

Q2 Edition 2021

# Tembo

## NEWS

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# Editor's Note



Dear readers,

I am delighted to bring you the second edition of TembeNews for 2021, which focuses more on banking activities in the second quarter. The second quarter has been tremendous to our shareholders following the approval of hefty dividend during the 26th Annual General Meeting held in May. In this newsletter, we shall take you through what transpired during our shareholders seminar and AGM held on 21st and 22nd May 2021 respectively.

Believing knowledge is the basis for development in our lives, during the quarter in review, we also invested much in financial literacy. The old adage, "knowledge is power," has never been more true. Financial literacy can be among the keys to success and economic freedom. We spoke with the market, students, employees, entrepreneurs, and our shareholders about what it means to them.

Our quest to serve better our customers is far from over. Through our own initiatives and partnerships, we have continued to innovate new products and services that satisfy the needs of our customers and Tanzanians. During the quarter, we also won awards due to increased efficiency in our business. Thanks to our customers and partners.

It is safe to note that our stories all belong to our customers, as a bank we are constantly on the move on satisfying them. It is my pleasure to welcome you, to this edition of TemboNews. Karibuni!



Tully Esther Mwambapa  
Director of Corporate Affairs



# CRDB Bank's shareholders to split TZS 58 billion dividend

**T**ough but rewarding," that is how any CRDB Bank shareholder would describe the year 2020 after they recently approved a 30 percent increase of dividend per share of TZS 22 per proposed by the board during the 26th Annual General Meeting (AGM) on 22nd May 2021. The dividend increase follows the impressive Bank's performance in the financial year 2021 after it posted a TZS 165.2 billion after-tax profit despite the challenges brought by COVID19. The AGM was preceded by the financial literacy seminar organized by the Bank for shareholders on 21st May 2021, which was graced by the Minister of Finance and Planning, Dr. Mwigulu Nchemba. He saluted the Bank for doing very well in the market, pointing out that CRDB Bank's profit grew by 36.3 percent to TZS 62 billion from TZS 46 billion similar period last year. "This is a sign that the banking sector and the country as a whole is recovering from the COVID19 crisis," he added.

CRDB Bank's Chairman of the Board, Dr. Ally Laay, attributed the sustained performance to ongoing transformations that have 'unlocked the Bank's abilities,' leveraging a solid customer base and a favorable business environment. Over the past two years, CRDB Bank's performance has strengthened on the back of strategic reforms, which continue to change the Group's fortunes to the delight of its shareholders. "Despite the challenges that we faced in 2020, we are still focused on ensuring high shareholders return as reflected by earnings per share. Therefore, we recommended a TZS 22 per share, and I am happy to note that the shareholders have approved the same," said Dr. Laay. He added, "the total amount of dividend recommended was TZS 58 billion, and this signals strong and progressive growth in earnings per share (EPS) and dividends per share (DPS). In addition, I am pleased to announce that CRDB Bank's shareholders approved Ernst & Young as our External Auditors for the coming year 2021. This is signalling our faith in their intellectual enactment and the Bank's continued adherence to good governance protocols", said

Dr. Laay. Meanwhile, CRDB Bank's shareholders approved the changes in the company's constitution. In addition, they voted for new board members; Professor Faustine Bee represents shareholders with less than 1% ownership, and Gerald Paul Kasatu represents shareholders with shares between 1% and 10% ownership. Professor Faustine Bee is Vice-Chancellor of the University of Dodoma (UDOM), while Gerald Kasatu works National Social Security Fund, Uganda, as Chief Investment Officer. In his statement, CRDB Bank Group CEO Abdulmajid Nsekela noted that the Bank Group's income improved significantly despite a slowdown in the economy because of the COVID-19 Pandemic. As a result, group operating income registered a 10.4% (YoY) growth at TZS854 billion from TZS774 billion reported in the previous year. Non-interest income registered a 13% (YoY) growth to TZS284 billion from TZS252 billion reported in 2019. Customer deposits grew marginally to TZS5.4 trillion, representing a 4% upward movement from TZS5.2 trillion reported at the end of 2019. more than 85%.





## CRDB Bank's 2021 strategy aims to unlock the full potential...

"Our strategy to support customers during the pandemic played a major role because it allowed us to realign our plans and adapt to the changing situations," the Group CEO explains. Nsekela also noted that the Group's transformation efforts continue to yield good tidings, even as we up-scaled our service delivery through our digital channels. CRDB Bank witnessed growth in the number of customers using our digital channels in the year, with

The Group's profitability was further bolstered by its two subsidiaries, contributing 7.0% of the overall PAT. The Burundi subsidiary profit grew by 75% from TZS 6.4 billion to TZS11.2 billion. The insurance Subsidiary, CRDB



Operating income registered  
**TZS 854 Billion**  
 From  
**TZS 774 Billion**  
 (10.4%) growth at reported in the previous year.



Non-interest income registered a 13% (YoY) Growth to  
**TZS 284 billion**  
 From  
**TZS 252 billion**

Insurance Broker Limited, posted a TZS 3.6 billion in profit representing a 140% year-on-year growth. Speaking about the future, Nsekela said CRDB Bank's long-term aspiration is to build a future-ready bank that will lead to financial innovation. CRDB Bank's 2021 strategy aims to unlock the full potential of the Group by entrenching the efficiency of service and transforming sales. Nsekela also revealed that the Bank has its eye on growth prospects in new markets and is currently very well positioned to enter DRC before the end of the year. The CEO said the subsidiary in DRC will act as a springboard for business between

Tanzania and the neighboring country. "Our goal is to strengthen our bank's involvement in uniting the East and Central African region countries and opening up economic opportunities," added Nsekela. Speaking during the AGM, CRDB Bank's former who is also the Member of Parliament for Vunjo State and the Bank's Shareholder, Dr. Charles Kimei, commended the Bank's management for impressive growth in all key performance indicators the year 2020. He assured the Board and Management that they have full support from all shareholders. "I applaud the well-done job by our current Group CEO, Abdulmajid Nsekela. He has delivered the impossible amidst the challenges of COVID19, and today we are celebrating a dividend increase," added Dr. Charles Kimei.







## Gearing to a new investment dawn

**B**uilding an inclusive economy is a lifelong dream of the Bank. As a leading bank in the country, recently, we organized an investment forum dubbed "CRDB Bank Uwekezaji Day" to provide people with financial literacy and educate the masses on investment opportunities in the equity market. The forum was hosted a few weeks after the President, H.E Samia Suluhu Hassan, stressed the importance of increasing

Tanzanians' participation in economic activities and creating a conducive investment and business environment. The one-day forum attracted more than 3,000 people, where some of the participants attended physically at the Julius Nyerere International Conference Centre (JNICC), while the majority joined via online platforms. The Bank invited various experts from the financial sector to present topics on investment in the stock market, mutual funds,

