

NMB Bank PLC. Presentation To

Digital Transformation in the Blue Economy

**Benedicto Baragomwa:
Chief Internal Audit**

October 2022

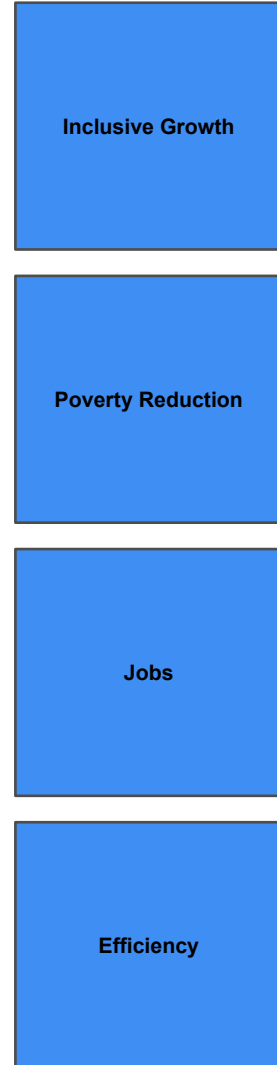
01

Digital Economy

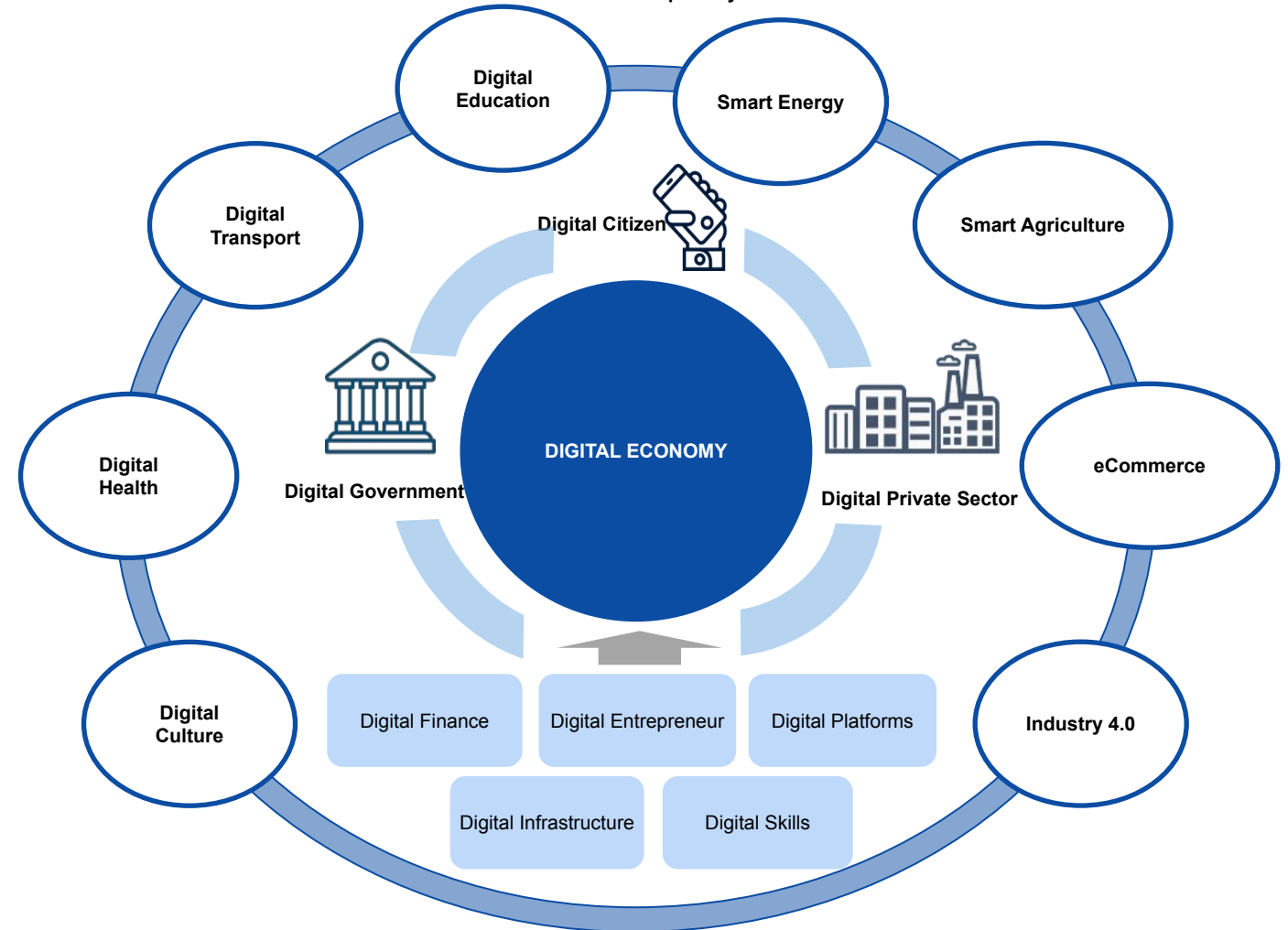


Digital Economy

- ❑ **Digital economy** is defined as the share of total economic output derived from a number of broad “digital inputs”.
- ❑ **Digital Inputs includes:**
 - Digital Skills and Literacy
 - Digital Equipment and Infrastructure
 - Digital goods and services



World Bank's Digital Economy for Africa: Digital economy elements and sectors with potential to bring shared prosperity and reduced poverty



