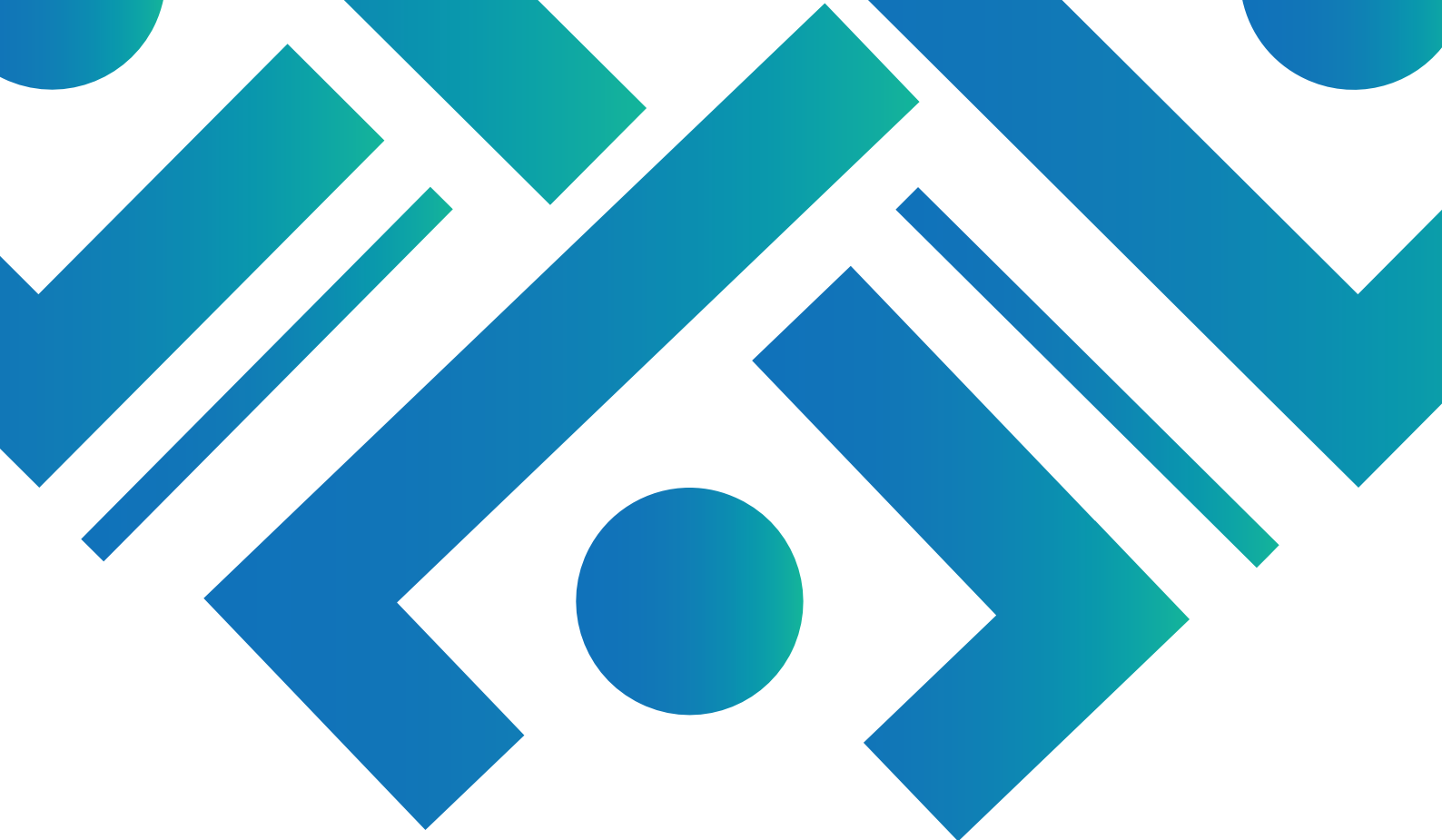


# FSDT ANNUAL REPORT

2023–2024

Enabling  
Transformation and  
Innovation through  
Facilitation and  
Collaboration





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## ABBREVIATIONS

<b>GF</b>	Gates Foundation
<b>BOT</b>	Bank of Tanzania
<b>CAG</b>	Controller and Auditor General
<b>CBTs</b>	Community-Based Trainers
<b>CMGs</b>	Community Microfinance Groups
<b>DCDOs</b>	District Community Development Officers
<b>EU</b>	European Union
<b>EUR</b>	Euro
<b>FCS</b>	Foundation for Civil Society
<b>FSDA</b>	Financial Sector Deepening Africa
<b>FSDT</b>	Financial Sector Deepening Tanzania
<b>FSR</b>	Financial Services Registry
<b>FSP</b>	Financial Service Provider
<b>GFC</b>	Green Climate Fund
<b>IFC</b>	International Finance Corporation
<b>KPI</b>	Key Performance Indicator
<b>MIT</b>	Ministry of Industry & Trade
<b>MSME</b>	Micro, Small, and Medium Enterprise
<b>NCFI</b>	National Council for Financial Inclusion
<b>NFIF</b>	National Financial Inclusion Framework
<b>NIDA</b>	National Identification Authority
<b>NIN</b>	National Identification Number
<b>PO-RALG</b>	President's Office– Regional Administration and Local Government
<b>RCCs</b>	Regional Coordinating Centers
<b>REPOA</b>	Research on Poverty Alleviation Program
<b>STA</b>	Secured Transactions Act
<b>TACATDP</b>	Tanzania Agriculture Adaptation Technology Programme
<b>TMA</b>	TradeMark Africa
<b>TBA</b>	Tanzania Bankers Association
<b>TZS</b>	Tanzanian Shillings



# A Note from the CEO



As we reflect on the year 2023/24, I am proud to share the strides we have made in advancing financial inclusion across Tanzania. The Financial Sector Deepening Tanzania (FSDT) remains committed to breaking barriers that hinder access to financial services, especially for women, youth, and underserved communities. This past year has been one of transformation, resilience, and collaboration, as we continued to innovate and build partnerships.

