

THE BANKING AND FINANCIAL INSTITUTIONS
(DISCLOSURES)
REGULATIONS, 2014

ARRANGEMENT OF REGULATIONS

Regulation

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THE BANKING AND FINANCIAL INSTITUTIONS ACT
(CAP. 342)

REGULATIONS

(Made under section 71)

THE BANKING AND FINANCIAL INSTITUTIONS
(DISCLOSURES) REGULATIONS, 2014

PART I
PRELIMINARY PROVISIONS

- Citation **1.** These Regulations may be cited as the Banking and Financial Institutions (Disclosures), 2014.
- Application **2.** These Regulations shall apply to all banks and financial institutions.
- Interpretation **3.** In these Regulations, unless the context otherwise requires-
- “Act” means the Banking and Financial Institutions Act;
 - “Bank” means the Bank of Tanzania;
 - “bank” has the meaning ascribed to it in the Act;
 - “director” has the meaning ascribed to it in the Act;
 - “disclosure” means publishing or displaying information to the general public as prescribed in these Regulations;
 - “financial institution” has the meaning ascribed to it in the Act;
 - “material information” means information which
 - (a) is required to be disclosed under these Regulations; and
 - (b) if not disclosed or misstated, changes or influence the assessment or decision of a person relying on the

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disclosure concerned for the purposes of making investment or other economic decisions; and “Officer” has the meaning ascribed to it in the Act.

Objectives

- 4.** The objectives of these Regulations are to-
- (a) ensure that every bank or financial institution maintains a level of transparency adequate to enable depositors, creditors and the public at large to make informed decisions;
 - (b) promote and maintain public confidence in the banking sector; and
 - (c) enhance market discipline by providing financial information to various stakeholders.

PART II RESPONSIBILITIES

Responsibilities of the Board of Directors

5.-(1) The Board of Directors of a bank or financial institution shall develop and implement a disclosure policy and be responsible for adherence and compliance with the requirements of these Regulations and the policy.

(2) The disclosure policy referred to under sub-regulation (1) shall at minimum address the following-

- (a) contents, medium, language, appropriateness and frequency of the disclosures to the general public;
- (b) outline the roles and responsibilities of each person in the bank or financial institution relating to the disclosures;
- (c) establish the procedure for disclosing material information;
- (d) establish internal controls over its processes for making such disclosures including internal controls for verifying or reviewing the accuracy of the information disclosed; and
- (e) establish procedures for handling damage resulting from disclosure of information.

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Responsibility
of senior
management

6.-(1) Senior management of a bank or financial institution shall be responsible for developing and implementing an internal review system to ensure timely disclosure of accurate, complete and relevant information.

(2) The internal review referred to in sub-regulation (1) shall be carried out by an independent person not responsible for preparing the information which the bank or financial institution is required to disclose pursuant to these Regulations.

PART III
PUBLICATION AND DISCLOSURE OF FINANCIAL STATEMENTS

Quarterly
financial
statements

7.-(1) A bank or financial institution shall publish its quarterly financial statements in the form prescribed by the Bank in at least two newspapers of wide circulation in the United Republic, excluding weekends and public holidays.

(2) The publication referred to in sub-regulation (1) shall be made in at least one Kiswahili and one English newspaper.

(3) The quarterly financial statements under sub-regulation (1) shall be published within thirty days after the end of the quarter.

(4) A community bank and a microfinance bank shall, in addition to the requirements prescribed in sub-regulation (1), display quarterly financial statements in public places within the areas in which the bank operates.

(5) Quarterly and annual audited financial statements shall be duly signed by the Chief Executive Officer and Head of Finance, and be attested by Internal Auditor and two non-executive board members.

(6) A copy of Quarterly and annual audited financial statements referred to under sub-regulation (5) shall be submitted to the Bank within five days after publication, along with newspaper cuttings thereof.

Audited
financial
statements

8.-(1) A bank or financial institution shall publish its annual audited financial statements in the form prescribed by the Bank at least once every year in at least two newspapers of wide circulation in Tanzania, excluding weekends and public holidays.

(2) The publication referred to in sub-regulation (1) shall

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be made in at least one Kiswahili newspaper and one English newspaper.

(3) The annual audited financial statements shall be published within fifteen days after approval of the board of directors of the bank or financial institution but not later than one hundred and five days after the end of the financial year.

Exhibition
of audited
financial
statements.

9. A bank or financial institution shall at all times exhibit copies of its last audited financial statements in a conspicuous position in the public part of its principal place of business and in its branches and agencies.

PART IV OTHER DISCLOSURES

Disclosure of
penalties

10.-(1) A bank or financial institution shall disclose in detail all issues of non-compliance with provisions of the Act, regulations, circulars and directives in force in respect of which a bank or financial institution has been penalized for, indicating penalties and other sanctions imposed by the Bank during the period covered by the disclosure.

(2) The disclosures referred to under sub-regulation (1) shall be published together with Quarterly and Audited financial statements.

Other
disclosures

11.-(1) A bank or financial institution shall publish at least quarterly, in at least one Kiswahili newspaper and one English newspaper of wide circulation in Tanzania, excluding weekends and public holidays the following information-

- (a) base or prime lending rate, rate of returns including the maximum spread above the base or prime lending rate for all loan/investment products;
- (b) deposit rates for all types of deposits;
- (c) fees or charges on all banking products or services, duly itemized as per the Schedule; and
- (d) any other information as the Bank may prescribe.

(2) A bank or financial institution shall display the information referred to in sub-regulation (1) in a conspicuous position in the public part of its principal place of business and in

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its branches, ATM cubicles, website and agencies.

(3) A bank or financial institution shall submit to the Bank a printed copy and a soft copy of its disclosures under sub-regulation (1) within five working days after publication.

