

## **FOREWORD FROM THE DIRECTOR OF BANKING SUPERVISION**

This Directorate of Banking Supervision Annual Report 2004 is the eighth in the series of Annual Reports of the Directorate. The main purpose of this report is to highlight developments in the banking sector in 2004.

During the period under review, the Directorate of Banking Supervision carried out various activities, aimed at strengthening and enhancing safety and stability of the banking system. Every supervisory effort has been made to ensure that the country has safe, stable and sound banking system.

During the reporting period, the Directorate of Banking Supervision was engaged in activities of Licensing, on-site examinations, and offsite surveillance of banks, non bank financial institutions and foreign exchange bureaux in accordance with the provisions of the Bank of Tanzania Act, 1995, Banking and Financial Institutions Act, 1991, Foreign Exchange Act, 1992 and various regulations governing banking business and bureaux operations in Tanzania. In addition the Directorate participated in the review and drafting of amendments to Bank of Tanzania Act, 1995 and Banking and Financial Institutions Act 1991. Regulations such as Credit Concentration and Other Exposure Limits, Management of Risk Assets, Capital Adequacy, Liquid Assets and Publication of Financial Statements were also reviewed to align them with banking reality on the ground.

The Directorate of banking Supervision also embarked on formulating new guidelines on Directors' Responsibility, Security Measures Regulations,

Credit Reference Data Bank and Credit Reference Bureau, Management of Risks and Minimum Requirement for Effective Internal Audit and Internal Control of banks and financial institutions.

Further more, the Directorate initiated adoption of Risk Based Supervision Approach. The essence is to place strong emphasis on understanding and assessing the adequacy of bank's risk management systems used to identify, measure, monitor and control risks in an appropriate and timely manner. The Bank of Tanzania is also undertaking various preparatory activities related to the Basel II Capital Accord in order to cope with changes in banking industry. The Directorate conducted Basel II sensitization seminars to the management of Bank of Tanzania and chief executives and middle management of banks and financial institutions, as well as to their technical staff. The objective of the sensitization seminars was to create awareness of Basel II Capital Accord to all stakeholders.

Directorate of Banking Supervision in collaboration with the BOT Directorate of Micro Finance and other stakeholders also developed regulatory framework for micro finance institutions.

During the reporting period, the banking sector had 26 commercial banks and five non-bank financial institutions. Two non-bank financial institutions namely Savings and Finance Limited and Azania Bancorp Ltd converted into fully-fledged commercial banks. African Banking Corporation Tanzania Limited merged with Capital Finance Limited. International Bank of Malaysia and National Bureau de change changed their names to International Commercial Bank (T) Ltd and Twiga Bancorp Ltd respectively. In addition, a new commercial bank was licensed to operate under the name Bank of Baroda (Tanzania) Limited.

Aggregate balance sheet of the banking sector in Tanzania during the year increased by 17% while paid up capital increased by 19% from TZS 159 billion in year 2003 to TZS 190 billion in 2004. Allowance for probable losses decreased by 30%, indicating an improvement in asset quality. Total income for the banking sector after income tax increased by TZS 67 billion (65%) compared to TZS 41 billion in year 2003. General assessment of management of banks and non-bank financial institutions for the year 2004 was satisfactory. Bureau de change compliance with laws and regulations was satisfactory and the volume of activities increased by 26%.

Bank of Tanzania through the Directorate of Banking Supervision continued to be a member and participated in the initiatives of various regional supervisory groups, these included East and Southern Africa Banking Supervisors Group (ESAF), SADC subcommittee of Bank Supervisors (SSBS) ESAAMLG, Microeconomics & Financial Management Institute of Eastern & Southern Africa (MEFMI), IMF East AFRITAC and East African Community Monetary Affairs Committee. The main objectives of the regional groups are to promote the overall standard and quality of banking supervision in line with best international practices, and to harmonize banking supervisory philosophies and practices in respective regions.

The Directorate continued to assist and closely monitor restructuring and privatization of the state owned banks and non- bank financial institutions namely National Microfinance Bank Limited (NMB), Tanzania Investment Bank Limited (TIB), Tanzania Postal Bank Limited (TPB) and Peoples Bank of Zanzibar Limited.

Despite the challenges the banking sector faced, banks and non-bank financial institutions continued to perform well during the year. I wish to express my appreciation to various stakeholders in the banking sector who contributed to the achievement of the objectives of the Directorate making year 2004 a success. I look forward for a continued cooperation during 2005.

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**CHAPTER 1:**  
**OVERVIEW OF THE BANKING SECTOR AND BUREAUX DE CHANGE**  
**IN TANZANIA**

**1.1 COMPOSITION OF BANKING SECTOR**

As at 31<sup>st</sup> December 2004, the banking sector comprised of 26 commercial banks and five non-bank financial institutions. During the year 2004, two non-bank financial institutions namely Savings and Finance Limited and Azania Bancorp Limited, converted into fully-fledged commercial banks. While Azania Bancorp retained its name, Savings and Finance Limited changed to Savings and Finance Commercial Bank Limited. African Banking Corporation Tanzania Limited, a commercial bank, merged with Capital Finance Limited a non-bank financial institution and the merged institutions retained the name of African Banking Corporation Tanzania Limited. Late during the year, the industry also witnessed an entry of a new commercial bank, namely Bank of Baroda Tanzania Limited. On account of these developments, the number of operating banks by the end of 2003 increased from 23 to 26 while the number of operating non-bank financial institutions declined from eight to five. One commercial bank and one non-bank financial institution changed their names. International Bank of Malaysia Tanzania Limited changed its name to International Commercial Bank Limited while National Bureau De Change changed its name to Twiga Bancorp Limited.

The sector recorded growth in most of the Balance Sheet and Income Statement items. The five biggest banks continued to represent about 66 per cent of total banking sector assets, as was the case in 2003. The market share of foreign owned banks in the banking industry operations decreased from 59 per cent in 2003 to 46 percent of the total banking sector assets by the end of December 2004. The share of non-bank financial institutions in the total banking sector assets decreased from 6 percent in 2003 to 4 percent in year 2004, while community banks continued to hold insignificant share of less than 1 per cent as was the case in 2003.

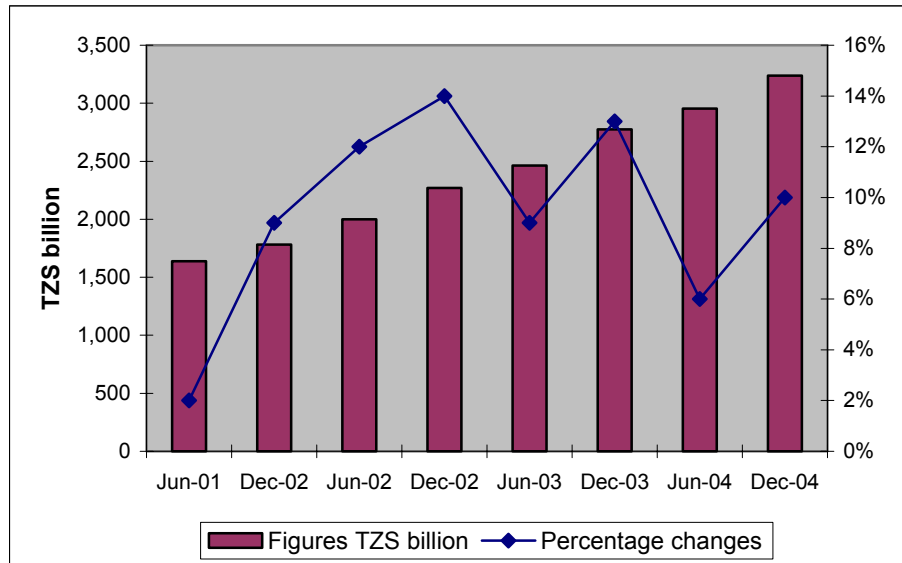
## 1.2 BALANCE SHEET STRUCTURE

The aggregate balance sheet of the banking sector in Tanzania, as at 31<sup>st</sup> December 2004, was TZS 3,238 billion as compared to TZS 2,775 billion as at 31<sup>st</sup> December 2003, TZS 2,269 billion as at 31<sup>st</sup> December 2002 and TZS 1,793 billion as at 31<sup>st</sup> December 2001. Deposits are the major source of funding accounting for the increase in the aggregate balance sheet.

**TABLE 1: AGGREGATE BALANCE SHEET**

	Figures TZS billion	Annual Percentage changes
June 2001	1,637	
December 2001	1,782	9%
June 2002	1,999	12%
December 2002	2,269	14%
June 2003	2,462	9%
December 2003	2,775	13%
June 2004	2,953	6%
December 2004	3,238	10%

**CHART 1: AGGREGATE BALANCE SHEET**



### 1.2.1 ASSETS ANALYSIS

The banking sector's assets increased by TZS 463 billion from TZS 2,775 billion at the end of December 2003 to TZS 3,238 billion at 31<sup>st</sup> December 2004. This represented an increase of 17%. Assets composition growth were as follows:

- i) Investments in debt securities increased by 12% from TZS 600 billion at the end of December 2003 to TZS 670 billion at 31<sup>st</sup> December 2004.
- ii) Loan advances and overdrafts grew by 30% from TZS 839 billion at 31<sup>st</sup> December 2003 to TZS 1,092 billion at 31<sup>st</sup> December 2004.

- iii) Inter-bank loans and advances decreased from TZS 38 billion at the end of December 2003 to TZS 33 billion at the end of December 2004, representing a decline of 13%.
- iv) Commercial bills, customers' liabilities and other claims increased from TZS 19 billion at the end of December 2003 to TZS 65 billion at the end of December 2004, representing a growth of 242%.
- v) Fixed assets increased by 6%, from TZS 54 billion at the end of December 2003 to TZS 57 billion at the end of December 2004.
- vi) Other assets increased by 56% from TZS 85 billion at the end of December 2003 to TZS 133 billion at the end of December 2004.