A major highlight of the year was our progress in digitizing Community Microfinance Groups (CMGs). Through our partnership with Mixx by Yas (formally, Tigo Pesa), Community-Based Trainers (CBTs), and the President's Office – Regional Administration and Local Government (PO-RALG), we supported the roll out of Yas Kikoba (formally Tigo Kikoba), an interoperable digital platform designed to modernize and enhance the efficiency of CMGs. Instead of going through the usual product marketing channels, our approach was to meet the CMGs where they are conducting training of trainers' with CBTs and District Community Development Officers (DCDOs) on how to use the platform, and have them be at the frontlines working with members.

## 352

TRAINERS TRAINED

By June 2024, we had successfully trained 352 trainers and onboarded the first 10 CMGs. This initiative is already proving to be a game changer, making financial transactions safer, more transparent, and more accessible.



## IN THE AGRICULTURAL SECTOR

we began expanding credit access for smallholder farmers. Recognizing that lack of collateral and formal credit histories are major barriers, we worked with CRDB Bank Plc, Selcom Microfinance Bank, and NMB Plc to integrate an innovative credit scorecard tailored for smallholder farmers. Selcom Microfinance Bank has integrated its lending policies into the credit scorecard and is ready to leverage the scorecard to pilot a lending program for sugarcane farmers in Kilombero through its Iringa branch. Meanwhile, device financing firms such as Watu Credit Tanzania and Laina Finance leveraged the scorecard to provide smartphones to farmers, further deepening digital financial inclusion. These interventions are not just about credit, they are about economic empowerment, ensuring that farmers have access to modern technologies and farm input to grow their yields and improve their livelihoods.

Our commitment to shaping a more inclusive financial sector extends beyond product innovation to policy and regulatory support. Over the past year, we provided technical input on the Secured Transactions Act and played a key role in shaping discussions around venture capital, private equity regulations, and the capital markets and insurance regulatory sandbox frameworks. These efforts contribute to building a more dynamic and responsive financial sector, where businesses, entrepreneurs, and underserved groups have access to the capital they need to thrive.

Expanding financial access also means addressing foundational challenges such as customer identity verification. This year, our collaboration with the National Identification Authority (NIDA) gained momentum as we worked to accelerate National Identification Number (NIN) issuance, particularly in rural areas. We allocated funding to support NIN registration for sugarcane farmers in Kilombero, with broader efforts set to scale up in July 2024. These efforts are critical in closing the identification gap that prevents millions from accessing formal financial service.

Beyond direct financial services, we recognize that knowledge and capacity-building play an essential role in fostering financial inclusion. Our research dissemination efforts gained traction, with two key webinars, Exploring Gender and Age Intentionality in Tanzania's Financial Sector and The Rise of Street Vendors in Tanzania and Its Economic Implications. The latter led to an invitation from the Ministry of Community Development, Gender, Women,

and Special Groups to collaborate on policy development for the formalization and growth of street vendors. This is a testament to the power of data to drive advocacy and influence policy.

A strong financial sector requires sustainable funding, and I am pleased to share that we successfully secured new grants to expand our impact. A \$453,000 grant from TradeMark Africa (TMA) will fund research to advance financial inclusion for women and youth small traders, while a \$205,000 grant from FSD Africa will support us in testing and developing of alternative credit scoring models, scaling our community microfinance initiatives, and designing more gender-responsive financial solutions.

Throughout the year, we have also seen notable regulatory and market shifts that influence our work. The Finance Act of 2024 introduced major reforms, allowing financial institutions to offer interest-free credit products, a move expected to expand access to financing for underserved populations. In response, we have been working closely with financial institutions to develop alternative credit solutions that align with these regulatory changes.

Gender-sensitive financial solutions have also been at the forefront of this year's progress. Our work with TMA is helping integrate women into trade activities through tailored financial products and business support.



**The road ahead is promising, and we stand ready to build on this momentum. Together, we will continue to break down barriers, open new opportunities, and ensure that financial services work for everyone. I look forward to another year of growth, collaboration, and meaningful impact.**

While we continue to make significant progress, challenges remain. There are still large rural–urban discrepancies in the uptake of formal financial services, largely attributed to infrastructural and service distribution gaps, and digital literacy remains a limiting factor for the full adoption of FinTech solutions. However, these are not obstacles, they are opportunities for continued improvement. As we move forward, we deepen our collaborations, embrace emerging financial technologies, and refine our strategies to ensure that financial services are inclusive, sustainable, and accessible to all. We work closely with both our government and non-government partners to ensure that our priorities are aligned, while remaining flexible and proactively engaging them each step of the way.

