

## ECOBANK TANZANIA PROGRESS REPORT

### 1. Planned activities for the period:

- Focus aggressively on local corporates for lending/trade finance/collection
- Opportunities in local government, universities and schools
- Branches should have anchor names (5 minimum) to help grow NIBs leveraging cash management solutions (CIT, OMNI Lite, POS, etc)
- Pursue aggressive collections and recoveries
- Customer number growth (CASA) from the current 34,250+ to 100,000
- The aggressive migration of Agents
- Leverage CB and CMB names to grow salary backed accounts
- Migrate customers to the digital platform - >80% transactions on OMNI Lite, Ecobank Mobile
- All customers should have debit cards
- Aggressive sale of Ecobank Prepaid Cards
- Follow the money – value chain opportunities
- Refocus on trade leveraging Ecobank Affiliates

### 2. Project Financial Expenditure to date:

Type	Local	Total
Land and Buildings	5,896,677,057.61	5,896,677,057.61
Plant and Machinery	0	0
Vehicles/Aircrafts	306,390,399.79	306,390,399.79
Furniture	950,528,070.38	950,528,070.38
Office equipment	6,951,179,632.84	6,951,179,632.84
Insurance cover	528,526,945.67	528,526,945.67
Software	970,816,266.49	970,816,266.49
Pre-operational expenses	97,203,955.46	97,203,955.46
Working sub-total capital	0	0
<b>Grand Total</b>	<b>15,701,322,328.24</b>	<b>15,701,322,328.24</b>

### 3. Project Financing

Ecobank Tanzania Limited is a subsidiary of Ecobank Transnational Incorporated (ETI), which have invested a total capital of Tshs. 168Billion to the affiliate. The capital has assisted Ecobank Tanzania in execution of its strategies from time to time.

#### **4. Problems and Solutions**

##### ✓ Problems

- High NPL
- System challenges
- High staff turnover
- Economic headwinds due to slowdown of business expansion/growth
- Industrial exposure to Frauds and cyber attacks
- Impact of COVID-19

##### ✓ Solutions

- Fill all the key vacancies by 30th June 2020
- Improve working environment – friendly and sense of belongingness
- Staff Trainings – Group, Local, On the job, VBI trainings
- Loans Restructurings - to engage customers facing financial challenges and restructure loans hence upgrade such loans.
- Engage the Central Bank (BOT) to approve waiver of deferring the write off until when the bank can accommodate on the basis that recovery efforts are ongoing and such loans have recoverable collaterals.
- Enhance Collection Resource Base
- Digitalization of the economy & adoption of e-commerce
- Cross border business flows and trade facilitation (EAC, SADC)

#### **5. Future Plans**

- (a) The bank to roll out the Customer excellence program ensuring that every staff is customer centered, improve TAT by reviewing SLAs to ensure adherence to the set standards, take immediate actions to every action disgracing customers, respond/resolve customer issues timely.
- (b) Migrate customers to the digital platform - >80% transactions on OMNI Lite, Ecobank Mobile.
- (c) All customers should have debit cards
- (d) Aggressive sale of Ecobank Prepaid Cards leveraging IOs
- (e) The aggressive migration of Agents leveraging Telcos
- (f) Trade business focus, with particular emphasis on commodities imports and exports.
- (g) Open Branch in Mbeya and Dodoma

## **6. Recommendations/Comments**

- Ecobank Tanzania operates in a very competitive banking environment with 51 banks
- The feel of the market is that Ecobank Brand is well respected given the African coverage
- With appropriate leadership and staff motivation, Ecobank Tanzania will return to profitability
- COVID-19 impact and restrictions are serious downsides to the financial projections
- With the appropriate support from the Group and the Region, Ecobank Tanzania achieve its strategies.

Henceforth we request to renew and change shareholder on our TIC certificate

**ECOBANK TANZANIA LIMITED**