(4) Notwithstanding the provisions of this regulation a bank or financial institution shall publish and submit to the Bank the information referred to in sub-regulation (1) whenever a material change occurs.

Customer
Complaint
redressal
mechanism

12.-(1) A bank or financial institution shall ensure that the customer complaint redressal mechanism and the relevant contact information including phone numbers or emails of the bank or financial institution are widely publicized using appropriate communication channels.

(2) The information referred to under sub-regulation (1) shall be displayed in a conspicuous position in the public part of its principal place of business and in its branches and agencies.

Disclosures in
Kiswahili and
English

13. The disclosures referred to in regulations 7,8,10, 11, and 12 shall be published in Kiswahili and English.

Adherence to
International
Financial
Reporting
Standards
requirements

14. A bank or financial institution shall, in addition to publishing the information required under these Regulations, comply with disclosure requirements under the International Financial Reporting Standards.

PART V GENERAL PROVISIONS

Rectification
of published
information

15. Where the Bank is satisfied that the published and disclosed financial statements and other information of a bank or financial institution do not comply with the requirements of these Regulations or contain misleading information, or are not published or displayed in the form and with the contents specified by these Regulations, the Bank may require the bank or financial institution to-

(a) amend or correct the information;

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- (b) re-publish the amended or corrected information; or
- (c) submit to the Bank any additional documents or information or explanations relating to any document or information.

Failure to publish financial statements

16. A bank or financial institution which fails to publish its financial statements shall be liable to a penalty of one million shillings for every day during which such failure continues.

Penalty charge recovery

17. The penalty charge to be imposed under regulation 16 may be recovered by deducting from any balance of, or moneys owing to the bank or financial institution concerned or collected by written notice.

Penalty for misrepresentation

18. A bank or financial institution that makes a misrepresentation in its financial statements shall be liable to a penalty of one million shillings for every day from the date of publication until such misrepresentation is corrected.

Sanctions

19. Without prejudice to penalties and actions prescribed by the Act, the Bank may impose on any bank or financial institution any of the following sanctions for non-compliance-

- (a) suspension from lending and investing activities;
- (b) prohibition from participating in the interbank foreign exchange markets;
- (c) prohibition from issuing letters of credit or guarantee;
- (d) suspension of capital expenditure;

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- (e) prohibition from establishing or opening new branches;
- (f) suspension from access to the credit facilities of the Bank;
- (g) suspension of the declaration or payment of dividends;
- (h) prohibition from accepting new deposits;
- (i) suspension or removal from office of the defaulting director, officer or employee;
- (j) disqualification of defaulting director, officer or employee from holding any position or office in any bank or financial institution under the supervision of the Bank;
- (k) revocation of banking licence; or
- (l) such other sanctions or penalties as the Bank may deem appropriate.

Revocation
GN. No. 368
of 2008

20. The Banking and Financial Institutions (Publication of Financial Statements) Regulations, 2008 are hereby revoked.

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SCHEDULE
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(Made under Regulation 11)
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MINIMUM DISCLOSURES OF CHARGES AND FEES

NUMBER	ITEM/TRANSACTION	CHARGE/FEE
1.0	Current Accounts	
	(a) Required minimum opening balance	XXX
	(b) Monthly service fee (breakdown per customer type)	XXX
	(c) Cheque withdrawal over the counter	XXX
	(d) Fees per ATM withdrawal	XXX
	(e) ATM mini statement	XXX
	(f) Interim statement per page	XXX
	(g) Periodic scheduled statement	XXX
	(h) Cheque book	XXX
	(i) Dishonoured cheque	XXX
	(j) Special clearance	XXX
	(k) Counter cheque	XXX
	(l) Stop payment	XXX
	(m) Standing order	XXX
	(n) Balance enquiry	XXX
	(o) New ATM card issuance	XXX
	(p) ATM card renewal or replacement (indicate	XXX

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NUMBER	ITEM/TRANSACTION	CHARGE/FEE
	costs for different card types)	
	(q) Overdrawn account interest charge	XXX
	(r) Unarranged overdraft	XXX
	(s) Interbank transfer	XXX
	(t) Bill payments through ATM	XXX
	(u) Deposit fee	XXX
	(v) Other (please specify)	XXX
2.0	Savings Accounts (Disclose for product specific types)	
	(a) Required minimum opening balance	XXX
	(b) Monthly service fee	XXX
	(c) Interim statement	XXX
	(d) Account closure	XXX
3.0	Electronic Banking	
	(a) Internet banking monthly fee	XXX
	(b) Internet transfers	XXX
	(c) SMS banking	XXX
	(d) Other	XXX
4.0	Foreign Exchange Transaction	
	(a) Purchase/sale of TCs transactions over the counter	XXX
	(b) Purchase of foreign cheque	XXX
	(c) Sale/purchase of cash passport	XXX
	(d) Telegraphic transfer	XXX

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NUMBER	ITEM/TRANSACTION			CHARGE/FEE
	(e) Telex/SWIFT			XXX
	(f) Transfer from foreign currency denominated account to local current account (within bank and to other bank)			XXX
5.0	Personal Loans			
	(a) Processing/Arrangement/Appraisal fee			XXX
	(i) Personal loans			XXX
	(ii) Overdrafts			XXX
	(iii) Mortgage finance			XXX
	(iv) Asset finance			XXX
	(b) Unpaid loan instalment			XXX
	(c) Early repayment			XXX
	(d) Valuation fees			XXX
	(e) Other			XXX
We, the undersigned have examined the above information and hereby declare that the information is true and correct to the best of our knowledge and information.				
	Name	Designation	Signature	Date
1.				
2.				
3.				

Dar Es Salaam,
, 2014

BENNO J. NDULU,
Governor