02

About NMB Bank Plc.

- Our History



NMB at glance

We are the largest retail and commercial bank in Tanzania. We provide a suite of financial services and products to retail customers, wholesale, farmers, SMEs, Corporates, Institutions and the Government.



NMB has over 5 million customers



The bank has 226 branches



Employs over 3,518 staff



Over 10,000 Agents (Wakala)



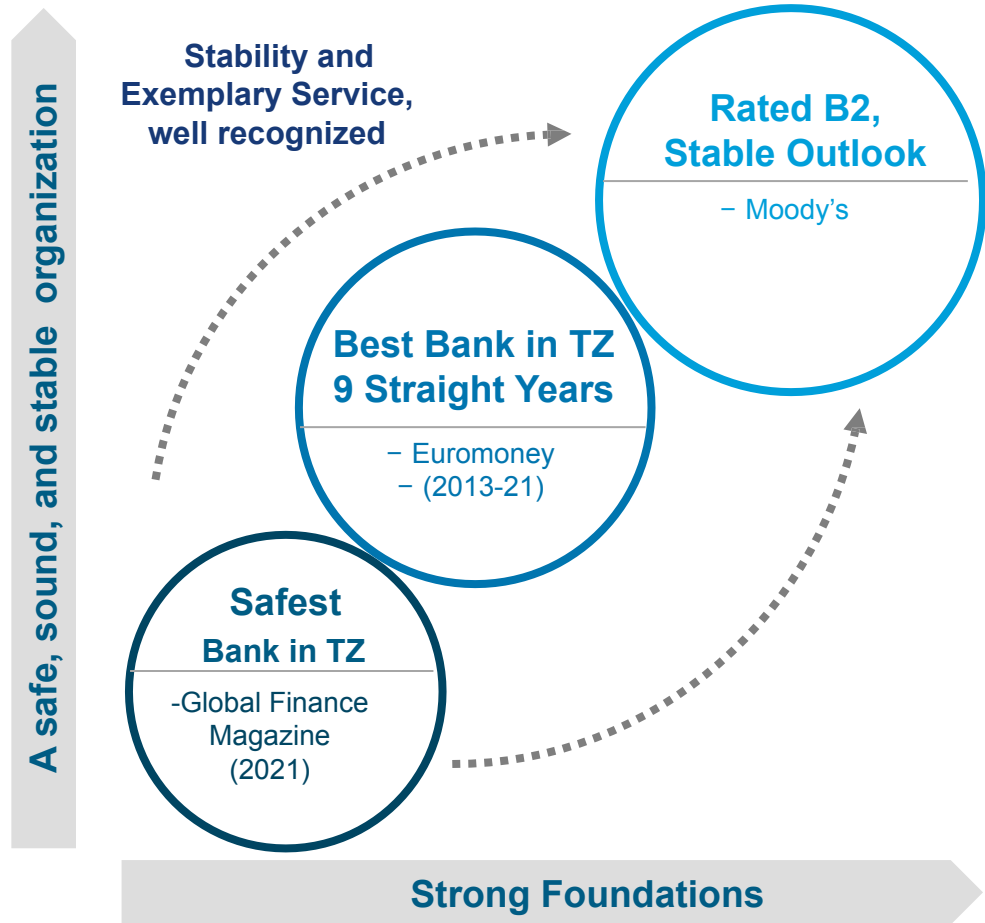
More than 800 ATMs across Tanzania



Our Digital Transformation Journey in Numbers



Locally and Internationally recognized...