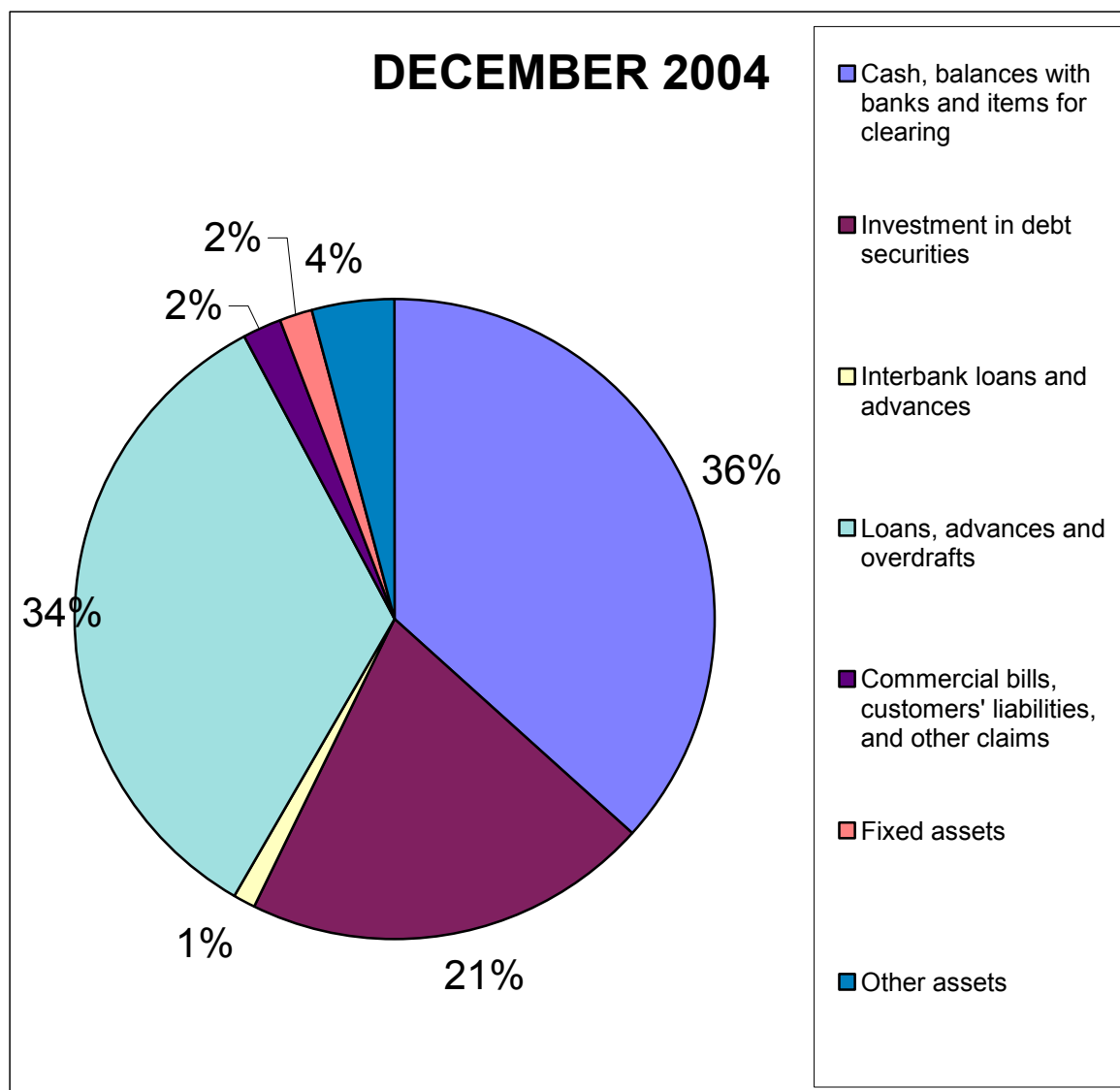
**TABLE 2: ASSETS COMPOSITION**

Figures in TZS billions

	December 2003	% Total Assets	December 2004	% Total Assets
Cash, balances with banks and items for clearing	1,139	41%	1,187	36%
Investments in debt securities	600	22%	670	21%
Interbank loans and advances	38	1%	33	1%
Loan advances and overdrafts	839	30%	1,092	34%
Commercial bills, customers' liabilities and other claims	19	1%	65	2%
Fixed assets	54	2%	57	2%
Other assets	85	3%	133	4%
Total Assets	2,775	100%	3,238	100%



**CHART 2:ASSETS COMPOSITION**



The earning assets to total assets ratio remained fairly at the same level of 81% at the end of 2004 relative to 82% at the end of 2003. The earning assets consisted of loans and advances (42%), balances with other banks (29%), investment in debt securities (26%), inter-bank loans (1%), bills purchased and discounted (2%) and equity investments.

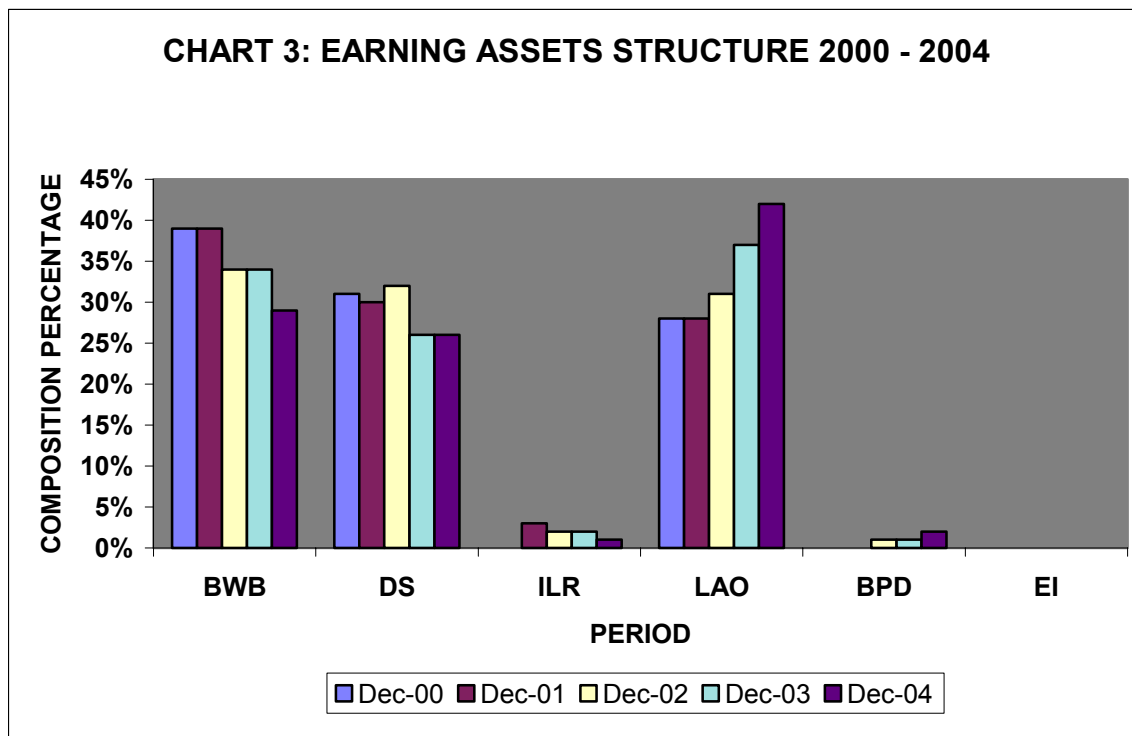
Allowances for probable losses decreased by 30% from TZS 33 billion in 2003 to TZS 23 billion in the year 2004. This represented 3.8% and 2.1% of the gross loan, advances and overdraft for 2003 and 2004, respectively. Non-performing loans decreased by 23% from TZS 44 billion in 2003 to TZS 34 billion in year 2004. This indicates an improvement in the quality of core assets in the banking sector.

**TABLE 3 (a): EARNING ASSETS TRENDS**

[TZS billions]	Dec-00	Dec-01	Dec-02	Dec-03	Dec-04	CHANGE				
						1999-2000	2000-2001	2001-2002	2002-2003	2003-2004
Balances with banks	461	552	638	771	751	55%	20%	16%	21%	-3%
Debt securities	365	420	603	600	671	24%	15%	44%	0%	12%
Interbank loans receivable	5	38	32	38	33	-2%	638%	-16%	19%	-13%
Loans, advances and overdrafts	331	407	576	839	1,092	15%	20%	42%	46%	30%
Bills purchased and discounted	5	3	13	16	61	-55%	-52%	333%	23%	282%
Equity investments	3	1	1	1	2	21%	-56%	0%	0%	100%
<b>Total Earning Assets (TEA)</b>	<b>1,170</b>	<b>1,421</b>	<b>1,864</b>	<b>2,265</b>	<b>2,610</b>	<b>30%</b>	<b>21%</b>	<b>31%</b>	<b>22%</b>	<b>15%</b>
<b>Total Assets (TA)</b>	<b>1,634</b>	<b>1,793</b>	<b>2,269</b>	<b>2,775</b>	<b>3,238</b>	<b>-13%</b>	<b>10%</b>	<b>27%</b>	<b>22</b>	<b>17%</b>
<b>%of TEA to TA</b>	<b>72%</b>	<b>79%</b>	<b>82%</b>	<b>82%</b>	<b>81%</b>					

**TABLE 3 (b): EARNING ASSETS STRUCTURE**

	<b>Dec-00</b>	<b>Dec 01</b>	<b>Dec 02</b>	<b>Dec 03</b>	<b>Dec 04</b>
Balances with banks	39.40%	38.85%	34.23%	34.04%	28.77%
Debt securities	31.20%	29.56%	32.35%	26.49%	25.71%
Interbank loans receivable	0.43%	2.67%	1.72%	1.68%	1.26%
Loans, advances and overdrafts	28.29%	28.64%	30.90%	37.04%	41.84%
Bills purchased and discounted	0.43%	0.21%	0.70%	0.71%	2.34%
Equity investments	0.26%	0.07%	0.05%	0.04%	0.08%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>



**KEY:**

EI – Equity Investments  
 BPD – Bills Purchased and Discounted  
 LAO – Loans, Advances & Overdrafts  
 ILR – Inter-bank Loans Receivable  
 DS – Debt Securities  
 BWB - Balances With Banks

### 1.2.2 FUNDING ANALYSIS

Total funding of the banking sector as at 31<sup>st</sup> December 2004 was TZS 3,238 billion as compared to TZS 2,775 billion as at 31<sup>st</sup> December 2003, indicating an increase of 17%. The funding structure was

made up of deposits (82%), other liabilities (8%) share capital (6%) and other capital (4%).