None of these achievements would have been possible without the dedication and support of our staff, partners, funders, and stakeholders. Your trust and collaboration have enabled us to push boundaries and make a lasting impact. I also extend my deepest gratitude to the FSDT team, whose dedication, creativity, and resilience continue to drive our mission forward.

The road ahead is promising, and we stand ready to build on this momentum. Together, we will continue to break down barriers, open new opportunities, and ensure that financial services work for everyone. I look forward to another year of growth, collaboration, and meaningful impact.



A smiling woman wearing a dark beanie with a dollar sign logo and a dark jacket. She is holding a large pile of clear plastic bags. The background is dark with some geometric shapes. A large white '01' is overlaid on the left side of the image.

# 01

**WHO WE ARE**

FSDT is a donor-funded financial sector market facilitator dedicated to fostering a financially inclusive Tanzania by tackling barriers that limit access to financial services, particularly among marginalized groups such as women and youth.

FSDT promotes an enabling environment for financial solutions that drive economic empowerment.

## OUR PARTNERS



FINANCIAL  
SERVICE  
PROVIDERS (FSPs)



POLICYMAKERS



REGULATORS



STAKEHOLDERS

By employing the Market System Development Approach, FSDT partners with financial service providers (FSPs), policymakers, regulators, and stakeholders to co-create policies, financial solutions, innovative technologies and other stakeholders. Serving as a neutral convener, we bridge the gap between the private and public sectors to drive sustainable impact.

## OUR INITIATIVES



FINANCIAL  
LITERACY



DIGITAL  
FINANCE



GENDER-  
RESPONSIVE  
FINANCIAL  
INCLUSION



AGRICULTURAL  
FINANCING

Our initiatives target key financial inclusion gaps by expanding access to financial services, enhancing economic opportunities, and building resilience for underserved populations. We actively support financial literacy, digital finance, agricultural financing, and gender-responsive financial inclusion.





02

OUR STRATEGY



**FSDT's 2022–2026 strategy  
is built upon four primary  
programmatic outputs  
designed to address financial  
exclusion, particularly among  
women and youth:**



**IMPROVED POLICIES AND REGULATORY  
FRAMEWORKS**

to foster gender equality and economic opportunities. These frameworks aim to create an enabling regulatory environment that addresses systemic financial barriers and enhances financial literacy, legal protections, and consumer rights. By collaborating with policymakers, FSDT ensures that financial policies support diverse economic actors, including small-scale entrepreneurs and farmers.

**DEVELOPMENT AND SCALING OF  
INNOVATIVE FINANCIAL SOLUTIONS**

that are responsive to the needs of women and youth. FSDT is committed to supporting the research and piloting of new financial products that cater to different market segments, such as mobile-based savings tools, micro-insurance solutions, and customized lending models that address collateral challenges.

**ENHANCED FINANCIAL SECTOR**

infrastructure to equip financial service providers with the necessary tools to serve underserved populations effectively. This includes investing in interoperable digital payment systems, expanding the accessibility of financial technology (FinTech), and improving Know Your Customer (KYC) frameworks to facilitate easy onboarding of unbanked individuals.

**INCREASED FINANCIAL CAPABILITY**

to ensure women and youth can effectively utilize financial services. Financial education is a cornerstone of this strategy, and FSDT works with partners to deliver training, awareness campaigns, and user-friendly digital tools that build financial management skills and promote a culture of savings and investment.

Our strategic interventions address key barriers, including limited access to digital financial services, low financial literacy, lack of collateral, and informality in women and youth-owned businesses. By integrating gender, youth, and climate considerations into our initiatives, we strive for holistic and sustainable financial inclusion. Additionally, FSDT continues to refine its approach based on ongoing research and market assessments to ensure our interventions are adaptive, scalable, and responsive to changing economic conditions.



# 03

## SUMMARY OF KEY DEVELOPMENTS



## Development of Financial Solutions



Through a data driven design thinking approach we leveraged FinScope Tanzania 2023 insights and supported financial service providers (FSPs) such as CRDB, NBC, and ZanSecurities with insights and technical support to develop, revamp, and scale financial solutions to be more user centric. Further, strategic research disseminations at regional level as well as during various FSP strategy and Executive Committee sessions led to the development of responsive solutions that foster financial inclusion and deepening. A total of seven solutions can be attributed to these efforts, further, the insights have also influenced strategic decisions and built partnerships with Telcos/Fintechs, improving financial access for underserved communities.

## Digitization of Community Microfinance Groups

# 352

CBTs and District Community Development Officers (DCDOs) were trained

# 10

CMGs onboarded

We partnered with Mixx by Yas and worked with Community-Based Trainers (CBTs), and PO-RALG to launch Yas Kikoba (formally Tigo Pesa Kikoba), a platform for Community Microfinance Groups (CMGs) to manage their operations digitally for better security and more flexibility, convenience, and transparency. In June 2024, 352 CBTs and District Community Development Officers (DCDOs) were trained, leading to 10 CMGs being onboarded.



## Innovative Credit Scoring Models for Smallholder Farmers

FSDT is supporting to integrate credit scorecards with CRDB, Selcom Microfinance Bank, and NMB for smallholder farmers. Selcom has piloted a lending program through its Iringa branch for farmers in the Kilombero sugarcane value chain. Watu Credit Tanzania and Laina Finance are also providing smartphones to farmers, boosting digital financial inclusion for women, youth, and MSMEs.