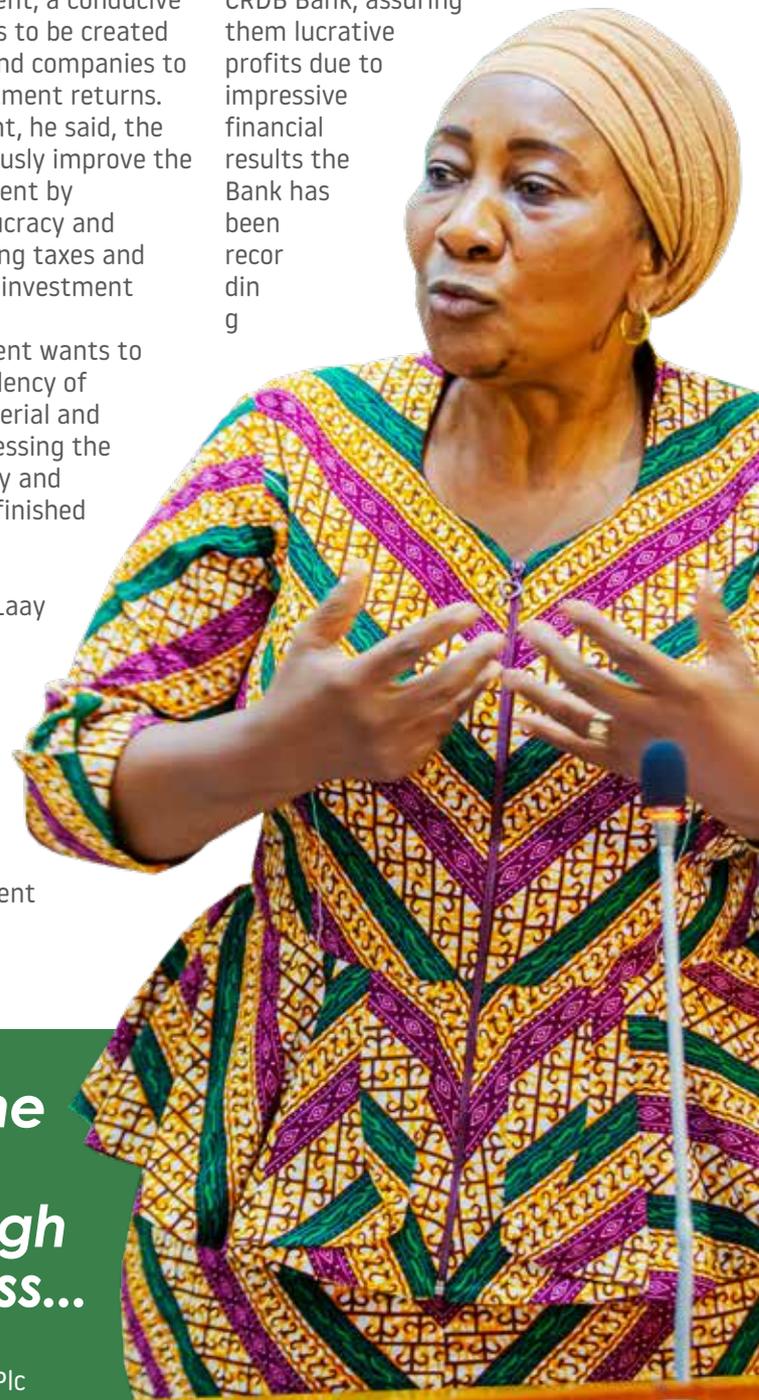
sustainable investment, and investment opportunities through banking services. The Minister of State Prime Minister's Office (Investment), Geoffrey Mwambe, who was the guest of honor, commended the Bank for the initiative to empower through financial and investment education. Mwambe said the lack of knowledge had been a major hindrance to people investing in capital markets.

Tanzania; Financial Stability 2019 report warned the risk of the Dar es Salaam Stock Exchange (DSE) to continue dominated by foreign investors. "This calls for close monitoring and promoting the participation of local investors in the equity market," he said. The minister said people should reduce unnecessary spending, and focus on saving, and use their savings to invest in areas that will give them more income, such as the equity market. "I encourage you to start investing in CRDB Bank shares. The bank has been giving dividends to its shareholders every year, which means it is a good place to invest," said Mwambe.

Every year, The Bank has been organizing an investment seminar for its shareholders, but this year we hosted a historic seminar targeting the entire community. Explaining the reasons for deciding to make the seminar accessible to all, the Bank's Group CEO, Abdulmajid Nsekela, said investment education is essential to people, no matter what age or status. He said financial education helps bring the yeast to achieve the goals we set for ourselves and ultimately be able to contribute to the country's well-being. The aim is to build the capacity of Tanzanians to identify investment opportunities and enable them to make sound financial decisions. "Most people are out of the formal financial system because they lack enough education and awareness," Nsekela said. However, the Bank vowed to continue with such a seminar and believed the forum would enable many to access

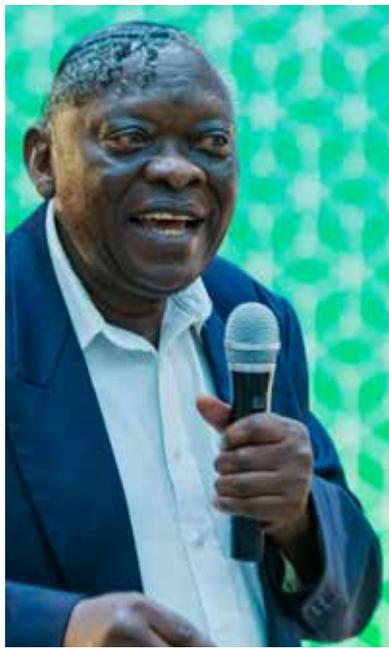
financial services and enjoy the investment opportunities available. The Minister also stressed that the government is still pushing for industrial investment and urged Bank to set up a special window for small and large industries to access capital at an affordable rate. "If CRDB Bank enables these investors to invest in industries, the benefits are enormous not only to the economy but also to the bank profit," added. He asked Nsekela as the Tanzania Bankers Association (TBA) chairman, to persuade other banks to join hands. Mwambe also said that for the private sector to contribute to the nation's development, a conducive environment needs to be created to enable people and companies to realize their investment returns. For the government, he said, the plan is to continuously improve the business environment by eliminating bureaucracy and reducing overlapping taxes and levies to cut down investment costs. Also, the government wants to overcome the tendency of exporting raw material and embarked on processing the raw material locally and exporting semi or finished goods. The Bank Board Chairman Dr. Ally Laay thanked Minister Mwambe for inviting the bank to co-operate with the government in implementing strategies to stimulate investment

and assured him that the bank will develop a policy that will guide and regulate the setup of the industrial window. Participants applauded the Bank for organizing the seminar, saying it helped raise awareness on investment and financial services. Most of them recommended that the seminar be held at least five times to instill investment knowledge in the community. Expressing gratitude on behalf of the participants, the former Prime Minister, Fredrick Sumaye, a CRDB Bank shareholder, commended the Bank for the innovative financial literacy seminar. He also invited other Tanzanians to invest in CRDB Bank, assuring them lucrative profits due to impressive financial results the Bank has been recording.