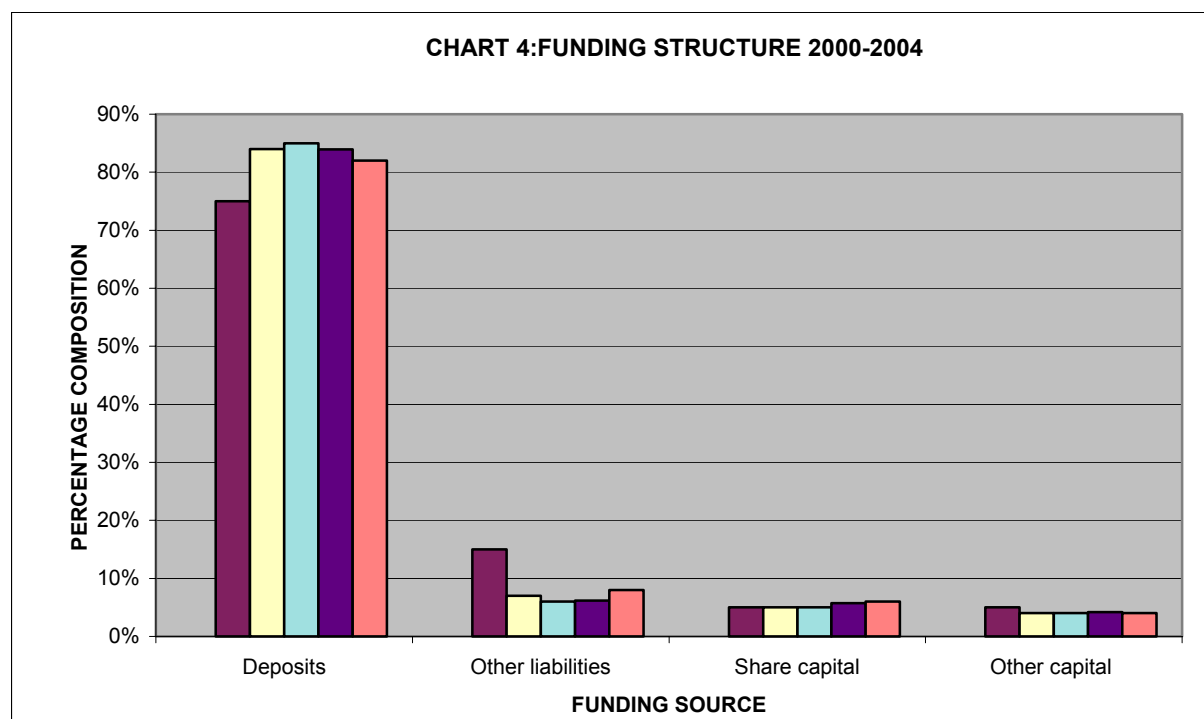
Trend analysis of funding revealed that the proportion of funding sources from share capital and other capital remained constant during the period under review. Funding from deposits decreased slightly while funding from other liabilities increased slightly

**TABLE 4 (a): FUNDING TREND**

(Figures in (TZS billions)	Dec- 99	Dec- 00	Dec- 01	Dec- 02	Dec- 03	Dec- 04	CHANGE				
							1999- 2000	2000- 2001	2001- 2002	2002- 2003	2003- 2004
Deposits	988	1,207	1,502	1,928	2,329	2,665	<b>22%</b>	24%	28%	21%	14%
Other liabilities	808	246	116	146	171	243	<b>-70%</b>	-53%	26%	17%	42%
Share capital	61	85	97	108	159	189	<b>39%</b>	14%	11%	47%	19%
Other capital	11	73	78	87	116	141	<b>564%</b>	7%	12%	33%	21%
<b>Total Funding</b>	<b>1,868</b>	<b>1,611</b>	<b>1,793</b>	<b>2,269</b>	<b>2,775</b>	<b>3,238</b>	<b>-14%</b>	<b>11%</b>	<b>27%</b>	<b>22%</b>	<b>17%</b>

**TABLE 4(b): FUNDING COMPOSITION**

	<b>Dec-00</b>	<b>Dec-01</b>	<b>Dec-02</b>	<b>Dec-03</b>	<b>Dec - 04</b>
Deposits	75%	84%	85%	84%	82%
Other liabilities	15%	7%	6%	6%	8%
Share capital	5%	5%	5%	6%	6%
Other capital	5%	4%	4%	4%	4%
<b>Total Funding</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>



### 1.2.3 CAPITAL ADEQUACY

During the year under review aggregate capital of the banking sector improved substantially in terms of paid up capital. However, the aggregate core capital in relation to risk assets and off balance sheet exposure held by commercial banks and non-bank financial institutions decreased slightly from 19.67% to 16.71% compared to the previous year. The paid up share capital of the banking sector as at the end of year 2004 amounted to TZS 189 billion an increase of 19% from TZS 159 in year 2003. The increase was due to entry of a new bank in the banking sector, and injection of additional capital and capitalization of reserves by some existing banks and non-bank financial institutions.



As of December 2004 the banking sector recorded off balance sheet items amounting to TZS 423 billion while in year 2003, the same stood at TZS 396 billion. This represents an increase of 7%.

### 1.3 EARNINGS ANALYSIS

Aggregate net income for the banking sector in year 2004 was TZS 67 billion equal to an increase of 63% compared to TZS 41 billion recorded in year 2003. Interest income accounted for 61% of the total income compared to 58% in year 2003. Total expenses of the sector were TZS 226 billion, which comprised interest expenses (19%), provisions and write-offs (6%) and non-interest expenses (75%). Return on total equity stood at 28% compared to 15% recorded in previous year. Efficiency ratio improved from 130% in year 2003 to 112% in year 2004.

Gross interest and non-interest income has exhibited an increasing trend over the years. Gross income for the banking sector grew from TZS 175 billion in year 2000 to TZS 320 billion in year 2004. This growth trend is illustrated in Table 5 below:

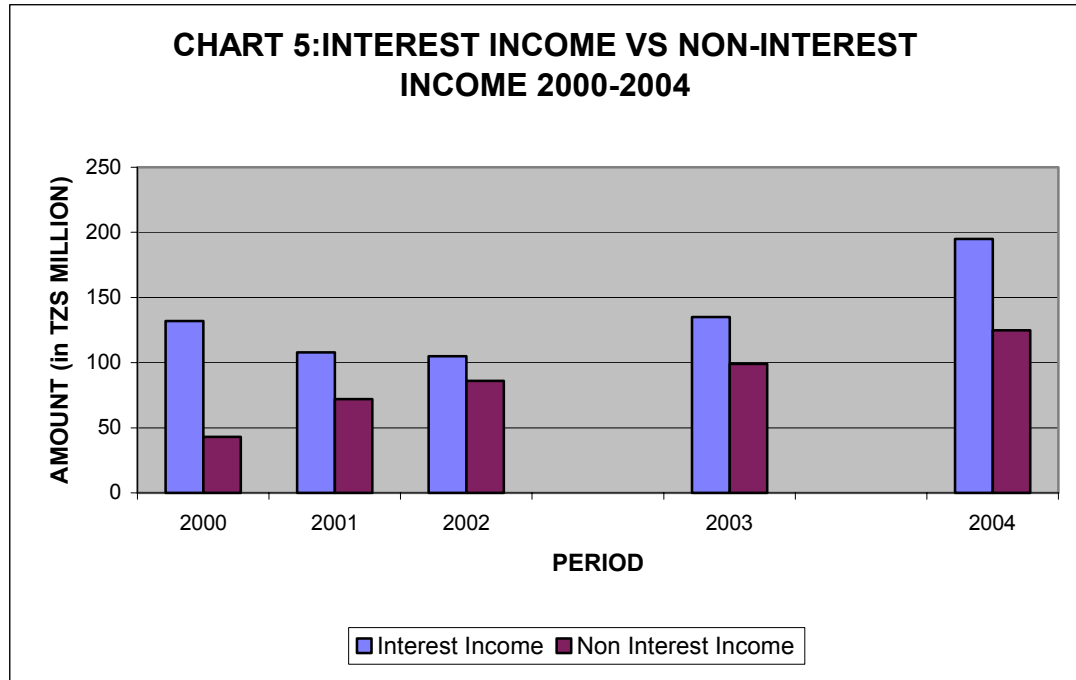
**TABLE 5: EARNINGS TREND (TZS billions)**

