persistent gaps in access to credit and loan sizes between men and women. In response, financial institutions and policymakers introduced products with flexible repayment structures, targeted financial literacy initiatives, and capacity- building programmes for women-owned enterprises. Mobile money services further reduced mobility and documentation barriers, enhancing women's financial autonomy. Women's usage of formal financial services increased to 74.3 percent in 2023 from 61 percent in 2017, while the gender gap in account ownership narrowed to 3 percentage points from 10 percentage points. As financial technologies evolved, regulatory approaches adapted accordingly. The Bank of Tanzania embraced innovation-friendly supervision to balance innovation with stability. Structured engagement with fintech providers, proportional regulatory requirements, and controlled pilot environments enabled emerging technologies to be tested before full-scale deployment.

8.6 Bank of Tanzania FinTech Regulatory Sandbox operations

A regulatory sandbox is a framework established by the Bank of Tanzania to allow fintech innovative solutions and business models to be tested in a controlled real-market environment under relaxed regulatory requirements. Its purpose is to promote safe financial innovation, enhance competition, and strengthen financial inclusion while ensuring consumer protection and financial stability. The Bank developed the Fintech Regulatory Sandbox Regulations in 2024, which was launched and became operational in 2025. The Sandbox applies the test-and-learn approaches allowing the regulator to assess consumer impacts, operational risks, and systemic implications in a measured manner. Since launching of the Sandbox operations, 35 innovations applications were received, where one had already approved for testing.

8.7 Financial Consumer Protection

The evolution of financial consumer protection in Tanzania reflects the broader transformation of the financial sector over six decades. In the early years following the establishment of the Bank of Tanzania, consumer protection was understood primarily through the lens of institutional stability. Ensuring the solvency of banks, maintaining currency credibility, and safeguarding systemic soundness were regarded as the core foundations of public trust in formal finance. Protection was therefore implicit, anchored in prudential oversight rather than explicit conduct regulation. As financial sector liberalization expanded the number of institutions and diversified financial products, the relationship between access and protection became more pronounced. Increased competition, product innovation, and outreach to low-income segments exposed consumers to new risks, including information asymmetry, opaque pricing, aggressive recovery practices, and uneven service standards. These developments, coupled with the rapid growth of microfinance—and later digital financial services—underscored the need to embed fairness, transparency, and accountability within the financial inclusion agenda.

A decisive milestone in this evolution was the introduction of the Microfinance Act, 2018 and operationalization of the Bank of Tanzania (Financial Consumer Protection) Regulations, 2019. These regulations represent the most comprehensive conduct framework in the Bank's history, transforming consumer protection from a

fragmented supervisory function into a structured and codified regulatory pillar. They establish clear principles of fair treatment, transparency, responsible conduct, and institutional accountability across regulated financial service providers. Under this framework, disclosure standards have been strengthened to ensure that consumers receive clear, accurate, and timely information on product terms, pricing, penalties, and contractual obligations. Responsible lending requirements reinforce affordability and suitability assessments before credit is extended—particularly important in the context of expanding digital lending models. By embedding consumer safeguards within regulatory expectations, the framework aligns innovation with financial health rather than short-term product expansion.

8.8 Financial Complaints Resolution in the Bank of Tanzania

The complaint handling framework at the Bank of Tanzania has evolved from a manual, institution-based system to a structured, regulated, and performance-monitored consumer protection framework. It was formalised through issuance of the Bank of Tanzania (Financial Consumer Protection) (Amendment) Regulations 2025, requiring financial institutions to establish internal complaint resolution mechanisms with defined timelines, while unresolved complaints are escalated to the Bank for review, mediation, and enforcement, increasingly supported by digital systems such as "Sema na BoT."

As part of this transformation, the Bank further established a dedicated Consumer Protection function to strengthen oversight, centralise handling of escalated complaints, and improve efficiency and responsiveness. The framework now operates through a clear escalation process from financial institutions to the Regulator, backed by supervision and reporting requirements. This has significantly improved the rate of complaints resolved by banks, enhanced accountability, reduced resolution time, and strengthened transparency, consumer protection, and trust in the financial sector. The rate of complaints resolved by banks improved from 66.2 percent in 2022 to 96.8 percent by December 2025.



Governor of the Bank of Tanzania, Mr. Emmanuel Tutuba addresses stakeholders at the launch of the Financial Consumer Resolution System (FCRS), locally known as "Sema na BoT" on 5 June 2024

8.9 Market Conduct Supervision

Market conduct supervision has similarly evolved. The supervisory approach now integrates both onsite and offsite monitoring of consumer protection compliance. Onsite inspections assess

adherence to disclosure standards, recovery practices, product governance, and complaint management procedures. Offsite monitoring leverages data analytics and regulatory reporting to identify emerging conduct risks, particularly within high-growth digital segments. This dual approach enables early and proportionate intervention while preserving financial system stability. As of December 2025, onsite conduct inspections have increased from none to six annually, while offsite thematic reviews have covered samples of 42 banks, six mobile money operators, and 40 Tier 2 microfinances institutions.

In July 2024, the Bank issued comprehensive guidelines for fees and charges, aiming to ensure fair, transparent, and affordable financial services. These guidelines cover Banks/Financial Institutions, Microfinance Service Providers (MSPs), and Non-Bank Payment Systems Providers (PSPs), prohibiting certain fees, mandating publication of tariffs, and introducing penalties for non-compliance.

These Guidelines are issued under Regulation 25(1) of the Bank of Tanzania (Financial Consumer Protection) Regulations, 2019 and correspondingly developed a price comparator tool (Kilinganishi) that is available on the website for consumers to make comparison of fees and charges, hence enhancing consumer empowerment and compliance by FSPs.

8.10: Financial literacy

Over time, literacy initiatives have evolved from general awareness campaigns into structured national programmes integrated within successive financial inclusion frameworks through the Guide for Financial Educator issued by the National Council for Financial Inclusion. Following the launch of the NFIF III (2023-2028), two financial literacy programmes started to be implemented in year 2024, which are the on-schooling and the off-schooling programmes.

For on-school initiatives, the Bank as the Secretariat to the National Council for Financial Inclusion developed Toolkit for incorporating financial literacy in the education system, where in 2024, financial literacy was incorporated in primary schools (maths) and secondary school (business studies). Further, the Bank in collaboration with the Ministry of Education, Science and Technology (MoEST) under the Higher Education for Economic Transformation (HEET) project, developed Guidelines for financial literacy in tertiary and higher education curricula in Tanzania, to introduce financial literacy as one of the cross-cutting subjects for higher learning students. The financial literacy concepts covered the broad spectrum of all financial products and services offered in Tanzania including financial numeracy skills, knowledge of the financial eco system, application of financial technology, personal financial protection, financial obligation, and money management. These were developed and aligned with the Curriculum for Certified Financial Educators that is offered for off schooling population, to standardise financial literacy among the Tanzanian population from elementary to professional level while out-of-school initiatives target women entrepreneurs, youth, smallholder farmers, and underserved communities through community engagement, partnerships, and digital platforms.