**“Most people are out of the formal financial system because they lack enough education and awareness...”**

**Abdulmajid M. Nsekela**  
Group CEO & Managing Director · CRDB Bank Plc

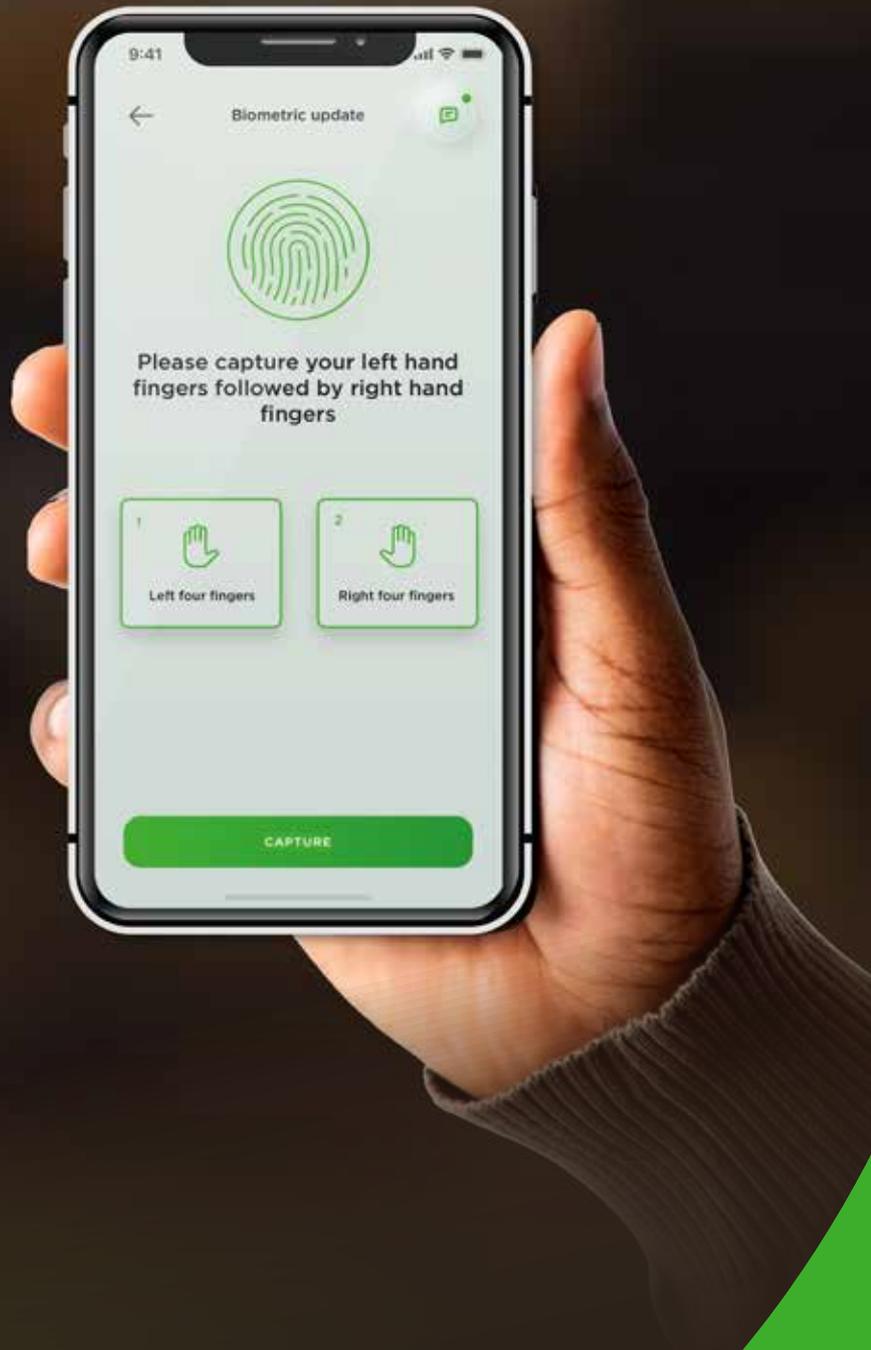


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# CRDB Bank set for Islamic banking

**C**RDB Bank plans to offer Islamic banking products through its entire branch network, accelerating the expansion of sharia-compliant banking in East Africa's second-biggest economy. The Bank is finalizing the approval process from the Bank of Tanzania to rollout Islamic banking across its 267 branches in the country, CRDB Bank Group CEO, Abdulmajid Nsekela revealed during the Iftar gathering in Zanzibar in the holy month of Ramadan. "In the long term, the product will promote development in the marginalized areas of our country," Nsekela said. The Bank will initially roll out Islamic banking services in Zanzibar in its new branch located at Michenzani Mall. Nsekela said the branch has already been completed and CRDB Bank is waiting for a green light from the regulator to kick-start operations. The speaker of the House of Representatives, Hon. Zubeir Maulid lauded the Bank for the initiative saying it will enable customers to access services and loans as per the rules of money of the Islamic religion. "This is a testimony that you have been listening to the needs of different customer segments and come up with the right solutions, this is truly the Bank that listens," he added. Aiming to network and enjoy the spirit of the Holy Month of Ramadan together, The Bank recently organized a series of exclusive Iftar gatherings for the

needy and customers in multiple locations across the country. The special Iftars were attended by top dignitaries as well as the Bank's Board of Directors and Senior Management. The high-profile events were held in Dodoma, Dar es Salaam and Zanzibar and enabled the Bank's management and staff to further foster their relationship with CRDB Bank's customers.

Tully Esther Mwambapa, Director of Corporate Affairs, said, "The Iftar celebrations we held across the country reflect the Bank's strong commitment to go beyond the requirements of our valued customers to ensure they enjoy the highest levels of service experience." "...delivering excellence in customer service and an enriched Ramadan event is part and parcel of that dedication," she emphasized. "Never get tired of doing little things for others, sometimes those little things occupy the biggest parts of their hearts." CRDB Bank launched its first activities of the holy month of Ramadan by donating iftar meals and other groceries to 10 orphanage centers in Dar es Salaam including Ali bin Atalip of Chanika, Amani Foundation of Kigamboni, Irshaad Islamic of Kimara, Hiyari Orphanage Center of Temeke, and Tarbis Center of Kijitonyama. Speaking at the donation event, Sheikh Issa Othman Issa, who is a Chief Imam of Masjid Maamur praised CRDB Bank for the Ramadan offerings to the orphans,

quoting the Holy Quran, he said the Prophet Muhammad SAW said, "Whoever feeds a person breaking his fast will earn the same reward as him, without anything being lessened from the reward of the fasting person." Speaking for the beneficiaries, Hajjaty Abdallah, who runs Amani Foundation for Orphanages Kigamboni Centre thanked CRDB Bank for its ongoing

*CRDB Bank  
set aside*  
**100  
Million**

to support orphanages  
across the country

commitment to ensuring the welfare of the orphans and called on the public to visit and support orphanages. During the holy month of Ramadan this year, CRDB Bank set aside TZS 100 million to support orphanages across the country. "It has been a tradition for the Bank to provide humanitarian aid to the needy in the community during Ramadan," noted Tully.





# How CRDB Bank managed to reduce NPL amidst COVID-19:

## An Interview with Ellen Rwijage, Board Member

**C** RDB Bank has seemingly weathered the covid-19 crisis well after it posted an impressive result of TZS 165.2 billion last year. Moreover, the Bank is so confident about its capital position that even it continued to issue dividend payouts to shareholders this year. The most important takeaway is that the Bank recorded a decrease in Non-Performing Loans (NPL) to 4.2 percent from 5.5 percent recorded in 2020 amidst the crisis. So what could be the secret?

We sat down with Ms. Ellen Gervas Rwijage, the Non-Executive Director and a member of the Credit, Governance, and Human Resources Committees of the Board of Directors of CRDB Bank.

Ms. Rwijage is a Public litigation expert and a State Attorney at the Ministry of Finance and Planning. She represents the DANIDA Investment Fund (DIF), which commands 21% of the Bank's shares.