S/N	CATEGORY	2000	2001	2002	2003	2004
1	Interest Income	132	108	105	135	195
2	Non Interest Income	43	72	86	99	125

3	<b>Total</b>	<b>175</b>	<b>180</b>	<b>191</b>	<b>234</b>	<b>320</b>
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**TABLE 6: PERFORMANCE RATIOS**

		<b>Dec-00</b>	<b>Dec-01</b>	<b>Dec-02</b>	<b>Dec-03</b>	<b>Dec-04</b>
1.	Net interest income to Earning Assets	6%	5%	4%	5%	6%
2.	Non interest expenses to net interest income	117%	138%	152%	130%	112%
3.	Return on total assets	1.24%	1.22%	1.76%	2.05%	2.90%
4.	Return on total equity	13%	13%	14%	15%	28%



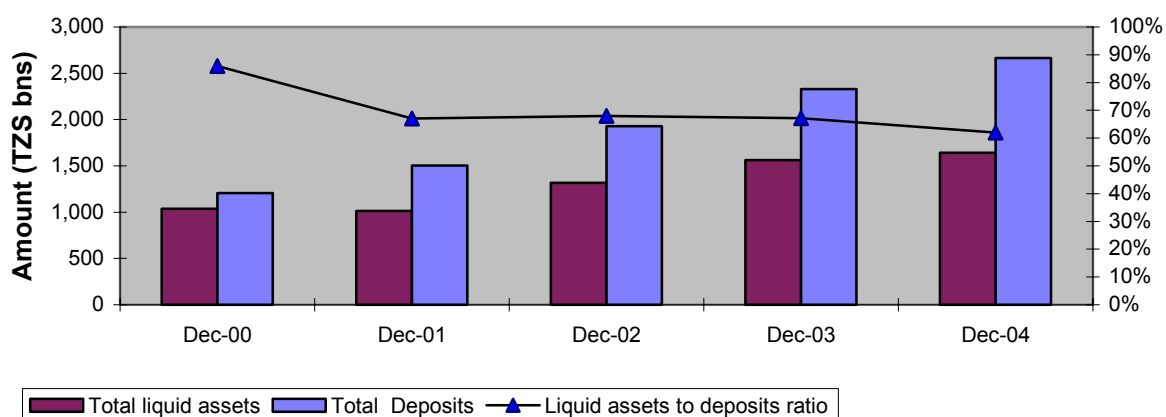
#### 1.4 LIQUIDITY ANALYSIS

As at 31<sup>st</sup> December 2004, the liquidity position of the banking sector was considered satisfactory. The ratio of liquid assets to deposit liabilities stood at 62% compared to 67% as at the end of year 2003.

**TABLE 7: LIQUID ASSETS**

(TZS billions)	Dec-99	Dec-00	Dec-01	Dec-02	Dec-03	Dec-04	CHANGE				
							1999-2000	2000-2001	2001-2002	2002-2003	2003-2004
Cash	56	65	59	73	84	92	16%	-10%	24%	15%	10%
Balances with BOT	83	129	153	158	202	279	55%	19%	3%	28%	38%
Balances with banks	298	461	552	638	771	751	55%	20%	16%	21%	-3%
Cheques and items for clearing	16	17	30	49	82	65	5%	75%	63%	67%	-21%
Treasury Bills	116	365	218	398	424	454	215%	-40%	83%	7%	7%
<b>Total liquid assets</b>	<b>569</b>	<b>1,037</b>	<b>1,012</b>	<b>1,316</b>	<b>1,563</b>	<b>1,641</b>	<b>82%</b>	<b>-2%</b>	<b>30%</b>	<b>19%</b>	<b>5%</b>
Deposits - public	875	1,080	1,350	1,689	2,038	2,435	23%	25%	25%	21%	19%
Deposits - special	96	89	91	121	142	81	-7%	2%	33%	17%	-43%
Deposits - banks	17	39	62	118	149	149	133%	59%	90%	26%	0%
<b>Total Deposits</b>	<b>988</b>	<b>1,207</b>	<b>1,502</b>	<b>1,928</b>	<b>2,329</b>	<b>2,665</b>	<b>22%</b>	<b>24%</b>	<b>28%</b>	<b>21%</b>	<b>14%</b>
<b>Liquid assets to deposits ratio</b>	<b>58%</b>	<b>86%</b>	<b>67%</b>	<b>68%</b>	<b>67%</b>	<b>62%</b>	<b>48%</b>	<b>-19%</b>	<b>1%</b>	<b>-1%</b>	<b>-7%</b>

**CHART 6: LIQUID ASSETS TO DEPOSITS RATIO 2000-2004**



## **1.5 MANAGEMENT ASSESSMENT**

The general assessment of management of banks and non-bank financial institutions for the year 2004 was considered to be satisfactory when seen from operational results achieved and from improved financial positions attained.

## **1.6 PERFORMANCE OF BUREAUX DE CHANGE**

Purchases of foreign currency by bureaux de change for the year 2004 amounted to USD 318.89 million while sales of the same amounted to USD 330.33 million thereby recording a net outflow of USD 11.44 million. For the year 2003 purchase of foreign currency by the bureaux de change amounted to USD 257.00 million while sales of the same was USD 253.60 million thereby recording a net inflow of

USD 3.4 million. The volume of activities of bureaux de change for the year 2004 indicates an increase of 25.84% compared to 2003.

Generally during the year 2004 the level of compliance with laws and regulations by Bureaux de Change was considered satisfactory.

## SUMMARY OF FINANCIAL SOUNDNESS INDICATORS IN PERCENTAGES

		Dec-99	Dec-00	Dec-01	Dec-02	Dec-03	Dec-04	CHANGE				
								1999 - 2000	2000 - 2001	2001 - 2002	2002 - 2003	2003 - 2004
<b>Capita Adequacy</b>	Core capital/total risk weighted assets plus off balance sheet exposures	6%	18%	16%	19%	17%	16%	12%	-2%	3%	-2%	-6%
	Total capital/total risk weighted assets plus off balance sheet exposures	4%	18%	17%	19%	17%	16%	14%	-1%	2%	-2%	-6%
<b>Assets quality</b>	Non performing loans to total gross loans	25%	17%	12%	7%	5%	2%	-8%	-5%	-5%	-2%	-60%
	Non performing loans net of provision to capital	192%	52%	36%	22%	3%	3%	140%	-16%	-14%	-18%	0%
<b>Earnings and profitability</b>	Return on assets	3%	1.24 %	1.22 %	1.76 %	2.05 %	2.9%	1.76 %	0.02 %	0.54 %	0.29 %	41%
	Return on equity	67%	13%	13%	14%	15%	28%	-54 %	0%	1%	11%	87%
	Interest Margin to gross income	34%	36%	38%	39%	45%	47%	2%	2%	1%	6%	4%
	Non interest expenses to net interest income	111%	117%	138%	152%	130%	112%	6%	21%	14%	-22%	-14%
<b>Liquidity</b>	Liquid assets to total assets	53%	74%	84%	85%	64%	51%	21%	10%	1%	-21%	-20%
	Liquid assets to total deposits	58%	86%	67%	68%	67%	62%	28%	-19%	1%	8%	-7%

## **CHAPTER TWO**

### **2.0 MAJOR ACTIVITIES OF THE DIRECTORATE**

During the reporting year, the Directorate of Banking Supervision carried out various activities as discussed below:

#### **2.1 Review of the Bank of Tanzania Act, 1995 and Banking and Financial Institutions Act 1991.**

The process of reviewing the two pieces of legislations governing banking business in Tanzania progressed well in 2004. The main objective was to prepare draft amendments to the two Acts so that they would reflect current developments in the market and incorporate best practices recommended by the Financial Sector Assessment Programme (FSAP) mission.

#### **2.2 Review of Regulations**

Review of regulations regarding credit concentration and other exposure limits, management of risk assets, liquid assets, capital adequacy and licensing also showed good progress.

#### **2.3 Formulation of new regulations / guidelines**

Preparation of draft regulations on Security Measures and a new guideline on directors' responsibilities proceeded well. Also the Directorate initiated the process of developing regulations / guidelines regarding anti-money laundering, credit reference data bank and credit reference bureau, management of risks and minimum requirements for effective internal audit and internal controls.



## **2.4 Licensing**

During the period under review, the Directorate of Banking Supervision licensed one bank. Further, 19-bureau de Changes in both Tanzania mainland and Zanzibar were licensed.

## **2.5 Risk Based Supervision Approach.**

In early August 2004, the Bank of Tanzania through its Directorate of Banking Supervision initiated preparation on Risk Based Supervision Approach. A team was formed within the Directorate to develop and lead the process to the implementation of the new framework, with technical assistance from the IMF East Afritac Advisor, Ms Carmencita Santos. The programme is progressing well with the following activities accomplished: conducted a survey and thereafter issued a report on Risk Management Practices by banks and financial institutions in Tanzania; prepared a Policy Paper on adoption of Risk Based Supervision Approach and developed Risk Management Guidelines for banks and financial institutions. On going activities will include development of Risk Based Methodology and the Technical Paper; conducting pilot test of risk based examination for selected banks; development of risk based examination manual; development of risk based examination report format; development of CAMEL ratings; and improvement of off-site surveillance.