## Support for Policy and Regulatory Framework Development

FSDT provided technical input for the Secured Transactions Act and facilitated five technical meetings, including two on venture capital and private equity regulations, two on capital markets sandbox regulations, and one on insurance regulatory sandbox regulations.

## NIN Issuance and NIDA Collaboration

FSDT and NIDA are collaborating to expand NIN issuance and universal ID access. A budget has been allocated to register sugarcane farmers in Kilombero, with broader efforts set for July 2024. This initiative addresses identity gaps that limit rural communities' access to formal financial services.





## Dissemination of Research

FSDT conducted two webinars: “Exploring Gender and Age Intentionality in Tanzania’s Financial Sector Ecosystem” and “The Rise of Street Vendors in Tanzania and Its Economic Implications.” The street vendors’ webinar led to a request from the Ministry of Community Development, Gender, Women, and Special Groups to collaborate on a policy for street vendor formalization and business growth. FSDT is currently aligning with the Ministry to define areas of cooperation.

Further, financial sector stakeholders rated our FinScope Tanzania 2023 insights exceptionally highly in a survey conducted in May 2024. We received 165 responses which rated us 4.23 out of 5 on usefulness. In June 2024, FSDT presented these insights to 75 Zanzibar House of Representatives members, fostering engagement in legislative processes.

## FinScope MSME Survey 2025

We engaged stakeholders, including the Bank of Tanzania (BoT), CRDB, NMB, TMA, Vodacom, Aceli Africa and IFC, securing funding commitments to support the execution of the FinScope MSME Survey 2025 to provide insights into Tanzania’s MSME sector.

## Funding Security

USD  
**453,000** Secured grant  
from TradeMark

USD  
**205,000** Secured grant  
from FSD Africa

FSDT secured a USD 453,000 grant from TradeMark Africa to enhance financial inclusion for women and youth traders in Tanzania and a USD 205,000 grant from FSD Africa for alternative credit scoring, community microfinance projects, and gendered scorecards. A due diligence exercise by KPMG for Enabel was completed, and a revised budget and action plan were submitted to the EU.





04

**MARKET OVERVIEW**



17.2%

Private sector  
credit expansion  
(year on year)

41.9%

credit to  
agriculture rise

Tanzania's financial sector experienced strong growth and transformation. Private sector credit expanded significantly (17.2% year-on-year), with credit to agriculture rising sharply (41.9%). Inflation remained stable (averaging 3.1%), supported by the introduction of a benchmark interest rate (set at 5.5% in January and raised to 6.0% in April 2024).

The banking sector improved in asset quality, with non-performing loans declining to (4.4%) from (5.5%) the previous year. The Finance Act of 2024 enabled interest-free (sharia compliant) financial products, enhancing access for underserved populations. The Bank of Tanzania mandated gold dealers to reserve (20%) of their output for central bank purchase, targeting (6 metric tons) annually.

Digitalization efforts advanced through national ID and address integration, and Tanzania secured over (USD 900 million) in IMF funding to support its budget and climate initiatives. Overall, these developments reflect a more inclusive, resilient, and digitally enabled financial sector.

New financial products and strategic partnerships have also emerged, enhancing access to finance. The Stanbic Bank and Ramani initiative has introduced a streamlined credit portfolio management system, improving businesses' ability to secure financing. Similarly, the NMB Kikundi Account, integrated with the NMB Mkononi app, is strengthening group savings initiatives by enabling secure fund management and insurance access.

Financial inclusion efforts are also focusing on gender-specific solutions. The Equity Bank Mwanamke Plus Account is designed for women entrepreneurs, combining savings, credit, and financial literacy services. This reflects a broader trend of gender-sensitive banking, recognizing the economic potential of women and their role in driving growth.

Additionally, a new initiative by TradeMark Africa (TMA) and the Foundation for Civil Society (FCS) aims to integrate women into trade activities. By providing tailored financial products, business support, and digital tools, this program will enhance women's participation in domestic and regional trade.

Digital payment adoption continues to grow, supported by the Tanzania Instant Payment System (TIPS), which improves interoperability between banks and mobile money operators. This has increased transaction efficiency while reducing costs for businesses and consumers.

Despite these advancements, challenges persist. Many rural communities still lack access to formal financial services due to infrastructure gaps and low digital literacy. The rising cost of regulatory compliance also poses hurdles for financial service providers, requiring ongoing collaboration between industry stakeholders and regulators.

Looking ahead, Tanzania's financial sector is set for continued evolution, with a focus on digital innovation, gender-inclusive finance, and regulatory frameworks that balance oversight with financial accessibility. FSDT remains committed to ensuring financial services are inclusive, affordable, and responsive to underserved communities' needs.





05

**PROGRESS AGAINST  
STRATEGY TARGET**



**FSDT remains committed to advancing financial inclusion through a multifaceted approach that includes policy advocacy, infrastructure development, and financial service innovation. The key areas of progress are summarised below and then explored in more detail.**



#### **STRENGTHENING POLICY AND REGULATORY FRAMEWORKS:**

The development of the Secured Transaction Act (STA) has reached an advanced stage, with technical inputs provided to the Ministry of Finance. However, challenges in finalizing the review process persist, necessitating continuous engagement with regulators.