Tanzania Shilings

**165.2**  
Billion

**4.2%**

Recorded in 2020

**01** *TemboNews: Thanks for joining us today. First, our readers would be interested in knowing the role of the Board of Directors in ensuring the Bank's success.*

**Ms. Rwijage:** The Board is responsible for providing oversight, insight, and foresight. That's a tall order in today's marketplace, which is complex and volatile. Good governance principles are fundamental to the work that board directors do. In every decision the Board makes, we always consider how it will affect the employees, customers, suppliers, communities, and shareholders. That means we have to plan and strategize goals and objectives for the company's short- and long-term good and our stakeholders and put mechanisms in place to monitor progress against the objectives.

Within the Board, we have committees that act as a subset of the entire Board. Committees devote the necessary time and resources to issues for which the full Board doesn't have time. Committees delve deep into matters, often calling in experts to assist. Committees provide regular reports to the Board on the issues that we are charged with handling. The thing to be proud of is that our Board of Directors has people with high integrity and professionalism who have been instrumental in formulating sound business policies and overseeing the implementation of business strategies.

**02** *TemboNews: That's excellent; you are a member of the credit committee in the Board of CRDB Bank. Tell us what is the magic behind NPL reduction? taking into consideration last year there was an outbreak of COVID-19.*

**Ms. Rwijage:** It's true that despite COVID-19, the Bank's credit portfolio performance was relatively stable throughout the year, albeit with a considerable slowdown in some service sectors, especially hospitality and tourism.

Following the temporary closure of schools, the education sector also experienced disruptions exhibiting a sudden plunge, even as the transport industry suffered a blowback, especially with a sharp decline in exports.

In response to the mitigation guidelines provided by the Bank of Tanzania, the Bank took proactive measures to engage customers in timely and restructured facilities, especially for customers whose repayment abilities had been impaired by the pandemic.

We also implemented active portfolio monitoring strategies through containment of migration, automatic identification of early warning signals, and swift corrective actions. Similarly, there was considerable focus on the strategic growth of portfolios with higher yields but lower credit risk, such as consumer loans. As of the end of December, the Bank's credit portfolio registered a net growth of **TZS 527 billion** year-on-year from TZS 3.4 trillion in December 2019. We maintained a relatively stable portfolio mix of corporate and retail loans, translating to a 4:6 (37%:63%) ratio, respectively, as I said our focus was more on consumer loans.

### **03** *TemboNews: You have mentioned focusing on consumer loans, specific products, and the strategy used to ensure customers access them?*

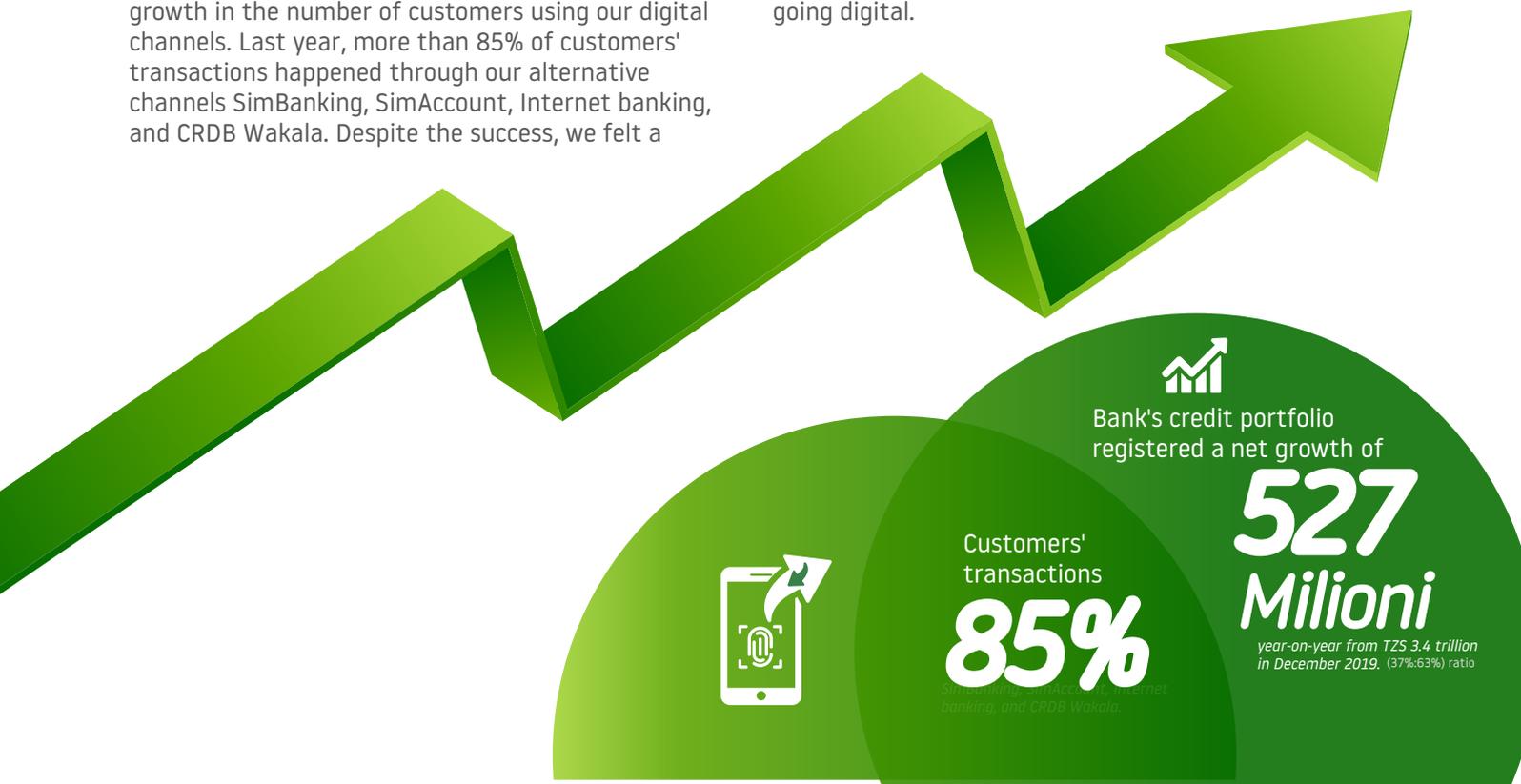
Ms. Rwijage: The COVID-19 has increased the financial industry's focus on digital offerings and increased demand from consumers to use them. With health experts advising people to avoid cash and use digital mode of payments, even previously nervous digital users turned to these channels. The pandemic changed consumer behavior toward banking. As a Bank, we had to respond by putting increased efforts and resources into enhancing our digital channels and digitalizing most of our consumer products and services, including loans. As we speak, four of our consumer loans are offered digitally; Salary Advance for 'Employees,' Boom Advance for 'Students,' Pension Advance for 'Retirees,' and Jiwezeshe for 'Petty-Traders' popularly known as 'Machingas.'

