekela said the bank has been undertaking reviews on lending rates routinely in an effort to help them (workers) to meet their financial obligations and economic goals.

**“With the reviews, we seek to help them so that they can achieve their personal goals which we believe, helps to boost their effectiveness in their official undertakings,**”  
he said.

He urged salaried employees to utilise the opportunity to their advantage by initiating various income-generating projects for the general of their economic wellbeing.

He said it was true that high lending interest rates have been discouraging some businesspeople from going for bank loans and thus missing a chance of acquiring the much-needed capital boost to improve their businesses.

**“The new rates are therefore an opportunity for them to improve their businesses. Besides, we have seen that it is President Samia Suluhu Hassan's vision to see a rise in the number of Tanzanians who actively participate in the country's economic growth undertakings,**”

said Nsekela.

In July last year, the BoT issued new measures that were intended to create conditions for reducing interest rates on loans and promoting credit intermediation. Under the measures, the BoT would introduce of a Sh1 trillion special loan fund valued for banks and other financial institutions to access money for lending to the private sector.

Money from the fund will be accessed by commercial banks and financial institutions at an interest rate of three percent per annum for pre-financing or refinancing of new loans to the private sector, the BoT Governor Prof Florens Luoga, said in July last year.

**“A bank wishing to access the special loan facility shall be required to charge an interest rate not exceeding 10 percent per annum on loan extended to the private sector. This measure intends to increase liquidity to banks and reduce lending rates,**”  
he said.

The BoT also announced a significant relief to commercial banks that extend credit to the agriculture sector by reducing their statutory minimum reserve requirement (SMR), equivalent to the loan extended.

Under the arrangement, a bank shall be required to submit evidence of lending to agriculture at an interest rate not exceeding 10 percent per annum.

The BoT also designed a measure that intends to contribute to lowering costs of funds to banks, thus helping lending rate reduction, by limiting the interest rates paid on mobile money trust accounts.





## Furahia Urafiki wa Faida

Akaunti inayorahisisha na kuboresha umoja wenu  
katika kufikia malengo yenu

**Unachostahili ni URAHISI**

**Niamoja**  
ACCOUNT

**CRDB**  
**BANK**  
Tunakusiliza



# CRDB Bank secures TZS 182 Billion for lending to MSMEs and support recovery from COVID disruptions

**B**ank Plc has secured TZS182 billion from leading private sector financier, Proparco; to boost its capacity to lend to micro, small and medium-sized enterprises (MSMEs) in Tanzania.

The amount, in form of a credit line and two portfolio guarantees, will be channeled towards financing MSMEs in line with the country's economic growth agenda, with a particular focus on women-led enterprises, and those recovering from the COVID-19 disruptions.

Proparco, an arm of Agence Française de Développement Group (AFD Group), provides funding and support to both businesses and financial institutions in Africa, Asia, Latin America, and the Middle East. Speaking during a signing ceremony in Dar es Salaam, CRDB Bank Group CEO and Managing Director, Abdulmajid Nsekela said the partnership was timely and would go a long way in revitalizing the MSME sector and spurring economic growth.

**“ The last three years have been difficult, particularly for MSMEs, as the majority have grappled with a lot of uncertainty. We expect that this guarantee facility, alongside our innovative financial solutions, will provide the much-needed support to business owners and enable them to emerge financially healthier and stronger. ”**

The credit line and portfolio guarantee granted by Proparco comprise:

- A USD 50 million credit line (TZS115 billion) to support the bank's financing activity towards MSMEs. It will also help CRDB Bank set up new, innovative products dedicated to the agricultural sector to increase the sector's resilience and capacity to adapt to climate change.
- An €8 million (TZS 20 billion) guarantee to help CRDB Bank support MSMEs that have been particularly affected by the Covid-19 crisis. This guarantee offers, made possible thanks to resources specially allocated by the French government, as part of the Resilience component of AFD Group's Choose Africa initiative.
- Another €18.5 million (TZS 47 billion) EURIZ guarantee, will cover up to 70% of loans granted to women entrepreneurs. This guarantee will be supplemented with a technical assistance grant to reinforce the capacity of the Bank to serve them. Launched in May 2019, with the support of the European Union (EU) and the European Development Fund, and the Organization of African, Caribbean, and Pacific States (OACPS), the EURIZ guarantee aims to facilitate access to credit for MSMEs in particular in sectors with a high development impact, to help them play their essential role in economic growth and job creation.