## **2.6 Basel II - International Convergence of Capital Measurement and Capital Standards.**

During the year, the Directorate of Banking Supervision has been following up issues and activities related to the implementation of Basel II Capital Accord. The Directorate of Banking Supervision organized and participated in the regional workshop regarding Basel II that was also attended by the other two East African central banks (Bank of Uganda and Central Bank of Kenya). The Bank of Tanzania hosted the workshop. Further, the Directorate of Banking Supervision conducted Basel II Sensitization Seminars to the Management of the Bank of Tanzania and to the chief executives and middle level management as well as to their technical staff of banks and financial institutions. The main objective of the seminars was to create awareness on the new framework to all stakeholders so as to involve them in drawing a road map for implementation of Basel II in Tanzania. For Tanzania Basel II implementation plan entails full implementation of Basel I, compliance with Core Principles for Effective Banking Supervision, implementation of the 2<sup>nd</sup> Generation of Financial Sector Reforms resulting from a recent FSAP assessment, implementation of Risk Based Supervision, keeping abreast with Basel II implementation issues and continuing with stakeholders' sensitization seminars and meetings.

## **2.7 On site examination**

Each bank and financial institution as a matter of importance is examined on site once in a year in Tanzania. Accordingly during the reporting year, all banks and financial institutions were examined as per normal plan. The reports of examinations were prepared and discussed at both Directorate level and at the board of directors

meetings of the respective banks and financial institutions, where appropriate directives were issued for rectification of anomalies observed. Further, the Bank of Tanzania Committee of the Board on Banking Supervision also reviewed the reports and issued directives where deemed necessary.

## **2.8 Off site surveillance**

The Directorate continued to use and review the regulatory reports from banks and financial institutions to monitor and supervise their business operations. The reports in use are: weekly liquidity reports; report on statutory minimum reserve (smr); report on foreign exchange net open position; monthly balance sheet; income statements and the related schedules; quarterly publications and annual audited financial statements.

## **2.9 Micro finance Supervisory framework**

The Directorate of Banking Supervision together with the Directorate of Micro-finance and other stakeholders had been working on the regulatory framework for micro finance institutions. The framework is in progress and has reached an advanced stage. A consultant has been contracted to develop Operational Guidelines for the Government and Donor support to the Micro finance Sector. All stakeholders are involved in the discussions on the draft Operational Guidelines and their comments will be incorporated in the regulations.

### **2.10.1 Establishment of Credit Information Bureau**

Initial preparation for establishment of Credit Information Bureau, which will entail Credit Reference Databank, and Credit Reference

Bureau, was in progress. Draft terms of reference for engaging consultants to formulate a legal and regulatory framework for credit information bureau and for establishment of a data bank have been prepared and once finalized the procurement process will commence.

## **CHAPTER 3**

### **DEVELOPMENTS IN BANKING SUPERVISION**

#### **3.1 GENERAL OVERVIEW**

During the period under review the Directorate of Banking Supervision continued its efforts to effectively regulate and supervise the banking business in the country. On-site examinations as well as off-site surveillance and monitoring of banks, non-bank financial institutions and bureaux were carried out. Joint on-site examinations programmes with East Africa Banking Regulators (Uganda and Kenya) were carried out in banks and non-bank financial institutions to equip examiners with necessary skills, knowledge and experience. This practice enabled Bank of Tanzania examiners to know different examination methodologies applied by other regulators and also assisted foster harmonization of banking supervision approaches and practices in the region.

During the year, Bank of Baroda opened its door to the public as a full-fledged commercial bank. African Banking Corporation (ABC) merged with Capital Finance Limited to form African Banking Corporation Tanzania Limited (ABCTL). Savings and Finance Limited, National Bureau De Change Ltd together with International Bank of Malaysia Ltd changed their names to Savings and Finance Commercial Bank Limited, Twiga Bancorp Limited and International Commercial Bank Tanzania Limited, respectively. Two institutions, namely Savings and Finance Commercial Bank Limited and Azania Bancorp Limited became fully-fledged commercial banks.

Efforts are under way to formulate regulatory and operational framework for Credit Reference Bureaux, Consolidation Supervision and Cross-border Supervision, Anti-Money Laundering and Guidelines on Management of Risks and Minimum Requirements for Effective Internal Audit and Internal Controls. The Directorate is also working on a draft regulations on Security Measures and guidelines for directors and senior management of banks and financial institutions.

The exercise of restructuring and privatization of remaining state owned banks continued with cooperation of key stakeholders. Consultants completed diagnostic studies for restructuring and possible privatization of Tanzania Postal Bank (TPB) and Tanzania Investment Bank (TIB). Consultants have also been engaged to assist the privatization process of the Peoples' Bank of Zanzibar.

Stock Exchange market in Tanzania is still at an infant stage. During the period under review, we have witnessed one foreign company (Kenya Airways) being listed in the Dar es Salaam Stock Exchange (DSE). Before that, the bourse has listed six local companies namely, Tanzania Cigarette Company (TCC), Tanzania Breweries Limited (TBL), Tanzania Tea Packers Limited (TATEPA), Tanga Cement Company Limited, Dar es Salaam Airport Handling Company (DAHACO) and Tanzania Oxygen Limited (TOL). In terms of bonds, the DSE has listed government bonds together with corporate bonds of East African Development Bank and PTA Bank. These developments in capital markets bring more competition to banks and non-bank financial institutions as investors may choose to invest in buying shares/bonds or place funds with banks/non-bank financial institutions. These developments challenge banking institutions and the regulatory

authority on the appropriateness of banking policies and strategies vis-a-vis competition from the capital markets.

### **3.2 RISK BASED SUPERVISION**

The process to migrate to Risk Based Supervision was initiated in August 2004 by conducting a survey on current risk management framework in banks and non-bank financial institutions. According to the survey, banks and financial institution generally have indicated positive practices in key areas of risk management: philosophies, policies and procedures, organizational structures, management information system, independent review, risk awareness, and techniques for managing risk. However, there are some areas that need to be improved, such as assignment of responsibility for risk management and independent review for risk management as a separate and key function in banks and financial institutions.

The survey was followed by the formulation of the Risk Based Supervision Policy, which is now in place. Therefore, preliminary work for the Directorate to adopt this approach has already been initiated with a view to adopting risk-based approach to supervision in the financial year 2005/2006. Sensitisation of the approach to some of the key Bank of Tanzania staff on risk-based supervision has already been given. Currently, efforts are underway to develop the Risk Management Guidelines, methodology and examination procedures. In the remaining period, more work will be accomplished to ensure a smooth switch over to risk based supervision during 2005/2006.

### **3.3 ANTI-MONEY LAUNDERING (AML) AND COMBATING FINANCING OF TERRORISM (CFT) ISSUES**

The global agenda to curb money laundering and financing of terrorism calls for a cooperative approach among many different international bodies and as such Tanzania remains ready to be part of concerted global efforts and meet various challenges in combating money laundering. Bank of Tanzania in collaboration with other stakeholders participated in drafting Anti-money laundering legislations; Review of the legal and institutional framework on anti –money laundering; training and capacity building measures; raising awareness on money laundering and combating of terrorism financing. Currently, draft bill on Anti-Money Laundering has been prepared and is to be tabled to the parliament. The new law anticipates the formation of a Financial Intelligent Unit (FIU) that collects and disseminates information to the law enforcement agency with respect to suspicious transactions on AML/CFT

### **3.4 FSI) CONNECT**

The FSI Connect is an online resource for banking supervisors which offers web based courses on capital adequacy and key risk management, such as credit, market and operational risk. This online resource information and learning resource was developed by the Financial Stability Institute specifically for banking supervisors. In the ensuing year the Bank of Tanzania is planning to have a number of examiners registered so as to acquire relevant and necessary skills pertaining to risk management and regulatory issues.



### **3.5 INTERNATIONAL CONVERGENCE OF CAPITAL MEASUREMENTS AND CAPITAL STANDARDS (BASEL II)**

During the year, the Central Bank Governors from the G10 countries endorsed the final Basel II document on the new capital adequacy framework, known as International Convergence of Capital Measurements and Capital Standards. Directorate of Banking Supervision will continue reviewing New Basel Capital Accord, issued by the Basel Committee on Banking Supervision to keep abreast of evolving issues until such time when the decision to implement Basel II will be reached. The main focus currently is to implement Basel I fully and comply with the core principles for effective banking supervision, initiate implementation of the 2<sup>nd</sup> Generation of Financial Sector Reforms resulting from FSAP recommendation of 2003 and implementation of risk-based supervision. Basel II is expected to provide a stronger base and platform on risk measurement, monitoring, and management and may accordingly foster more stability in the banking system.

The East Africa Central banks agreed during the year to undertake a one year work plan, whereby Bank of Tanzania's plan to June 2005 included activities such as: Sensitization of industry participants including the supervisory staff; Capacity assessment survey through quantitative and qualitative impact studies at both banking institutional and supervisory levels and lastly, formulation of long term action plan which would be harmonized at a regional level.

Tanzania will continue working with other players in the region and at a global level, especially with the Basel Committee on issues relating to Basel II as well as evolving best practices.

Sensitisation of the key stakeholders on Basel II, especially the banking sector in Tanzania has already taken place together with the awareness to all examiners and the Bank of Tanzania Management on the requirements of the accord. Also during the year, the directorate organised an East Africa Central banks workshop in Bagamoyo- Tanzania on implementation issues relating to Basel II.

### **3.6 FINANCIAL REGULATORS' FORUM**

Financial sector regulators in Tanzania are planning to have a joint forum to enable them share experience and discuss issues on areas of common interest. The forum is also aiming at building capacity of the financial sector regulators to face challenges arising from financial conglomerates, cross sectoral issues, interrelationship between the activities in each sub sector of the financial sector and money laundering and terrorism financing. Currently the members of the forum comprises: Bank of Tanzania (BOT); Capital Markets and Securities Authorities (CMSA); Gaming Board of Tanzania (GBT); and Insurance Supervisory Department (ISD).