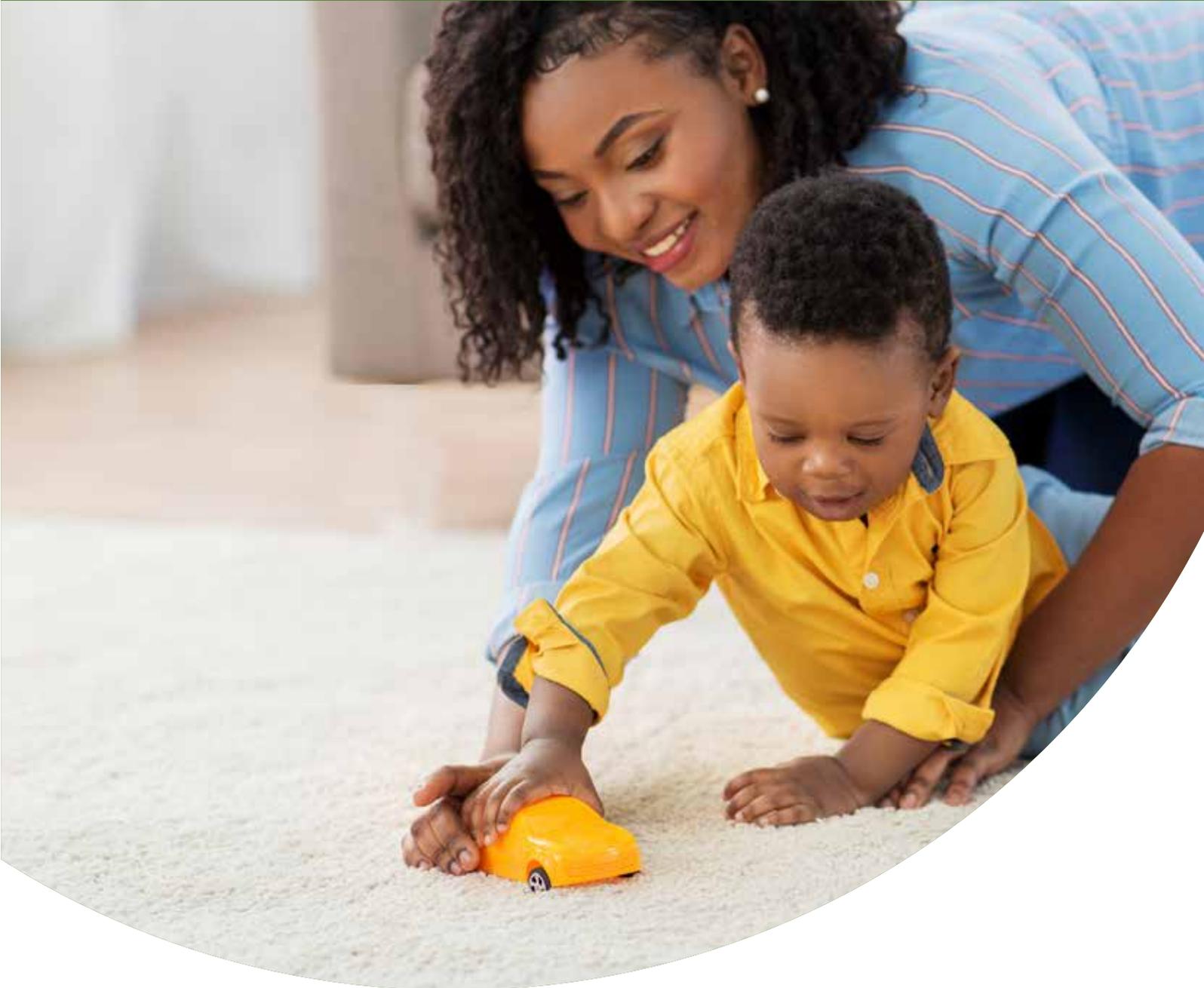
These products have led to an increase in usage of digital platforms, and we have also witnessed growth in the number of customers using our digital channels. Last year, more than 85% of customers' transactions happened through our alternative channels SimBanking, SimAccount, Internet banking, and CRDB Wakala. Despite the success, we felt a

need to improve our onboarding process to include people who do not have an account with CRDB Bank. So I'm proud to say that our Bank releases an enhanced SimBanking Application with a feature that enables self-account opening earlier this year. I believe the new app will contribute much to our country's financial inclusion efforts and supporting a cashless society agenda.

### **04** *TemboNews: What can you say about the future of digital in the banking sector in Tanzania?*

Ms. Rwijage: The banking industry is undergoing a tremendous transformation regarding technological innovations and changing customer behavior. For the past decade, banks in Tanzania have invested heavily in new technologies in their businesses and operations. Despite that, the ongoing technological evolution calls for financial institutions to invest in digital transformation as consumers keep demanding digital experiences. The trouble with our times is that the future is not what it used to be, but after the coronavirus (COVID-19) outbreak last year, it would be safe to say that the future of banking is 'Digital.' The pandemic has reshaped our lives from how we shop, travel, work, even how we bank and has driven a change in consumer behavior. Driven by the pandemic, the social and economic landscape has been radically reshaped while customer needs and expectations continue to evolve dynamically. Most customers are now comfortable using online channels; the traditional 'customer loyalty' for the branch's physical proximity would now be influenced by personalization and customization provided through digital offerings. Banks will have to scale up offerings and services to cater to their customers with changing behaviors, which can be achieved by going digital.





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**The bank that listens**

# REGIONAL RECOGNITION: FIRE PRESTIGIOUS AWARDS

**P** Professional accounting reports preparation has the Bank Financial Reporting (FiRe) Awards for 2020 in Tanzania Pd winner in East Africa. The awards were presented during the ceremony that was hosted virtually, with limited physical attendance at Serena Hotel in Nairobi, Kenya, due to COVID-19 restrictions. FiRe Awards are sponsored annually by the joint promoters, the Capital Markets Authority (CMA) Kenya, the Institute of Certified Public Accountants of Kenya (ICPAK), the Nairobi Securities Exchange (NSE), and the Public-Sector Accounting Standards Board-Kenya (PSASB). The theme for this year's 21st edition of the FiRe Awards is "Enhancing corporate value through excellence in financial reporting for cross-border trade and investment facilitation in East Africa and beyond." The Bank's Chief Financial Officer, Fredrick Nshekanabo, said that awards are a testament to the deliberate focus the Bank has put in enhancing reporting and being a responsible corporation that believes in transparency and accountability. "Today, we

capture all aspects of our business in our Integrated Report for the good of all our stakeholders," he added. Nshekanabo hinted that the Bank also has integrate our financial reporting system with the International Financial Reporting System (IFRS), which has also contributed to the Bank receiving this Prestigious Award The latest awards are in addition to several other awards won by the Bank both locally and internationally in the financial reporting category. In

(NBAA) Awards as the leading financial institution for submitting the best Financial Report for the year three years from in a row 2018 to 2020 in line with international standards. For the last 20 years, the FiRe Awards has recognized and awarded the best reporting entities in the region. The Award encourages organizations to strive to be the best by learning about best practices and demonstrating leadership. The Award aims at promoting integrated reporting through enhancing accountability, transparency, and integrity. This is done to improve compliance with the appropriate financial reporting framework and other disclosures on governance, social and environmental reporting by private, public, and other entities domiciled in East Africa.

FiRe Awards focus on voluntary disclosure of relevant information in annual reports that go significantly beyond the minimum legal and regulatory requirements. Apart from winning awards, the Bank also has benefited from evaluation feedback from organizers, which helps improve its financial reporting.



2019, the Bank was the overall winner of the FiRe Award, beating NIC Bank Plc and Equity Group Plc, which emerged first and second runner up. CRDB BANK has emerged in the National Board of Accounting and Auditing

# International runners to participate in CRDB Bank Marathon 2021



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Kilomita 05 Kilomita 10 Kilomita 21 Kilomita 42

15<sup>th</sup> AUGUST 2021



Tsh. 30,000/-

KILOMITA 65

International runners to participate in CRDB Bank Marathon 2021. An old adage, 'We rise by lifting others,' has manifested through the CRDB Bank Marathon after this year being recognized and registered internationally due to the outstanding milestones reached last year.