#### **FINANCIAL INFRASTRUCTURE DEVELOPMENT:**

Progress has been made in enhancing alternative credit scoring models, particularly for smallholder farmers. Collaboration with financial service providers has led to the integration of digital transaction data into credit assessments, making financing more accessible to underserved groups.

#### **INNOVATIVE FINANCIAL SOLUTIONS:**

The piloting of gender-sensitive financial products through initiatives such as the CRDB Malkia Account and the NBC Women Value Proposition has led to improved financial access for women entrepreneurs. Further refinements to these products will ensure wider adoption and impact.

#### **CAPABILITY BUILDING FOR WOMEN AND YOUTH:**

Financial literacy programs have been expanded, with initiatives such as “Ujanja Pesa” reaching new audiences. Digital literacy training has also been integrated into financial inclusion efforts to ensure users can effectively navigate digital financial platforms.



## 5.1 Strengthening Policy and Regulatory Framework

The Secured Transactions Act (STA) marks a significant step in improving Tanzania's legal framework for financial transactions and the legalization of movable collateral. FSDT has been instrumental in providing technical data, analysis, and recommendations to align the legislation with sector needs, particularly enhancing secured lending for underserved groups, including women and youth entrepreneurs.

To accelerate progress, FSDT has engaged financial institutions, microfinance providers, and policymakers to raise awareness of the Act's benefits, such as increased credit access and financial security. However, budget constraints and shifting government priorities have delayed its finalization. The Act is expected to be tabled in Parliament by November 2024, with FSDT continuing to provide strategic support for its implementation.

Another priority is the review of credit referencing systems to improve credit access while reducing risks. FSDT has completed a Policy Advisory Report and secured alignment with partners, but engagement with the Bank

of Tanzania (BOT) has been delayed. Work will resume in Q2 of the 2024/25 fiscal year, focusing on expanding data sources, including mobile money transactions and informal lending records, benefiting micro-entrepreneurs and rural communities.

In the FinTech sector, regulatory efforts have shifted to developing regulatory sandboxes under TIRA and CMSA, allowing the controlled testing of innovative financial solutions. This approach aims to encourage responsible innovation and attract investment. Broader FinTech policy development remains pending, awaiting the completion of the DIRA2050 framework.

Meanwhile, the Tanzania Agriculture Adaptation Technology Program (TACATDP), GCF funded program (facilitated through CRDB Bank Plc) is advancing, with FSDT, and BOT working to integrate policies that support agricultural resilience. A concept paper has been developed, focusing on climate-resilient insurance and digital credit solutions for smallholder farmers, particularly benefiting rural women and youth.





## 5.2 Financial Infrastructure Development

Significant progress has been made in alternative credit scoring models for smallholder farmers. In partnership with CreditInfo and financial service providers, data collection using the CreditInfo Batch Transformation Module (BTM) tool is now complete. This model integrates gender-sensitive indicators to ensure fair credit access for women farmers and will soon be expanded to other value chains, including dairy and pulses.

To drive financial inclusion, FSDT is working to integrate alternative credit scoring into mainstream financial services. By analyzing behavioural and transactional data, financial institutions can offer personalized credit solutions to farmers and micro-entrepreneurs who lack formal credit histories. Savings groups, mobile money transactions, and agribusiness networks are key indicators of financial reliability, enabling better credit access.

Additionally, FSDT and NIDA are collaborating to expand

financial inclusion by promoting National Identification Number (NIN) issuance. A budget has been submitted to support mass NIN registration for sugarcane farmers in Kilombero, with broader implementation beginning July 2024. A pilot project will provide 200 farmers in Kilombero with NINs next quarter, demonstrating how targeted initiatives can address identity-related financial barriers. NIDA is also strengthening its national ID system through mobile ID technology and biometric identification for children, enhancing financial security, fraud prevention, and access to banking, credit, and insurance.

Meanwhile, FSDT and BOT are advancing the Financial Services Registry (FSR) to improve financial regulation. This centralized database will enhance data accuracy, geospatial analytics, and financial oversight, supporting better policymaking and tailor financial solutions for underserved communities.



## 5.3 Innovative Financial Solutions

FSDT has been instrumental in driving innovative financial solutions, ensuring that financial products cater to the unique needs of underserved groups, particularly women entrepreneurs. Two key initiatives, include FinClinics, insights to solution sprints, with leading service providers such as CRDB Bank Plc and NBC. In the reporting period they have completed critical phases, from problem identification to prototype testing. These solutions are designed to improve financial access and empower women-led businesses by offering tailored banking services, including flexible credit facilities, savings options, and business development support.

Through continuous collaboration with financial institutions, FSDT ensures that these products are scalable, accessible, and aligned with the evolving financial landscape. By integrating customer feedback and data insights, the initiative guarantees that financial offerings remain relevant and impactful, fostering long-term business growth for women entrepreneurs.

Meanwhile, significant progress has been made in the Digitization of Community Microfinance Groups (CMGs). FSDT has formalized strategic partnerships with Yas and Mixx by Yas to enhance digital financial services for CMGs, making financial management more secure and efficient. The onboarding process has been simplified, and financial literacy training has been incorporated to ensure seamless adoption of digital platforms.