### **3.7 ELECTRONIC DATA INTERCHANGE (EDI)**

During the period under review the Directorate of Banking Supervision in collaboration with the Directorate of Management Information System in the Bank has initiated the groundwork for the development of an Electronic Data Interchange (EDI) with banks and non-bank financial institutions. This project aims at facilitating electronic submission of returns (Daily, Weekly, Monthly; quarterly and Semi-annually and Annually) by banks and non-bank financial institutions to the Bank of Tanzania.

## **CHAPTER FOUR**

### **CO-OPERATION ISSUES**

#### **4.0 REGIONAL GROUPS**

Bank of Tanzania through the Directorate of Banking Supervision continued to be a member of East and Southern Africa Banking Supervisors Group (ESAF) and Microeconomics and Financial Management Institute of Eastern and Southern Africa (MEFMI) at the regional level. The main objectives of the two institutions are to promote overall standard and quality of banking supervision in line with best international practices and to harmonize banking supervisory philosophies and practices in the respective regions. MEFMI also collaborates with other regional institutions like the East Africa Regional Technical Assistance Centre (East –AFRITAC) that organizes and co-ordinates technical assistance provided by International Monetary Fund (IMF) to the respective region. During the period under review, staff from Directorate of Banking Supervision attended regional training on New Basel Capital Accord and Risk Based Supervision organized by MEFMI in collaboration with IMF East AFRITAC.

The Directorate of Banking Supervision continued to co-operate with other central banks in East Africa by conducting joint on site banking supervision and participation in meetings and deliberations of Monetary Affairs Committee (MAC) of the East African Community. Joint on-site banking supervision is done with the aim of gaining exposure, experience as well as harmonization of supervisory practices in the region.

#### **4.1 HARMONIZATION OF STANDARDS FOR ACCOUNTING, AUDITING, LICENSING, AND COMPLIANCE WITH THE BASEL CORE PRINCIPLES.**

Bank of Tanzania in collaboration with, IMF and the World Bank (WB), continued to work on compliance with the Basel Core Principles and implementation of recommendations of the Financial Sector Assessment Program (FSAP) carried out in May 2003. In implementing FSAP recommendations and ensuring compliance with the Basel Core Principles the Directorate of Banking Supervision launched a Risk Based Supervision (RBS) project, facilitated modernization of banking laws and improved its off-site division in the areas of data capturing, analysis modules and automated licensing modules.

As reported in previous reports, ESAF encouraged the harmonization of accounting practices for banks in the region emphasizing on implementation of International Accounting Standards (IAS). Tanzania adopted IAS effective July 2004. The Directorate of Banking Supervision is currently in the process of reviewing Bank of Tanzania regulations, Circulars and guidelines to ensure that the same are in line with changes made to banking laws, and compliant with IAS.

#### **4.2 TRAINING**

During the period under review, Bank of Tanzania through the Directorate of Banking Supervision participated in workshop on Counter Terrorism organized by International Law Enforcement Academy (ILEA). The workshop was held in Gaborone Botswana and was funded by the United States Government. In 2004 some of the staff of the Directorate of Banking supervision were attached to

central banks outside our region including central banks of India, Cyprus, and Bangladesh. The Directorate also participated in several workshops and seminars organized by ESAF, and MEFMI.

#### **4.3 COMMITTEE OF CENTRAL BANK GOVERNORS (CCBG) AND COMMITTEE OF CENTRAL BANK OFFICIALS (CCBO) IN SADC.**

During the year under review, the Bank of Tanzania through the Directorate of Banking Supervision continued to participate on issues organized by SADC countries. In November 2004 the Bank attended a workshop held in South Africa Reserve Bank where ESAF was dissolved and the SADC subcommittee of Bank Supervisors (SSBS) was established. The decision to dissolve ESAF was a result of regional integration processes whereby a committee of Central Bank Governors (CCBG) in SADC countries considered it necessary to establish a Bank Supervisory Body in SADC countries.

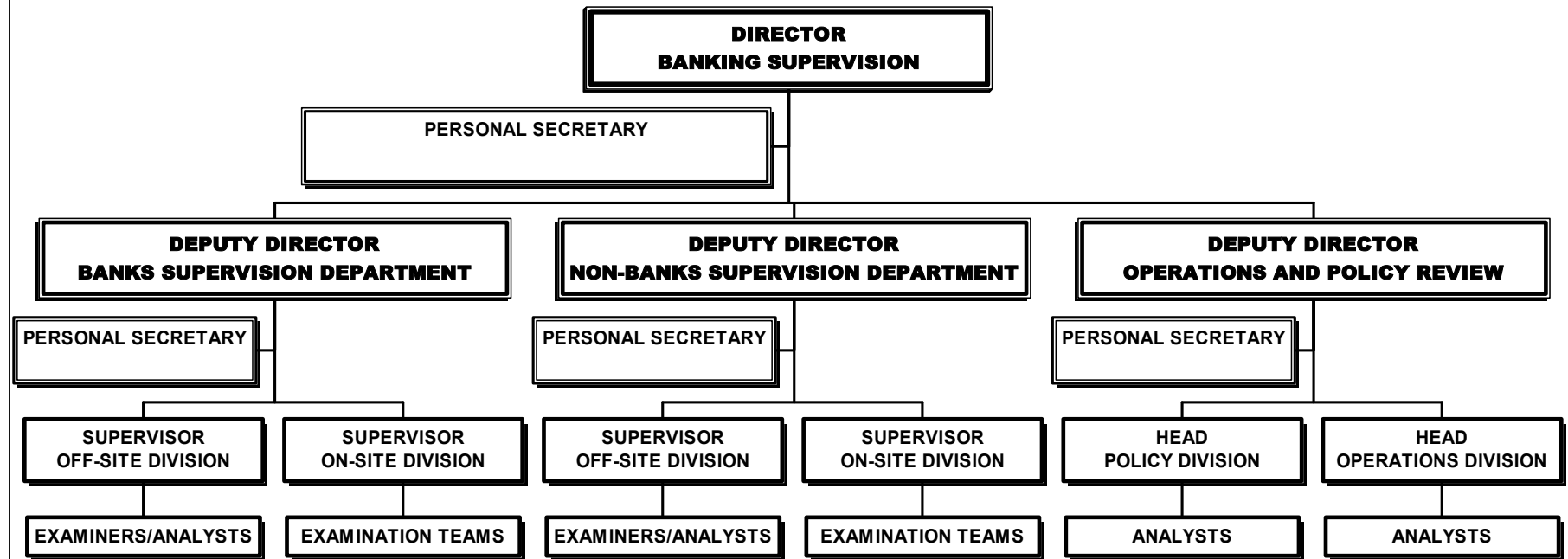
The SADC Subcommittee of Bank Supervisors (SSBS) among others has the objective of promoting and enhancing the quality of banking systems and practices in the SADC countries through harmonization of banking legislation, supervisory systems and adherence to minimum standards and guidelines pertaining to the supervision of banks issued by Basel Committee on Banking Supervision (BCBS) and other international bodies.

The SSBS will adhere to the current reporting structures of the CCBG and cultivate a closer working relationship with the CCBG Secretariat.

## **CONCLUDING REMARKS**

In general banks and non-bank financial institutions and foreign exchange bureaus continued to perform well making 2004 a profitable year to the banking sector in Tanzania. Restructuring/ privatization of state owned banks continued to be undertaken with the view to enhance private sector participation in the Tanzanian banking and financial system. Reviewing existing banking laws and drafting of relevant new laws, regulations and guidelines continued to be major tasks in 2004. These activities were given paramount importance as the end results contribute to the development of the banking sector in Tanzania to realign it with global developments and international best practices.

**DIRECTORATE OF BANKING SUPERVISION  
ORGANIZATION**



## APPENDIX II

### DIRECTORY OF BANKS OPERATING IN TANZANIA

S/N	NAME OF BANK	WEBSITE/E-MAIL	TELEPHONE & FAX NUMBERS	BRANCH NETWORK	TOTAL ASSETS AS AT 31 DECEMBER		PERCENTAGE ANNUAL GROWTH %	TOTAL DEPOSITS AS AT 31 DECEMBER		PERCENTAGE ANNUAL GROWTH %
					2003 TZS MILLION	2004 TZS MILLION		2003 TZS MILLIONS	2004 TZS MILLIONS	
1	STANDARD CHARTERED BANK (T) LTD	<a href="http://www.standardchartered.com">www.standardchartered.com</a> <a href="mailto:callcentre@tz.standardchartered.com">callcentre@tz.standardchartered.com</a>	TEL.: 2122125, 2122129, 2122140, 2122143 FAX: - 2113770	7	324,306.51	375,235.22	15.70	262,016.26	321,797.74	22.82
2	STANBIC BANK (T) LTD	<a href="mailto:info@stanbic.com">info@stanbic.com</a>	TEL.: 2112195/200 FAX: 2113742	5	189,948.26	252,862.54	33.12	167,644.83	180,035.37	7.39
3	CITIBANK (T) LTD	<a href="http://www.citibank.co.tz">www.citibank.co.tz</a> <a href="mailto:mayankmalik@citigroup.com">mayankmalik@citigroup.com</a>	TEL.: 2117575, 2117601 FAX: 2113910, 2117576	1	291,624.71	229,137.46	-21.43	254,583.17	188,193.80	-26.08
4	FEDERAL BANK OF MIDDLE EAST LTD	<a href="mailto:headoffice@fbme.com">headoffice@fbme.com</a>	TEL.: 2126000 FAX: 2126006	3	57,155.45	55,320.43	-3.21	3,522.97	9,570.80	171.67
5	EURAFRICAN BANK	<a href="mailto:eab@eurafribanbank-tz.com">eab@eurafribanbank-tz.com</a>	TEL.: 2110928, 2111229, 2110104 FAX: 2113740	2	23,160.76	25,137.97	8.54	17,248.74	20,649.34	19.72
6	DIAMOND TRUST BANK (T) LTD.	<a href="mailto:sanjeev@diamondtrust.co.tz">sanjeev@diamondtrust.co.tz</a>	TEL.: 2114888-92 FAX: 2114210, 2118953	1	33,604.81	43,636.35	29.85	27,583.24	35,284.75	27.92