The Bank's Director of Corporate Affairs, Tully Esther Mwambapa, announced the international registration during the symposium to announce the 2021 CRDB Bank Marathon season held at Century Cinemax, Aura Mall Dar es Salaam.

The international marathon endorsement body (AMIS), in collaboration with the International Athletics Federation (World Athletics), has certified the marathon and it is listed among the international marathon. Therefore, unlike last year's edition, the Bank will run the marathon by international standards this time around. The race measurement team from South Africa was in the country to measure the routes in April, and they will come in July to help in the preparation of the

marathon. This year's CRDB Bank Marathon promises to be more competitive and entertaining as many international athletes are expected to register and participate. Tully noted that the marathon is scheduled to take place on 15th August 2021 at the Green grounds, Oysterbay Dar es Salaam, and it will feature 42.2 km (marathon), 21.1 km (half-marathon), 10 km, and 5 km (fun run) and 65 km of the cycling race. "The marathon will attract many international media houses, and I'm sure some of our local talents who will perform well at the event will attract the eye of international athletics companies who can offer them deals," she added. The 2021 CRDB Bank International Marathon is also anticipated to provide more business opportunities to Tanzanians and boost the tourism sector. More than 5,000 runners are expected to take part in this year's marathon.

The athletes who would like to compete in the marathon have to register online through the marathon's website [www.crdb-bankmarathon.co.tz](http://www.crdb-bankmarathon.co.tz) and pay TZS 30,000 for individuals and TZS 25,000 for those in groups.

Participants can make payments at their convenience via SimBanking, CRDB Wakala, mobile wallets, or credit cards.

A total of TZS 500 Million is projected to be raised through registration for the race. The Bank will use the money to support heart surgery for children with heart defects at Jakaya Kikwete Cardiac Institute (JKCI) and the construction of the Ocean Road Cancer Institute Call Center (ORCI).



JISAJILI KUPITIA  
[crdbbankmarathon.co.tz](http://crdbbankmarathon.co.tz)



Kuanza / Kumaliza

Green Grounds, Masaki - Dar es salaam



*We rise by lifting others,' has manifested through the CRDB Bank Marathon after this year being recognized and registered internationally due to the outstanding milestones reached last year.*

**Tully Esther Mwambapa**  
The Bank's Director of Corporate Affairs,

The Athletics Tanzania (AT), Acting Secretary-General, Ombeni Zavalla, thanked the Bank for hosting the marathon, saying it is one of the events whose proceeds go to the needy in the society. She assured the Bank full cooperation from the association.

Last year's CRDB Bank Marathon raised more than TZS 200 Million, which was donated to Jakaya Kikwete Cardiac Institute (JKCI) to help surgeries of 100 children with congenital heart defects, thanks to the 4,000 participants. The event was graced by the then Vice President, Mama Samia Suluhu Hassan, who applauded the Bank for supporting government efforts to improve the delivery of health services. "They say whoever saves a life saves the world; this should not end today. Let us continue to support JKCI in their remarkable work that brings hope to our children, their families, and our nation as a whole," she said during the event last year.

Tully said this year's race is implementing President Samia's directives not to end last year. She called upon all Tanzanians, individuals, and corporates to join hands with the CRDB Bank by registering and sponsoring the marathon. She thanked last year's partners for their support that contributed to the marathon's success. CRDB Bank Marathon partners include JKCI, Sanlam, Strategies, Alliance, Cool Blue, and EFM. While this year's race is expected to be highly competitive due to the participation of many international runners, in last year's race, prominent Tanzanian runners Faulina Abdi and Joseph Panga won gold medals. Faulina, who is in the national team that's slated to compete in this year's Tokyo Olympics in Japan - clocked 1:16:13 to win the top prize. The second winner in the women category was Angelina Daniel, who clocked 1:17:30; the third winner was Marcelina Isabua, who clocked 1:18:14.

In the men's category, Panga clocked 1:01:30, while Gabriel Geay and Fabiano Joseph finished in the second and third places after clocking 1:03:39 and 1:04:31, respectively. Boniface Ngwata won the men's 42km in cycling, while Jamila Abdul won in the women's category. There were also Men and Women's 10km races. The winners were Mathayo Yamhenda in the men's category, while the lady's event saw Angelina Mboya clinching the top prize.

, 'We rise by lifting others,' has manifested through the CRDB Bank Marathon after this year being recognized and registered internationally due to the outstanding milestones reached last year. The Bank's Director of Corporate Affairs, Tully Esther Mwambapa, announced the international registration during the symposium to announce the 2021 CRDB Bank Marathon season held at Century Cinemax, Aura Mall Dar es Salaam.





# Customer Service Training “Huduma za Dhahabu”

As part of its customer-focused strategy to drive responsible growth, CRDB Bank is changing how its employees interact with customers. To foster deeper relationship-building, the bank has launched “Huduma Dhahabu” initiative coupled with Complaints Behavior Program, a learning curriculum, designed to promote positive service behaviors across CRDB Bank. “Our business is based on customer relationships, and Huduma Dhahabu training, through employees will gain a deeper understanding and heightened empathy for the events that shape our clients’ needs,” said Yolanda Uriyo, Head of Customer Experience at CRDB Bank. “By transforming how our workforce interacts with clients, we will be far better at creating and deepening long-term relationships with our clients and customers.”

The training has so far addressed 300 selected employees “Service Champions” from different departments over a period of three weeks and is expected to reach all 3,635 employees by mid next year, using a selection of an interactive training platform, innovative tools, systems and approaches where staff learn through case studies and role play. The plan is to use the trained Service Champions to train other staff in their respective units and branches, which will ensure all employees are empowered with the best tools to better serve customers. Huduma Dhahabu training cover topics ranging from active listening, service improvement, corporate culture and customer complaints management. As CRDB Bank is determined to consolidate its position as the bank of choice in Tanzania, Yolanda says serving customers effectively and efficiently is an

integral component towards reaching that milestone. “We are committed to investing in training as part of our ongoing promise to raise our service standards and transform our business to an entirely customer-centric and customer service driven organization.”

**“ We are committed to investing in training as part of our ongoing promise to raise our service standards**



## Measures of success

Increasing its NPS is one of the bank's customer experience goals. To do so management has defined several targets that influence NPS, such as operational excellence. If the bank sets an expectation that customers will receive a new debit card within five days, for example, it will measure whether customers are actually receiving their cards within five days. "It's not only good for the customer," Yolanda says, "but it's also good for us because the better we are in this, the fewer mistakes we make and the lower

our costs. Performance is another target area. "We always want to give the customer the best possible advice," she adds. "So we check whether our products match customers' needs and expectations and whether we are delivering the right products and not." Additionally, the bank works toward delivering a consistent customer experience across channels, one that meets customer expectations. "We would like to give customers the feeling that they're being helped," Yolanda says. "To know if we're going the right direction we have to put measurements in place." The bank uses NPS to measure several areas. "We ask the NPS question to our customers, but we do not have one NPS, we are measuring NPS on different segments, we are measuring NPS in products, and we're measuring NPS with channels," says Yolanda. "We also ask the 'Are you satisfied?' question because people will say yes, but then we ask, 'Would you recommend us?' There is a difference."

For this reason, CRDB Bank also conducts what it calls driver research. The goal is to determine what causes increases in NPS and customer satisfaction, as well as dissatisfaction. The Bank's improvement areas are based on those drivers.