By leveraging mobile technology, CMGs can now reduce cash-handling risks, streamline transactions, and foster a stronger savings culture among members. These efforts enhance financial inclusion, particularly in rural areas, ensuring that community groups have reliable access to financial tools that support their economic stability and growth.





## 5.4. Capability Building for Women and Youth

Financial education has been integrated into key initiatives such as CMG digitization, FinClinic, and the Alternative Industry Credit Scorecard, ensuring that women and youth develop the skills and confidence needed to engage with financial service providers.

FSDT has played a pivotal role in supporting Clouds Media Group in review and revision of the financial literacy program “Ujanja Pesa.” This five-year initiative leverages Clouds Media’s expertise to empower Tanzanians with financial education and economic opportunities. Discussions are ongoing to integrate FSDT’s FinClinic, expanding Ujanja Pesa’s reach to underserved rural women and youth, ensuring they receive targeted financial education and access to relevant financial products.

As part of the CMG digitization project, financial literacy training is embedded within the Yas Kikoba onboarding process. Since over 80% of CMG members are women, they receive structured capacity-building support from

Community-Based Trainers (CBTs), equipping them with digital financial skills and enabling them to use mobile-based financial services confidently.

Additionally, financial services sensitization and onboarding efforts are underway, ensuring that women and youth in strategic value chains can access financial products from a diverse range of service providers. Financial literacy will remain central in bridging knowledge gaps, promoting financial inclusion, and fostering sustainable economic empowerment for underserved populations.

# Lessons Learned at the Program Level

Several key insights have emerged from our programs, highlighting areas for improvement and refinement



## Regulatory alignment is essential:

Financial sector regulations are evolving, and maintaining a proactive engagement with regulators is critical. Shifting government priorities require flexibility in policy implementation. FSDT has learned that early and continuous dialogue with regulators ensures that financial inclusion policies remain effective and relevant.

## Strategic engagement with regulators:

Regulatory frameworks must be responsive to market dynamics. The experience of BOT has demonstrated the importance of aligning policy recommendations with national development priorities. Creating more structured and frequent engagement forums with regulators can help accelerate policy approvals and ensure smoother implementation.

## Strengthening financial infrastructure:

Sustainable financial inclusion is reliant on strong infrastructure, particularly digital financial services. Expanding the reach of mobile money, enhancing digital literacy, and ensuring that payment systems are interoperable are crucial steps in creating a resilient financial ecosystem. Future investments must prioritize bridging the digital divide, particularly in rural and underserved areas.

## Capacity building in financial design thinking:

One of the major challenges identified is the shortage of expertise in designing user-friendly financial products. The financial sector must incorporate more user-centric approaches to product development. FSDT is fostering capacity-building initiatives that pair local financial service providers with global experts in financial design thinking to enhance product usability and customer adoption.

By addressing these lessons learned, FSDT will continue refining its strategies to ensure financial solutions are relevant, accessible, and impactful for the communities we serve. Our approach remains dynamic, and we will continuously leverage new insights to enhance our programs and support sustainable financial inclusion across Tanzania.



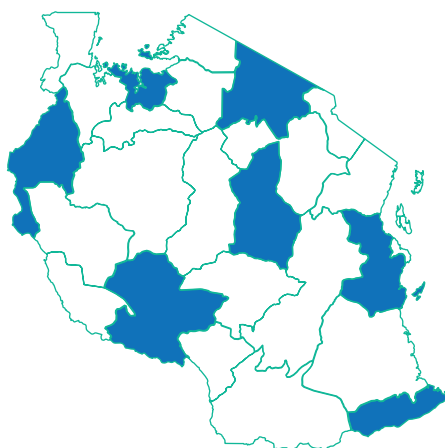


# ADVANCES IN RESEARCH AND INSIGHTS



## FinScope Tanzania 2023 – Amplifying Insights Usage & Market Engagements

FSDT continues to advance financial inclusion through research and market engagement. Social media updates are ongoing, and the Data Publication and Dashboard were completed, with FinScope data and a user guide published online. The FinScope Zanzibar Report 2023 was finalized and launched with 418 attendees (141 in-person, 277 online). Key stakeholders received actionable insights to inform business decisions and support financial service providers (FSPs) and regional coordinating centers (RCCs). FinScope Insights dissemination with Vodacom engaged industry leaders, including Vodacom M-Pesa, Mixx by Yas, Stanbic, and the TBA Annual Conference. These sessions helped align financial providers with market trends, enabling better service offerings and business opportunities.



## Dissemination of Existing Research Pieces and Fellow Partner Initiatives

FSDT has effectively shared key research findings with stakeholders. The Ecosystem Report was adapted into a user-friendly format, focusing on supply-side and regulatory aspects, and a webinar was held to discuss its insights. Simplified REPOA and IBUA materials were also created to improve accessibility. Two webinars covered gender and age dynamics in finance and the economic impact of street vendors, sparking meaningful discussions. The street vendors' session led to a request from the Ministry of Community Development for policy collaboration. FSDT is now working with the Ministry to support vendor formalization and business growth.



## Zonal Engagements

FSDT successfully developed and disseminated Zonal Decks for key regions, including Mwanza, Dodoma, Arusha/Kilimanjaro, Pwani, Mbeya, Mtwara, and Kigoma, ensuring stakeholders had access to critical financial insights. Regional engagement effectiveness improved with disaggregated data presentations, enabling stakeholders to identify financial gaps and opportunities at the zonal level. These tailored insights supported targeted decision-making and the development of scalable financial inclusion initiatives.