7	EXIM BANK TANZANIA LIMITED	<a href="http://www.eximbank-tz.org">www.eximbank-tz.org</a>	TEL.: 2113091 FAX: 2119737	4	107,662.06	155,293.41	44.24	91,349.12	128,408.85	40.57
8	NBC (1997) LTD	<a href="http://www.nbctz.com">www.nbctz.com</a> <a href="mailto:nbcltd@nbctz.com">nbcltd@nbctz.com</a>	TEL.: 2113914, 2112082,2111803FAX: 2112887	34	431,616.09	460,817.84	6.77	351,814.69	373,484.72	6.16
9	NATIONAL MICROFINANCE BANK (T) LTD.	<a href="mailto:nmb.ceo@cats-net.com">nmb.ceo@cats-net.com</a>	TEL.: 2118785, 2116925/9, 2124048FAX: 2114058	104	427,448.48	570,954.65	33.57	388,459.88	496,907.47	27.92
10	CRDB BANK	<a href="http://www.crdb.com">www.crdb.com</a> <a href="mailto:crdb@raha.com">crdb@raha.com</a>	TEL.: 2117442-7 FAX: 2116714	24	369,907.22	486,681.64	31.57	333,305.25	429,482.07	28.86
11	PEOPLES BANK OF ZANZIBAR	<a href="mailto:pbzLtd@zanlink.com">pbzLtd@zanlink.com</a>	TEL.: 2231118FAX: 2231121	3	40,537.18	43,711.58	7.83	43,140.11	44,366.54	2.84
12	KILIMANJARO COOPERATIVE BANK	<a href="mailto:kilicobank@africanonline.co.tz">kilicobank@africanonline.co.tz</a>	TEL.: 2754470FAX: 2753570	1	3,394.62	3,809.85	12.23	2,800.69	3,007.49	7.38
13	AKIBA COMMERCIAL BANK LTD	<a href="mailto:akiba@cats-net.com">akiba@cats-net.com</a>	TEL.: 2118340-4 FAX: 2114173	4	17,786.74	25,667.13	44.30	14,200.77	22,815.35	60.66
14	KENYA COMMERCIAL BANK	<a href="http://www.kcb.co.ke">www.kcb.co.ke</a> <a href="mailto:kcbtanzania@kcb.co.tz">kcbtanzania@kcb.co.tz</a>	TEL.: 2115386-8 FAX: 2115391	4	21,594.06	19,363.61	-10.33	10,286.92	14,137.61	37.43
15	INTERNATIONAL COMMERCIAL BANK (T) LTD.	<a href="mailto:ibm@intafrica.com">ibm@intafrica.com</a>	TEL.:2110518, 2110538, 2110571FAX: 2110196	2	19,552.62	18,914.88	-3.26	16,555.78	15,071.69	-8.96
16	HABIB AFRICAN BANK	<a href="mailto:habibafrican@raha.com">habibafrican@raha.com</a>	TEL.:2111107 FAX: 2111014	1	17,655.54	20,890.61	18.32	14,738.80	18,059.59	22.53

17	BARCLAYS BANK (T) LIMITED	<a href="http://www.africa.barclays.com">www.africa.barclays.com</a>	Tel.2129381, 2129758 Fax. 2129757	2	180,516.82	191,781.63	6.24	158,489.70	166,112.80	4.81
18	UNITED BANK OF AFRICA (T) LIMITED	uba@cats-net.com	Tel. 2129776	1	6,065.44	9,232.72	52.22	3,305.25	6,575.31	98.94
19	CF UNION BANK LIMITED	cfunionbank@raha.com	Tel. 2117997/9 Fax. 2118750	1	11,765.08	15,752.64	33.89	9,312.20	12,734.16	36.75
20	AFRICAN BANKING CORPORATION (T) LTD	abctz@africanbankingcorp.com	Tel. 2111990 Fax. 2112402	1	20,855.60	39,194.36	87.93	19,164.93	31,781.88	65.83
21	DAR ES SALAAM COMMUNITY BANK LIMITED	dcb@africanonline.co.tz	Tel. 2180253 Fax. 2180259	1	6,689.95	12,098.83	80.85	5,319.57	10,083.63	89.56
22	KAGERA FARMERS COOPERATIVE BANK LTD	kfcbltd@africanonline.co.tz	TEL: 028-2220008 FAX: 028-2220008	1	1,128.01	1,365.18	21.03	981.42	1,202.96	22.57
23	MBINGA COMMUNITY BANK LIMITED		TEL: 025-2640-719	1	357.11	977.83	173.82	221.31	823.95	272.30
24	AZANIA BANCORP	<a href="http://www.azaniabank.co.tz">www.azaniabank.co.tz</a> <a href="mailto:info@azaniabank.co.tz">info@azaniabank.co.tz</a>	TEL: 2117997/9 FAX: 2118010/11	1	18,413.20	28,383.85	54.15	12,534.63	17,190.90	37.15
25	SAVINGS & FINANCE COMMERCIAL BANK LIMITED	sfidar@cats-net.com	TEL: 2118625/8 FAX: 2116733	2	19,010.16	23,593.64	24.11	15,411.47	18,475.87	19.88
26	BANK OF BARODA TANZANIA LTD.		Tel:212448712 Fax 2124457	1	0.00	8,250.53	#DIV/0!	0.00	1,744.72	#DIV/0!

### DIRECTORY OF NON BANK FINANCIAL INSTITUTIONS OPERATING IN TANZANIA

	NAME OF FINANCIAL INSTITUTION	WEBSITE/E-MAIL	TELEPHONE & FAX NUMBERS	BRANCH NETWORK	TOTAL ASSETS AS AT 31 DECEMBER		PERCENTAGE ANNUAL GROWTH %	TOTAL DEPOSITS AS AT 31 DECEMBER		PERCENTAGE ANNUAL GROWTH %
					2003 TZS MILLIONS	2004 TZS MILLIONS		2003 TZS MILLIONS	2004 TZS MILLIONS	
1	TANZANIA INVESTMENT BANK	<a href="http://www.tib.co.tz">www.tib.co.tz</a> <a href="mailto:tib-tz@intafrica.com">tib-tz@intafrica.com</a>	TEL: 2111708/13FAX: 2113438	1	44,942.05	45,311.73	0.82	33,599.01	31,258.58	-6.97
2	TANZANIA POSTAL BANK	<a href="http://www.postalbank.co.tz">www.postalbank.co.tz</a>	TEL: 2112358/60FAX: 2114815	4	57,643.72	56,306.29	-2.32	50,210.45	50,390.70	0.36
3	TWIGA BANCORP LIMITED	<a href="mailto:info@nbdc.co.tz">info@nbdc.co.tz</a>	TEL: 2115575/2118455FAX: 2112350	4	12,794.04	16,783.25	31.18	11,397.12	13,922.33	22.16
4	MUFINDI COMMUNITY BANK LTD		FAX: 061-772165 or 026 2772544	1	1,572.81	1,449.33	-7.85	1,406.32	1,277.36	-9.17
5	MWANGA RURAL COMMUNITY BANK	<a href="mailto:chrisherling@eoltz.com">chrisherling@eoltz.com</a>	TEL: 027-2754235	1	722.75	1,006.27	39.23	493	720.68	46.18

## Appendix IV

LIST OF BUREUX DE CHANGE OPERATING IN TANZANIA			
S/N	BUREAU DE CHANGE NAME	POSTAL ADDRESS	PHYSICAL ADDRESS
1	ACCURATE	BOX 1732 Z'BAR	PLOT NO. 277 KIPONDA STREET Z'BAR
2	ADAMS EXCHANGE	BOX 2744 Z'BAR	PLOT NO. 16/39 MALINDI ZANZIBAR
3	AMAFHH	BOX 4504, DSM	PLOT NO. 344 OYSTERBAY SHOPPING COMPLEX
4	AMANI	BOX 42571, DSM	SIKUKUU STREET KARIAKOO
5	ARCADE	BOX 38132 DSM	PLOT NO. 72 OLD BAGAMOYO ROAD
6	ARRIVAL	BOX 3784 Z'BAR	KIEMBE SAMAKI ZANZIBAR
7	ARUSHA FOREX	BOX 11169, ARUSHA	PLOT NO 39 BLOCKB/E BOMA ROAD
8	BAGHANI	BOX 1642 Z'BAR	BAGHANI-ZANZIBAR
9	BLUEBIRD	BOX 2574 MBEYA	LUPA WAY
10	BOMA FOREX	BOX 1511, TANGA	PLOT NO. 34 BLOCK KB 11 INDEPENANCE AVENUE
11	BUREAU DE CHANGE 2000	BOX 20263 DSM	PLOT NO. 2080/148 JAMHURI STREET
12	CAMEL	BOX 2288, ARUSHA	PLOT NO.29/E JOEL MAEDA RD
13	CHASE	BOX 315 MOSHI	PLOT NO. 63 BLOCK 'B' SUBZALI BUILDING
14	CITY EXCHANGE	BOX 76142 DSM	PLOT NO. 208/40 IPS BUILDING
15	CLASSIC	BOX 7302 ARUSHA	PLOT NO. 37 A-B KIBO ROAD MOSHI
16	CLOCK TOWER	BOX 11707 ARUSHA	PLOT NO 69E SOKOINE ROAD
17	COLOBUS	BOX 10822 DSM	TFA SHOPPING COMPLEX SHOP NO. 70
18	CROWN	BOX 6672, DSM	ZANAKI/ INDIA STREETS
19	DAHABSHIL	BOX 21855, DSM	LIVINGSTONE STREET PLOT NO. 22
20	DARAJANI	BOX 245 Z'BAR	DARAJANI-ZANZIBAR