Ultimately, those measures are about rethinking the customer experience. "It's not about the metric; it's about the culture," Yolanda says. "And what needs to be done is to change the culture and to make it more customer-focused." Over the past year CRDB Bank has made customer experience relevant for everybody in the organization. "We always use this example," Yolanda explains. "You lose your credit card; you want a new one.

How does that process go? You will contact the Bank's call center. The agent says, 'We will replace that card for you.' The agent is very friendly because it's a direct contact. Then that call goes to the back office because the card has to be sent, etc. If the agent is friendly, but the person in the back office forgets to send the card, then the overall customer experience is a negative one. That's why everybody has a 40 percent NPS target for customer experience." The changes to CRDB Bank's metrics, processes, culture, and the like are transforming the bank into a more customer-centric organization. It's a work in progress.

**// We always want to give customers the best possible advice.**







# Promoting young innovators

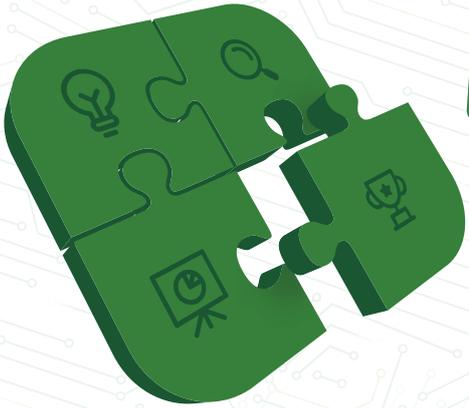
Innovation is one of the most important contributors to economic growth in any market. Innovators create wealth, attract investment and provide job opportunities. They also create new supply chains and boost exports. Attitudes towards entrepreneurship amongst young people are optimistic in Africa than most of the world; of the ten countries with the highest numbers of start-ups, five are in Africa (Global Entrepreneurship Monitor). What does this say about Africa? It shows that Africa's innovators are hungry for the kind of success that makes a meaningful difference to their lives and the wider community. The situation has led many African nations to develop a strategy to promote innovation which is believed to help stimulate economic growth in line with the pace of global development. In Tanzania, the situation is the same; various stakeholders, including CRDB Bank, have been meeting every year during the Innovation Week to showcase Tanzanian

innovators, discuss key policies and strategies to promote innovation in the country, especially for young people. During the commemoration of this year's IWT, CRDB Bank reaffirmed its commitment to support young Tanzanian innovators in reaching their goals and contribute to economic growth. That was revealed by the CRDB Bank Chief Operation Officer, Bruce Mwile, in a panel discussion organized during the IWT that brought together stakeholders from various public institutions and the private sector. "Providing support for young innovators is important not only because we have a duty to support our young people but because it is a thinking that is best placed to find the solutions to our challenges. Therefore, we must do all that we can to support our best and brightest so that they, in turn, can help to transform their lives and of those around them," he said. Bruce said to build an economically competitive nation; the country must invest in young innovators. He commended the government for establish-

ing the National Competition of Science, Technology, and Innovation (MAKISATU), noting that the competition helps many young people focus on innovation. "As the leading Bank in the country, we promise to continue partnering with COSTECH in this competition. In these few years, we have witnessed many young people coming forward to participate. We are aware that there a lot of innovative skills that, if identified and nurtured to their full potential, can help improve national development," he added. Expounding, he said it was equally important for the institutions to promote and protect intellectual property for researchers and innovators to reap the benefit of their work.



*Providing support for young innovators is important not only because we have a duty to support our young people but because it is a thinking that is best placed to find the solutions to our challenges.*



## Innovation for a Resilient and Inclusive Digital Economy."

Explaining how much CRDB Bank has invested in innovation, the Chief Operation Officer revealed that the Bank invested heavily in digital systems to improve operational efficiency and bring services close to the customers for the past four years.

Digital platforms such as SimBanking, SimAccount, and Internet banking have become the easiest way for customers to access services. Most of CRDB Bank's services, including loans, have been digitalized, 80% of customers'

transactions are currently done digitally. The Bank has a dedicated department that oversees innovation, and young Tanzanians lead it. "The young colleagues are the ones who have developed our new SimBanking Application, which has been praised for using state-of-the-art technology and easy to use features," he revealed to the audience. He further noted that the ultimate goal of the Bank's digital transformation journey is to drive financial inclusion in the country promote

percent. HDIF Country Director Joseph Manirakiza thanked the Bank for its continued support to the IWT, appealing to other stakeholders to support HDIF and the government in the initiative. "The week aims at inspiring the current and future leaders in Tanzania to take risks on new ideas, collaborate across sectors and transform Tanzania using innovation," he added. The theme for this year's IWT is titled "Innovation for a Resilient and Inclusive Digital Economy."





# Investing in Women for Accelerated Growth

**B**eing financially included can have transformative effects for women. When women actively participate in the financial system, they can better manage risk, smooth consumption in the face of shocks, or fund household expenditures like education. In Tanzania, research shows that women contribute considerably to economic development by 54 percent, but only 60 percent have access to banking services. Limited access to financial services is listed among the country's main barriers to women's economic inclusion.

Bridging the gender gap in access to finance, CRDB Bank launched CRDB Malkia a special window for women, last year. CRDB Malkia empowers women through access to saving tools and financial advice and demonstrates the commercial viability of investing in women by providing capital. Leveraging the

resources, reach, and expertise of the Bank, CRDB Bank, this year rolled out a special financial literacy program, "CRDB Malkia forum," across the country to educate women on the opportunity that comes with Malkia account, business management, and funding sources of capital. Highlighting Bank's efforts to empower women at the CRDB Malkia forum organized in the Kagera region, the Bank's Lake Zone – Zonal Manager, Lusingi Sitta, said Malkia Account centred on recognizing and enabling women to achieve their goals through business and entrepreneurial loans while building up savings. In 2020, CRDB Bank cut down its lending rates for women entrepreneurs' loans by 10 percentage points. Now customers are charged an annual lending interest rate of 14 percent from 24 percent. CRDB Bank has since launched a special campaign known as "Fanikisha zaidi na CRDB Malkia" in a deliberate move that seeks to

empower women economically. Sita said the plan is to reach out to more women entrepreneurs despite targeting over 100,000 women countrywide. The Bank is doing everything possible to turn women into active participants in Tanzania's economic growth endeavors. CRDB Bank has so far dished out over TZS 600 billion to support women entrepreneurs in different sectors of the economy. To enable women to get help and financial advice when visiting branches, Sita said the Bank introduced 'Malkia Rafiki,' well-versed financial experts to assist women with their

*Tanzania Shillings*  
**600 Billion**  
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# 54%

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To enable women to get help and financial advice when visiting branches, Sita said the Bank introduced 'Malkia Rafiki,' well-versed financial experts to assist women with their banking needs. "When you visit CRDB Bank branches, ask for Malkia Rafiki, she will guide you to reach your financial goals," he told forum participants. Bukoba District Commissioner, Deodatus Kinawiro termed the interest rate decrease as a 'major boost' to women entrepreneurs. "This has helped to reduce

the burden that women entrepreneurs face in their loan repayments. In addition, it leaves them with cash which they use to invest in their businesses and thus up their chances of succeeding," he said.