## FinScope MSME Tanzania 2025

FSDT has engaged financial sector stakeholders to mobilize funds for the FinScope MSME Survey 2025, ensuring the sustainability of financial inclusion research. Discussions with BOT, CRDB, NMB, TMA, Aceli Africa, IFC and Vodacom have generated strong interest in funding and technical support. These contributions are crucial for the survey's success, providing valuable insights into Tanzania's MSME sector and informing policies to enhance financial inclusion.

## Small Trader Diaries Study 2025/2026

The study underwent preliminary activities, which included preparation of survey protocols and review of learnings from similar studies across East Africa. Further, research permits were successfully obtained to ensure a smooth kick-off in the following year.



07

# **PUBLIC ENGAGEMENT AND COMMUNICATIONS**



Effective communication and engagement ensure FSDT's impact is understood, and stakeholders stay informed. By using various platforms, FSDT drives discussions, fosters collaboration, and advances financial inclusion in Tanzania. These efforts strengthen its role in shaping policy and delivering key insights to the right audiences.

## 7.1 Social and Digital Media

Throughout the year, FSDT published thought pieces on its blog and social media channels, covering key financial topics. The most-read articles attracted moderate readership, and to further expand reach, partnerships with industry experts are planned. Focus notes provided in-depth insights into significant financial issues, including the economic role of street vendors and financial inclusion for women and youth. The study on street vendors drew ministerial interest, opening doors for policy engagement and potential reforms.

FSDT's newsletter remained an essential tool for audience engagement, with quarterly editions tracking readership via Mailchimp. The first quarter of 2024 recorded strong engagement, with multiple subscribers returning to access content, while later editions continued to attract attention. On social media, FSDT saw a 206% increase in engagement by mid-2024, with follower growth nearly doubling. LinkedIn and Instagram emerged as the strongest platforms, and future efforts will focus on amplifying individual expert voices to strengthen engagement. Project briefs were made

available online, maintaining transparency and keeping stakeholders informed. To further enhance accessibility, a 3D animation and a strategic document outlining FSDT's initiatives were produced and shared via social media. Efforts to communicate FSDT's impact continued with regular website updates, ensuring that stakeholders could easily track achievements and progress in financial inclusion. Insights from media monitoring led to strategic adjustments, including increased Swahili-language content, podcast exploration, and expanded partnerships. Tailored social media posts and blog updates are also in progress to cater to a wider audience.

An events calendar was finalized and made accessible on the website, keeping stakeholders informed about upcoming engagements. Website traffic saw significant growth, with user numbers rising by 91.4% and session counts increasing by 90.2%. However, a slight decline in engagement rate prompted adjustments, such as the inclusion of hyperlinks to related content to encourage deeper exploration of the site.

## 7.2 Industry Forums

Industry forums played a vital role in discussing policies and regulations aimed at unlocking fintech potential and building an inclusive digital economy. The forums also highlighted gender and age considerations in Tanzania's financial sector. While participation targets were met, future events will require increased promotion to expand engagement further. Stakeholder engagements centered on

the dissemination of the FinScope Tanzania 2023 findings, which gained substantial interest at various third-party events. The findings were referenced multiple times by the Prime Minister at Financial Services Week 2023, reinforcing their significance. Additionally, the Bridging the Mobile Phone Divide event underscored the growing adoption of mobile money services.

## 7.3 Media Coverage

Media coverage of the FinScope Tanzania 2023 Zanzibar report was extensive, with 24 outlets reporting on it across television, radio, newspapers, and online platforms. Every story was positively received, demonstrating the strength of FSDT's media strategy. Traditional media engagement

peaked during major events and report launches, highlighting the need for ongoing partnerships with specialized media outlets. The organization also published its 2022–2023 Annual Report on its website and distributed it via the third-quarter newsletter to ensure broad accessibility.



A smiling man is shown from the chest up, holding a large catch of fish. The image is overlaid with a large, white, stylized number '8'. The entire image has a blue and green color gradient.

# 8

**OUR PEOPLE AND  
ORGANISATIONAL  
DEVELOPMENT**

People are at the heart of an organization like FSDT, driving its mission, innovation, and impact. Their expertise, insights, and collaboration shape strategies that promote financial inclusion and economic development. While strong partnerships amplify reach, internal teams bring vision to life through research, advocacy, and engagement. By investing in people—both within and outside the organization—FSDT fosters a dynamic ecosystem where ideas thrive, policies evolve, and financial solutions become more accessible, ultimately creating lasting change in Tanzania's financial sector.

## 8.1 Employee Engagement

To strengthen leadership and collaboration, FSDT implemented several Learning & Development (L&D) initiatives, including refresher training on performance management, KPI development, leadership, and coaching for the Senior Management Team. Staff participated in self-awareness and collaboration sessions, alongside comprehensive personality assessments to enhance personal impact, relationships, and professional growth.

## 8.2 Knowledge Management

Effective knowledge management enhances decision-making, preserves institutional memory, and drives impactful interventions. FSDT is advancing its knowledge retention efforts by building systems to ensure structured documentation and tracking of insights. We are working on an organizational learning library to support systematic documentation of lessons learned, improving accessibility and knowledge-sharing across program teams. These initiatives ensure that knowledge is effectively captured, stored, and utilized to enhance organizational impact and strategic decision-making.