In his remarks, Proparco CEO, Gregory Clemente noted that the credit line and two guarantees will contribute to Choose Africa, a French initiative launched in 2018 and dedicated to supporting African entrepreneurs, start-ups, and MSMEs.

**“ Proparco is pleased to initiate this relationship with CRDB Bank and to welcome it as a new partner of the Choose Africa initiative.**

**The comprehensive package of support illustrates Proparco’s commitment to Tanzanian MSMEs and CRDB Bank to provide the right set of products and tools, to meet the needs of entrepreneurs,”** said Mr. Clemente.

CRDB Bank is leading the efforts of supporting entrepreneurs in Tanzania through transformational financial

solutions. By closing the financing gap, the Bank enables MSMEs to increase sustainable growth and be a source of employment, skills, and wealth creation. In turn, this serves to reduce poverty throughout the country.

This project will contribute to Sustainable Development Goals #5 (Gender Equality) and #8 (Decent Work and Economic Growth) and Tanzania Five Year Development Plan 2021/22 – 2025/26.





# Congratulations



**TULLY ESTHER MWAMBAPA**  
*Director of Corporate Affairs*

FOR BEING NAMED  
THE BEST FEMALE LEADER  
(**BUSINESS CATEGORY**)



TUZO YA  
MWANAMKE  
WA SHOKA  
2022



# TemboCard Visa customers witness AFCON finals in Cameroon



The exciting climax of the 2022 AFCON was an unforgettable occasion for finalists, fans, and also for four deserving CRDB Bank customers who shopped and won with their TemboCard Visa.

The Tisha Na TemboCard Visa campaign launched late early December last year offered the grand prize of an all-expense-paid trip to attend the African Cup of Nation (AFCON) finals that took place in Cameroon.

The trip packages include return air tickets, match tickets, special seating at the stadium, hotel accommodation, transportation in accommodation, transportation in Cameroon with a one-day

excursion, and TemboCard Visa loaded with cash for shopping.

All four winners expressed their gratitude to CRDB Bank, with Njama Matumbo noting it was his first time winning anything. "This is my first time winning promotion and it feels great. I thank my bank, CRDB Bank, and Visa for this opportunity, my passion for football which runs through my blood could not have been rewarded better," Matumbo said. In congratulating the winners, CRDB Bank's Boma Raballa, Director of Retail Banking said a memorable celebration to share with football enthusiasts from across Africa and the world was a fitting reward for loyal customers who are also football fans.





"Everyone is a football fan when it comes to the AFCON, and we are very happy to make this year's final a memorable one for these deserving TemboCardVisa customers.

Raballa said during the campaign which ends in April, the Bank has also been providing customers with various prizes, including a five percent refund of the amount spent for payment of bills, smartphones, tablets, television sets, sofa sets, home theatres, and tourist trips to Zanzibar or Serengeti.

**"Our goal is creating a culture of using bank cards for payments among our customers and Tanzania. Each month we reward more than 20 customers who perform more transactions through their TemboCARD Visa,"** said Raballa.

The Tanzanian economy has traditionally been cash-dependent. However, government incentives for adopting digital payments have triggered an all-time

high awareness about various alternative payment systems and exposed various cash users to the ease of using alternative digital systems.

CRDB Bank has always been at the forefront of creating a trusted payment gateway and is leading the efforts to build a digitally empowered socio-economic ecosystem. The Bank has been supporting the Government's agenda of establishing a digital economy and cash-less society through our innovative banking solutions.

Analysts are confident that the campaign will bring forth the true potential of digital payments, thus establishing TemboCardVisa as a safe and secure payment option.

CRDB Bank was the first Bank to introduce the card services 'TemboCard' in the country in 2002, aiming to provide its customers with convenience and easy access to services. To date, CRDB Bank has successfully issued more than 3 million TemboCard in the market.

TemboCard has significantly contributed to the Government's efforts to strengthen the payment system and increase financial inclusion in the country.







# Benki ni SimBanking

Fanikisha kirahisi miamala  
ya mara kwa mara

PIGA  
**\*150\*03#**  
AU PAKUA MZIGO







# Usalama Uliorahisishwa

Linda vile unavyovithamini kwa urahisi,  
kata bima popote ulipo

**Unachostahili ni AMANI**







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