The initiatives undertaken by CRDB Bank, said Kinawiro, are vital in aiding Tanzania to meet aspirations as outlined in the United Nations backed 2030 Sustainable Development Goals. He also challenged women in the Kagera region to open Malkia Account to start building up savings. The CRDB

Malkia forum hosted in Dar es Salaam, Mtwara, Mwanza, Mbeya, Morogoro, Dodoma and Kigoma regions. Sita hinted that CRDB Bank would continue hosting the forum in the remaining regions, saying that the next stop is Arusha and Tabora.

**plan is to reach out to more women entrepreneurs despite targeting over 100,000 women countrywide.**

*Bank's Lake Zone – Zonal Manager,  
- Lusingi Sitta*



**"Fanikisha zaidi na CRDB Malkia"**





# Giving back to Our communities

As a socially responsible Bank, our purpose is to help make our communities' lives better. Being a responsible business is integral to our success and that of the customers, clients, shareholders, and communities we serve across the country.

Corporate Social Responsibility (CSR) is embedded in our values and informs how we conduct business, develop products and

services, and deliver on our goals and commitments. CSR is integrated into core areas, where we continue to focus our resources.

"As a lender, business partner, employer, and neighbor, our mission has been to do right by those who depend on us, and we remain committed to that focus in the years to come," Tully Esther Mwambapa, Director of Corporate Affairs.

Our CSR policy requires that at least 1% of the Bank's profit be invested in community support every year, especially in the areas of health, education, environment, and empowerment. The areas form the primary focus of our Community Development and Social Investment strategy. The Bank strategically partners with the Government and private sector institutions to deliver these projects.

# 1%

*Our CSR policy requires that at least 1% of the Bank's profit be invested in community support every year, especially in the areas of health, education, environment, and empowerment*



## Supporting Education Agenda

Contributing to foster the educational environment is at the heart of CRDB Bank. The Bank believes that education is an essential building block to driving economic development, helping to create thriving communities, and inspiring young people to achieve their potential. Accordingly, during the

quarter in review, the Bank donated TZS 303 Million to construct 16 classrooms and two teacher's offices in 8 regions.

Schools that benefited from the program include; Nyasoko Primary School in Rorya in Tarime, Kalimaji Secondary School in Arusha,

Kibande Secondary School in Kigoma, Kikilo Secondary School in Dodoma, Kalunde Sec School in Tabora, Natiro Secondary School in Kilimanjaro, Ipande Secondary School in Mbeya, Gezaulole Primary School in Kigamboni, Twiga Primary School in Temeke.



CRDB Bank donated  
**300 Million**  
Tanzania Shilings

Construct 16 classrooms  
and two teacher's offices  
in 8 regions



## Strengthening Community Health

# 120 Milion

Tanzania Shilings

*CRDB Bank donated to support the health center construction*



To help communities address these challenges, CRDB Bank trusts that it is essential to achieve inclusive growth. Accordingly, in the health sector, the Bank donated TZS 120 Million to support the health center construction at Nyambwanda Hamlet in Kibiti District, Construction of Doctors house Kizimkazi Dimbani Zanzibar, and purchase of wheelchairs for Ikupa Trust Fund.

urban gardens in various parts of the country. During the second quarter, the Bank participated in two state-run environmental protection programs. We first participated in the environmental campaign launched by the Minister of State Vice President's Office, Selemani Jaffo, during World Environment Week. The Bank also supported environmental forum for Dar es Salaam Local Government leaders held in

The healthcare challenge in Tanzania spans several dimensions, including access to affordable healthcare for the poor; awareness of health issues & available facilities/ benefits among the less privileged segments of society and specific vulnerable sections of the population; and child malnutrition, which impairs the capacity of a child to lead a healthy and productive life.

Community beautification through "Pendezesha Tanzania" program

CRDB Bank is committed to improving and preserving the environment for sustainable development through its "Pendezesha Tanzania" program. Through this program, the Bank has been implementing several projects, including planting trees and improving open landscapes and

CRDB Bank was appointed environment ambassador by the Minister of State Vice President's Office, Union, and Environment. Recently, the Bank's Director of Corporate Affairs, Tully Esther Mwambapa appointed to a special environmental committee by President Samia Suluhu Hassan.



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# The Bank teams up with NHIF to expand health insurance cover for farmers



Millions of smallholder farmers in the country who have no insurance cover can now heave a sigh of relief after CRDB Bank and National Health Insurance Fund signed an agreement to enable them to get interest-free "Ushirika Afya Premium Loans." The pact is expected to boost health insurance coverage, which currently is about 32 percent.

The partnership was announced by the Bank's Group CEO, Abdulmajid Nsekela, and NHIF Director-General, Bernard Konga during the MOU signing ceremony held at the Bank's headquarters in Dar es Salaam. Nsekela said the deal allows both individuals and families with the premium

payment of between 50,000 and 76,800 for individuals and 355,200 for a family of six with two parents.

"The loan size will depend upon premium amount whereby for an adult it will be 76,800 while a child will pay 50,400," Nsekela said while noting that the loan is free from any charges and it will be paid during harvest time when farmers are liquid.

Ushirika Afya aims at supporting government efforts for universal health coverage which has disenfranchised rural farmers who have no cash to make the lumpsum premium payment. "Our goal is to back states' efforts to

improve access to quality health services by the public as per President Samia Suluhu Hassan's directive," said Nsekela.

In his remarks after the signing ceremony, NHIF's Konga seconded Nsekela's observation that the arrangement will enable millions of smallholder farmers to get access throughout the year.

The NHIF chief said the main objective of this agreement is to ensure that farmers are certain of their health because of access to treatment when sick during any time of the year. He urged farmers to seize the opportunity and make sure that their families are covered throughout the year.

Though the partnership is between The Bank and NHIF, Tanzania Cooperative Development Commission (TCDC) is the agreement observer. The Registrar of Cooperative, Dr. Benson Ndiege said the move has come timely since extending health cover to farmers attached paramount importance in the country.

The data shows that by December 2019, NHIF coverage was close to 5 million beneficiaries of which only 7,000 were farmers who had direct health cover under cooperative unions.

Since the inception of the scheme, CRDB Bank and NHIF

have so far signed an agreement with more than 20 cooperatives in various regions with over 3,000 farmers who now have access to health insurance. Some of the cooperatives which signed an agreement for Ushirika Afya program include; Chunya Tobacco Cooperative Union (CHUTCU), Maziwa Cooperative Union, and MWAMARU Cooperative Union in Rungwe and Tanga Dairy Cooperative Union (TDCU).

Speaking at the MOU signing event with TDCU in Tanga, The Bank's Chief Commercial Officer, Dr. Joseph Witts said the plan is to reach all cooperative unions in the next three years. He added that the arrangement of deliver-

ing health insurance products to farmers will enable farmers to receive medical services at over 8,000 health facilities across the country.

Dr. Witts said the initiative would boost production morale among dairy farmers and called urged them to join cooperative unions so they can get access to such services for the betterment of the health of their entire families.

Assured of their health needs, the chairman for TDCU, Mr. Shamte Said promised that dairy farmers will now utilize the chance to up their production capacity.



*Tsh. 76,800 for individuals and Tsh.355,200 for a family of six with two parents.*



*Our goal is to back states' efforts to improve access to quality health services by the public as per President Samia Suluhu Hassan's directive*



**Abdulmajid M. Nsekela**  
Group CEO & Managing Director · CRDB Bank Plc





Tuinuane pamoja

# Niamoja

ACCOUNT

## Haina Makato!

Fungua akaunti ya kikundi  
wewe na marafiki zako





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