A woman with short dark hair, wearing a patterned top, is holding a large woven basket filled with fruit, including bananas and avocados. The background is a metal cage or fence. The entire image has a blue color overlay.

# 09

## FINANCIAL PERFORMANCE

# Summary

**Overall Expenditure**

**65%**

10% increase from 2022–23 fiscal year

**Burn Rate**

**58%**

19% increase from 2022–23 fiscal year

**Total  
available  
investment  
funds**

**6,165,559** USD

As of June 30, 2024

**Received  
commitment  
funding**

**4,279,415** USD

Amounting to 71 percent of the  
committed funding

FSDT demonstrated strong financial performance with effective fund utilization, increased investment funds, and alignment with strategic objectives. The increase in expenditure reflects a focused investment in research, digital infrastructure, and program execution. With continued support from funders and adherence to financial accountability, FSDT is positioned for sustained impact in the financial sector.

We recorded notable financial activity and fund utilization during the period from September 1, 2023, to July 12, 2024. FSDT had an overall expenditure rate of 65 percent, amounting to USD 1,983,677.86 out of a total budget of USD 3,059,432.79. This represents a 10 percent increase compared to the fiscal year 2022 to 2023. The primary contributors to this expenditure rate include the dissemination of findings of FinScope Tanzania 2023, alternative credit scoring model implementation, and the launch of TIPS Phase II.

FSDT achieved a burn rate of 58 percent, marking a 19 percent increase from the previous fiscal year. This increase was largely influenced by the execution of activities aligned with the FSDT 2.0 strategy, such as the dissemination of findings from the FinScope Tanzania 2023, which amounted to USD 266,290.17. Other expenditures included the development and implementation of credit scoring models for smallholder farmers at a cost of USD 88,000, small trader diaries totalling USD 34,528.75, the launch of TIPS Phase III at

USD 16,136.39, research and insights consultancy amounting to USD 36,081, and consultancy on digital infrastructure at USD 55,086.

As of June 30, 2024, the total available investment funds stood at USD 6,165,559. This amount comprised USD 4,409,973 held in bank reserves and USD 1,720,586 in pending receipts. The pending receipts are expected from the GF Supplementary Grant in March 2025 and an additional USD 35,000 from FSDA. By July 12, 2024, the Trust had received 71 percent of the committed funding, totalling USD 4,279,415. This included full disbursement of USD 453,000 from TradeMark Africa, 83 percent of the committed USD 170,000 from FSD Africa, and 51 percent of the committed USD 400,000 from the Gates Foundation for the TIPS project. All funds were disbursed in accordance with the funding agreements.

During this reporting period, the National Bureau of Statistics accounted for disbursements totalling USD 763,238.88, while Credit Info accounted for USD 88,000 and IPA accounted for USD 36,925.01. A portion of these funds, including USD 702,009 for the National Bureau of Statistics and USD 48,000 for Credit Info, had been disbursed in the previous financial year but recorded as advances. These disbursements were accounted for in the current reporting period but have been excluded from the performance analysis for this period.



## STATEMENTS OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2024

		2024	2023
	Note	USD	USD
<b>Revenue from non-exchange transactions</b>			
Grants	6	3,078,408	2,848,542
<b>Revenue from exchange transactions</b>			
Other income	7	21,169	38,297
Gain on disposal of assets		-	1,232
<b>Total revenue</b>		<b>3,099,577</b>	<b>2,888,071</b>
<b>Expenses</b>			
Project activities	8	2,166,816	2,021,251
Governance and operating costs	9	506,050	386,791
Staff costs	10	307,313	363,127
Depreciation expense 12&13	-	98,229	77,373
<b>Total expenses</b>		<b>3,078,408</b>	<b>2,848,542</b>
<b>Surplus for the year before income tax</b>		<b>21,169</b>	<b>39,529</b>
Income tax	11	-	-
<b>Surplus for the year after income tax</b>		<b>21,169</b>	<b>39,529</b>



## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

		30 June 2024	30 June 2023
ASSETS	Note	USD	USD
<b>Non-current Assets</b>			
Property and Equipment	12	98,034	123,769
Right of use of asset	13(a)	49,977	68,139
		<b>148,011</b>	<b>191,908</b>
<b>Current Assets</b>			
Grants receivable	18	1,720,586	6,000,001
Accounts receivable	14	109,062	845,406
Cash and cash equivalent	15	4,413,037	1,406,704
	-	<b>6,242,685</b>	<b>8,252,111</b>
<b>Total assets</b>		<b>6,390,696</b>	<b>8,444,019</b>
<b>FUNDS AND LIABILITIES</b>			
<b>Funds</b>			
Accumulated surplus		402,861	381,692
<b>Non-current liabilities</b>			
Lease liability	13(b)	-	38,780
<b>Current liabilities</b>			
Deferred income	16	5,666,694	7,722,102
Accounts payable	17	265,741	265,992
Lease liability	13(b)	55,400	35,453
		<b>5,987,835</b>	<b>8,023,547</b>
<b>Total liabilities</b>		<b>5,987,835</b>	<b>8,062,327</b>
<b>Total funds and liabilities</b>		<b>6,390,696</b>	<b>8,444,019</b>