1997	2020	2021
97	226	226
600K	>3.5 MILLION	>4 MILLION
0	8,410	10,194
0	753	755
N/A	3,465	3,482

Digital Channels



03

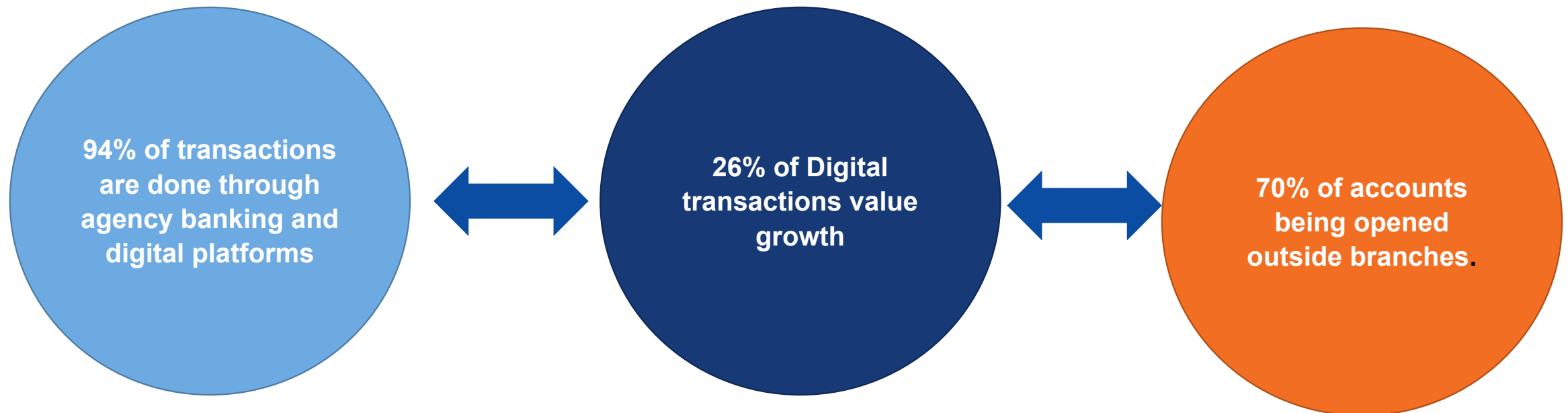
NMB Digital Transformation Journey



NMB Digital Transformation Journey



- ❖ The rapid adoption of technology in Tanzania is a crucial growth opportunity for our bank digital strategy.
- ❖ We continue leveraging our technological capabilities and offerings of financial products and services to create value for our customers.
- ❖ Digital initiatives have played a key role in driving growth and efficiency in our business.



04



Zanzibar- Blue economy

- Relevant solutions to the Blue Economy



Blue Economy

As defined by World Bank, the blue economy is the concept of embracing "all economic activities related to oceans, seas, and coasts with the goal of economic use of the sea and oceans, preserving ecosystems and improving the quality of life and work".

Importance of Digital Technologies in the Blue Economy

- Simplification of process and management
- Cost reduction
- Better use of resources by increasing transparency
- Promotes economic inclusion
- Simplify information sharing and
- Improved collections of government revenues.



Zanzibar Initiatives – Digitization of Blue Economy

Through partnership with Government Institutions of Revolution Government of Zanzibar, NMB has participated in digitalization of: Process, Payments and Collections of different areas of the Blue Economy.

ZPC

- **Zanzibar Ports Cooperation (ZPC) & e-GAV**
- Developed a "One Stop Center" platform for managing cargo clearing at the Zanzibar Port.
- Allow government employees from multiple institutions to use one platform to manage the process.
- The main critical functions in the platform currently include a **declaration, invoicing, global control number generation, and fund distribution.**
- Benefits: simplifying the port processes, reducing turnaround time (TAT), and clear visibility on revenue collection.



Ministry of Tourism

- **Ministry for Tourism and Natural Heritage**
- The bank has provided the capability to allow for tourist digital payment facilitations through POS machines and QR.