21	DBK	BOX 308 MWANZA	PLOT NO. 630 BANTU STREET
22	DCT	BOX 15 DODOMA	PLOT NO. 27 KUU STREET
23	DEPARTURE	BOX 3784 Z'BAR	KIEMBE SAMAKI ZANZIBAR
24	EAGLE	BOX 3567 Z'BAR	PLOT NO. 298/W 18 GIZENGA ZANZIBAR
25	EQUITY	BOX 283, DSM	ROYAL PALM HOTEL
26	EXCHANGE CENTRE	BOX 14025, ARUSHA	PLOT NO. 50/E APT. NO.004 JOEL MAEDA RD
27	EXECUTIVE	BOX 586, MOSHI	PLOT NO. 40 BLOCK 'B' SECTION 1 MOSHI
28	EXPRESS	BOX 1537 Z'BAR	DARAJANI YOUTH LEAGUE ZANZIBAR
29	FINANCIAL SERVICES	BOX 11628 ARUSHA	INDIA STREET ARUSHA
30	FIVE STAR	BOX 42 Z'BAR	MALINDI ZANZIBAR
31	GALAXY	BOX 21219, DSM	DSM INTERNATIONAL AIR PORT
32	GALAXY M/ CHANGER	BOX 21219, DSM	PLOT NO. 125/50 SAMORA AVE./ BRIDGE STREET
33	GLOBEX	BOX 21219, DSM	CORONATION HOUSE, SAMORA/AZIKIWE ST.
34	GOLDEN	BOX 4438, DSM	739-23I INDIRA GANDHI ST.
35	HEDAL ( I ) STADIUM	BOX 11169, ARUSHA	PLOT NO. 36 STADIUM RD
36	HEDAL ( II ) SOKOINE	BOX 11169, ARUSHA	PLOT NO.81E SOKEINE ROAD
37	HILMY	BOX 271 Z'BAR	ZANZIBAR-AIRPORT
38	ICON	BOX 1739 Z'BAR	DARAJANI-ZANZIBAR
39	JAMANI	BOX 7495, DSM	DAR ES SALAAM INTERNATIONAL AIRPOT
40	JOSHUA	BOX 60576 DSM	PLOT NO. 503 BLOCK 99 SHAURI MOYO STREET
41	KAI	BOX 21530, DSM	PLOT NO.291/50 SAMORA AV.
42	KARIAKOO	BOX 5175, DSM	PLOT NO. 22/31 SWAHILI/NARUNG'OMBE ST.
43	KING'S	BOX 8277, ARUSHA	PLOT NO. 39/BE BOMA RD

44	LIONS	BOX 999, ARUSHA	PLOT NO.87 SAKINA NAIROBI ROAD, ARUSHA
45	LIVINGSTONE	BOX 79610, DSM	LIVINGSTONE/PEMBA HOUSE NO.64
46	LOCAL CURRENCY	BOX 5331, DSM	DIA TERMINAL II
47	LOCAL CURRENCY AIRPORT	BOX 992 Z'BAR	ZANZIBAR AIRPORT
48	LOCAL CURRENCY SHANGANI	BOX 992 Z'BAR	SHANGANI STREET HOUSE NO.37 ZANZIBAR
49	M. G . M	BOX 816, DSM	PLOT NO. 232/59 MOROGORO RD
50	MASAI	BOX 4907, DSM	PLOT NO. 385/32 SAMORA AVENUE.
51	MAXCARE	BOX 79300, DSM	NAMANGA SHOPPING CENTRE
52	MCHAMBAWIMA	BOX 3784 ZANZIBAR	MCHAMBAWIMA STREET/INTERNATIONAL HOTEL
53	MCSOMS	BOX 4504, DSM	INDIA/MAKUNGANYA ST.
54	MERMAID	BOX 21032, DSM	PLOT NO. 397/63 KALUTA STREET DSM
55	MIKEMBO	BOX 835	GIZENGA STREET
56	MOBILE	BOX 75639, DSM	PLOT NO.1001/48, JAMHURI STREET ILALA
57	MONEX	BOX 76018 DSM	IPS BUILDING
58	MONEY LINK	BOX 7177, DSM	PLOT NO. 636/59 APT 033 SAMORA AVENUE.
59	MONEY WISE	BOX 2075, ARUSHA	GOLDEN ROSE HOTEL ANNEX COL MIDDLETON RD
60	MOTEL IMPALA	BOX 7302, ARUSHA	PLOT NO. 10/11 KIJENGE CORMMECIAL CENTRE
61	NDAME	BOX 3781 Z'BAR	PLOT NO. 57 KENYATA ROAD, SHANGANI
62	NEW MALINDI	BOX 3784 Z'BAR	PLOT NO. 944 MALINDI ZANZIBAR
63	NORTHERN	BOX 7302, ARUSHA	PLOT NO. 51 E/JOEL MAEDA ST,ARUSHA
64	OLD MARKET	BOX 3684 Z'BAR	HOUSE NO. 1637 DARAJANI
65	ORIENTAL	BOX 2554, DSM	IPS BUILDING SAMORA AV.
66	PALACE HOTEL	BOX 31673, DSM	85 SIKUKUU STREET

67	PANJATAN	BOX 156, KIGOMA	PLOT NO. 197LUMUMBA RD
68	PESAME	BOX 11525 ARUSHA	PLOT NO. 39 BOMA RD ARUSHA
69	PRUDENTIAL	BOX 9163, DSM	PLOT NO. 2318/108 LEHMANS BUILD.SAM.AV.
70	QUEENS	BOX 1739 Z'BAR	SHANGANI STREET ZANZIBAR
71	RAHISI	BOX 1334 ZANZIBAR	GIZENGA STREET
72	RASCO	BOX 278 DSM	PLOT NO. 8 KARIAKOO DSM
73	RASILIMALI	BOX 9373, DSM	SOKOINE DRIVE, TACOSHILI BUILDING
74	REALITY	BOX 22164 DSM	PLOT NO. 97 MOSQUE/INDIRA GANDHI
75	RIKI	BOX 31673, DSM	RIKI HOTEL DAR ES SALAAM
76	RIKI HOTEL	BOX 31673 DSM	PLOT NO. 37/75 KLEIST SYKES DSM
77	ROCKS	BOX 70980, DSM	PLOT NO. 576 BLOCK' D' MBEZI BEACH
78	ROIKA	BOX 14793, ARUSHA	SOKOINE ROAD ARUSHA
79	ROYAL	BOX 1642 Z'BAR	DARAJANI
80	RUBY	BOX 21718, DSM	PLOT NO.1450/89 JAMHURI ST.
81	S. H. AMON	BOX 72483, DSM	IPS BUILDING SAMORA/AZIKIWE STREETS
82	S. H. AMON II	BOX 72483, DSM	IPS BUILDING SAMORA AVENUE
83	SAHARA	BOX 22169 DSM	PLOT NO. 335 INDIRA GANDHI STREET
84	SAMORA	BOX 8954, DSM	PLOT NO 2091/40 SAMORA
85	SANYA	BOX 7356, ARUSHA	PLOT NO. 50 SOKOINE RD
86	SEASIDE MONEY CHANGER	BOX 3270 DSM	TOURE DIRIVE OYSTERBAY
87	SHANGANI	BOX 4222 Z'BAR	SHANGANI STREET, OLD STONE TOWN
88	SHARIF ALWI	BOX 3199, DSM	PLOT NO. 357/60- 1363 U.W.T STREET
89	SMALL BUREAU	BOX 6672, DSM	PLOT NO.2293 CRESCENT FLATS, SHOP NO. 2 ALI HASSAN MWINYI RD OPPOSITE TO HAIDARY PLAZA

90	SUMA INTERNATIONAL	BOX 3784 ZANZIBAR	DARAJANI
91	SWISS ( BS )	BOX 906, DSM	SAMORA AVENUE
92	TANGANYIKA	BOX 6143 ARUSHA	AICC COMPLEX
93	THE TERMINAL	BOX 31673, DSM	UBUNGO BUSTERMINAL
94	TOREDA	BOX 4082, DSM	PLOT NO. 2386-91, AZIKIWE STREET ILALA DSM
95	TRADE	BOX 20066, DSM	PLOT NO. 636/59 SAMORA AVENUE
96	TRAST	BOX 8540, MOSHI	PLOT NO. 79, SOKO KUU
97	TRISTAR	BOX 2554, DSM	TAZARA RAILWAY STATION
98	UNIQUE	BOX 3269, DSM	PLOT NO. 1036-37/102 SAMORA /MOROGORO RD
99	UNIVERSAL	BOX 1732 Z'BAR	PLOT NO 2559 MCHANGANI
100	UTAMS EXCHANGE	BOX 1732 Z'BAR	PLOT NO. 2486 MBUYUNI STRET Z'BAR
101	VICTORIA	BOX 19275, MWANZA	NEW MWANZA HOTEL
102	WALJIS	BOX 434, DSM	PLOT NO. 9966 INDIRA GANDHI/ZANAKI ST.
103	WEST	BOX 5252, DSM	PLOT NO.158 RAILWAY/SAMORA AVENUE DSM.
104	WEST EAST	BOX 604, ARUSHA	PLOT NO.39 BLOCK B/E BOMA ROAD
105	ZENJ AND DAR	BOX 2903 DSM	PLOT NO. 97 MOSQUE/INDIRA GANDHI





## **APPENDIX IV**



