

TIER 2 MICROFINANCE SERVICE PROVIDERS (ENTITIES/COMPANIES)

General information

1. The applicant formally be established under the Companies Act or any other relevant laws in case of entities.
2. The business name of the applicant to include either of the following words "microfinance", "finance", "financial services", "credit" or "microcredit".
3. The applicant to pay a non-refundable application fee of TZS 500,000 to be paid by banker's cheque payable to Bank of Tanzania or by cash deposited to or direct transfer made to Bank of Tanzania:

Account No: 9924DDBGHQT

Account Name: Intermediary Account Banking

4. The applicant to commence operations with and maintain at all times a minimum capital of TZS 20,000,000.
5. Lending Policy to contain at least the minimum requirements provided in the regulations.

Documents/information required for application

1. Letter of application in the format prescribed in the Microfinance (Non-Deposit Taking Microfinance Service Providers) Regulations, 2019.
2. Proof of payment of non-refundable application fee.
3. Proof of availability and source of capital of the proposed microfinance service provider.
4. Certified copies of academic and professional certificates of members of the Board and the Chief Executive Officer.
5. Copy of latest audited financial statement Including balance sheet, income statement and cash flow statement for an existing microfinance service provider.
6. Certified Copy of TIN certificate.
7. Lending policy.
8. A certified declaration that the funds invested or to be invested have not been obtained criminally or associated with any criminal activity.

9. Proof of citizenship of every subscriber and every proposed Director and Chief Executive Officer including curriculum vitae, two recent passport size photographs and either a certified copy of:
 - (a) page of passport which contain personal information or
 - (b) National ID or
 - (c) Birth certificate.
10. Dully filled Questionnaire for Directors, Owner(s) or Chief Executive Officer contained under the Fourth Schedule to the regulations.
11. Certified copy of certificate of incorporation/registration.
12. Certified copy Memorandum and Articles of Association, constitution or by laws.
13. Board resolution authorizing application for licence.
14. List of subscribers, members of the Board and Chief Executive Officer.
15. Credit reference reports for every subscriber with ownership of 5% or more, member of the Board and Chief Executive Officer.
16. Certified copies of tax clearance certificates for the applicant, subscriber with ownership of 5% or more, member of the Board and Chief Executive Officer.
17. Certified copies of latest annual returns of an existing microfinance service provider.
18. Details of the Contact Person including Name, Postal Address, Telephone Number and E-Mail Address.
19. In addition to documents listed above, foreign owned entities shall submit the following:
 - (a) Home Country Regulator approval
 - (b) A training plan indicating specific time frames for imparting microfinance skills and expertise to Tanzanian staff
 - (c) A succession plan and strategies on mode, time and contents of the extent to which Tanzanian staff shall occupy senior management positions in the Institution.

NB: Tier 2 microfinance service providers include credit companies, financial organizations, housing microfinance companies, individual money lenders and digital microfinance lenders.