ZIPA

- **Zanzibar Investment Promotion Authority (ZIPA) & e-GAV**
- Developed a platform that allows one-stop center activities for Zanzibar investment.
- The system lets customers digitally apply for investment certificates, make payments, and track their requests.
- A single platform to request services from all institutions that participate in investment facilitations such as: Immigration, etc.
- Benefits: simplifying the process, improve operational efficiency, and Turnaround time (TAT) to the investors.



ZATO

- **Zanzibar Association of Tour Operators**
- Offer digital payment capabilities through a **co-branded prepaid card proposition** that helps tour operator's access: discounted payments from merchants and digitize their payment.



ZAN-malipo

- Integrated with Zan-malipo to offer digital collection capability from Banks and MNO Wallets.

05

NMB Bank Digital Initiatives



Banking Initiatives – To support the Digital Transformation in the Blue Economy

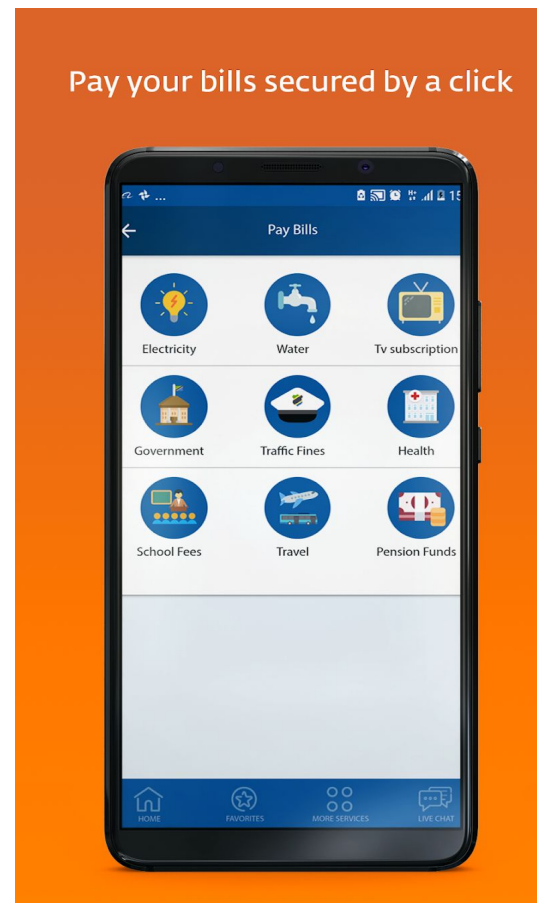
- ❖ Finscope Research – 2017 shows **formal financial inclusion rate was at: 65%** of the adult population of Tanzania and **45% of Zanzibar**; of which only **15% are banked**.
- ❖ Drivers of low financial inclusion: low levels of digital accessibility, digital participation; digital literacy level and perception of high charges.

1. Teleza Kidigitali Campaign

- ❑ **Mshiko Fasta:** Customers can apply for a micro-lending through their mobile phones.
 - Processing Fee
 - Amounts ranging from 10,000 – 500K.
- ❑ **NMB Pesa Wakala :** A new Agency Banking services that can be accessed using mobile phones including “Kitochi”.
 - Provide indirect employment to Zanzibar.
- ❑ **Lipa na Mkononi:** allows customers to pay for different products and services using the Lipa number directly from their NMB Mkononi platform.

2. Digitizing Forodhani Business

- The bank has provided the small entrepreneurs at the Forodhani business centre with the capability to collect funds from customers through NMB QR.



3. Retail Agri – Farmers

- Digital Literacy training to salt, seaweed, and fisheries farmers
- new Digital Kilimo platform: digital onboard farmers, and instantly access to bank accounts.

4. Banc assurance

- Easy access to insurance services.
- **Jahazi Banc-assurance proposition** which cover for: marine hull, engine, equipment, permanent disability, medical expenses, and death due to accident.

5. Masta Boda


- Digital payment access through QR
- Digital Loans for Boda Boda


6. Partnership with Cooperate clients


- Partnered with Kendwa Rocks for Full Moon Party; for digital payment facilitation.


Key Take Away




- 

Government to work with Private sector like: NMB Bank in continuing to invest in Digital Technologies.
- 

Invest in Digital Foundations like: Infrastructure, Unlock power of data, regulatory framework, and security.
- 

Prepare Resources with digital skills and talents.
- 

Explore opportunities on use case of emerging technologies like: Blockchain, AI and Big Data to provide advance digital capabilities.
- 

Financing Digital Growth

Thank-You!

A.O.B