

# IMPACT REPORT

2015 – 2025



**A DECADE OF TRANSFORMATION**





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Tanzania believes in its ability to become a food basket for crops like maize, rice, vegetables and cooking oil in the EAC (East African Community), SADC (Southern Africa Development Community) and among other countries globally, arriving at its goal to feed the world.

#### H. E. Dr. Samia Suluhu Hassan

The President of the United Republic of Tanzania







The bank will address challenges that have hampered agriculture such as lack of financial packages. Different financial packages will suit different categories of farmers.

**H. E. Dr. Jakaya Mrisho Kikwete**  
The Former President of the United Republic of Tanzania  
(August 2015, during the launch of TADB)

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Future-Next Decade Focus: Driving the wave of impact





Impact Highlights:

TADB'S GAME-CHANGING IMPACT

Our Theory of Change outlines TADB's impact areas, focusing on advancing economic growth and enhancing food security in Tanzania. It emphasises increasing access to finance for agricultural projects, improving credit flows, and fostering resilience in the farming sector. This impact report highlights the progress made in implementing our

strategic initiatives over the past decade. Over the years, we have gained valuable insights into the complexities of driving impactful change in the agricultural finance sector. Furthermore, TADB's commitment to investing the necessary resources and time to effect lasting change remains central to our approach.

Economic Transformation

DIRECT JOBS  
11,214  
People

Created through Direct Financing

IN-DIRECT JOBS  
20,900+  
People

Created through Direct Financing

EXPORT COMPETITIVENESS  
586.9  
TZS Billion

Invested in Cashew, Cotton and Coffee Exports

Resources Mobilised

GOVERNMENT  
514.86  
TZS Billion

Invested as equity

DEVELOPMENT PARTNERS  
454.53  
TZS Billion

Mobilised with concessional terms

FINANCIAL LEVERAGE  
164.41  
TZS Billion

Attracted to finance agriculture through co-financing

105.17  
TZS Billion

Guarantee Scheme Fund

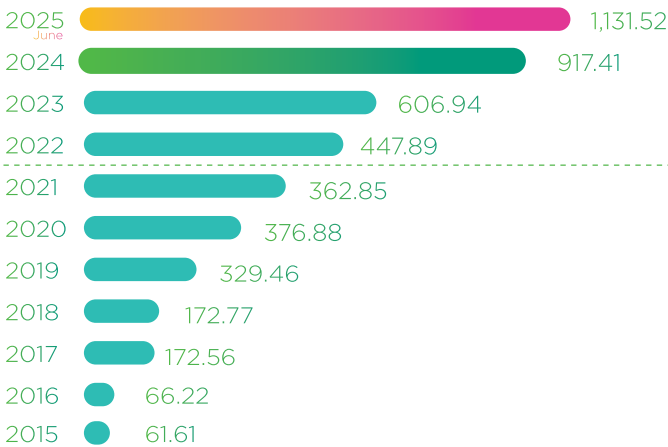
36.54  
TZS Billion

Third Party Fund

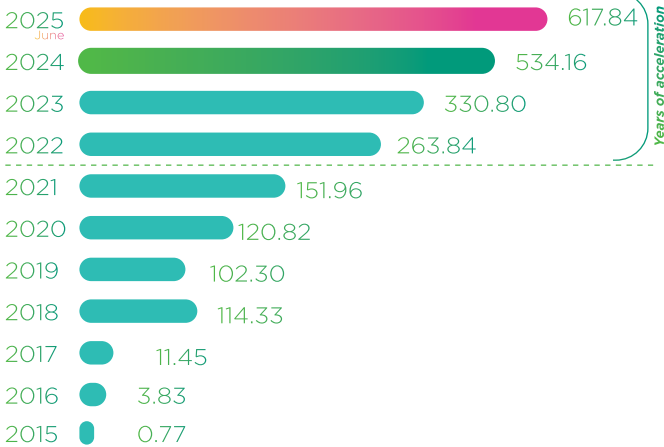
65.00  
TZS Billion

Market Borrowing

Asset Growth Trend  
(TZS Billion)



Loans & Advances  
(TZS Billion)



Portfolio Quality

TADB NPL  
3.27%

High quality portfolio. Our ratio is below BOTs cap standard of <5% and Africa <15%

SCGS NPL  
2.71%

Proves the effectiveness of the guarantee as a tool for transformation

- Prudent Risk Management
- Financial Stability
- Impact Effectiveness

Our Reach

BENEFICIARIES  
1,953,162

Farmers reached through various financing models

PROJECTS  
719

Financed countrywide

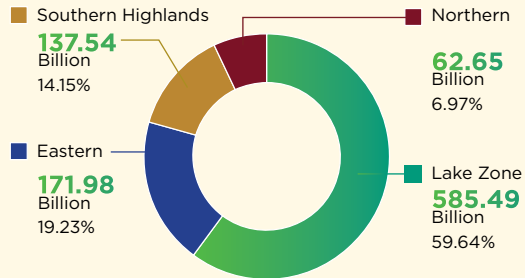
VALUE CHAINS  
57

Financed via integrated value chain financing model

DISTRICTS  
168

In 31 Regions in both mainland and Zanzibar

Clustered Distribution



Wholesale Lending

7  
PFIs

Financial Institutions including one Leasing Company benefited with concessional wholesale lending

168  
PFIs Branch Networks

Sub-loans are distributed to branch networks countrywide to improve credit flow.

Resources Committed

LOANS TO FOOD PRODUCTION  
734.71  
TZS Billion

Invested direct and indirect on staple and non-staple food production

FINANCIAL INCLUSION  
70.64  
TZS Billion

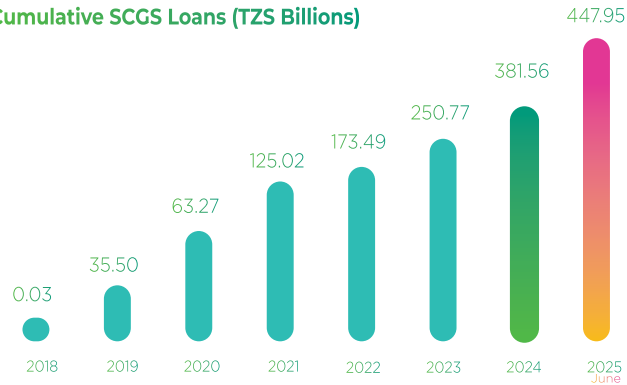
Disbursed to Women and Youth

AGRO PROCESSING  
247.72  
TZS Billion

Disbursed to finance Value Addition and Agro-processing

Small-holder Credit Guarantee Scheme

Cumulative SCGS Loans (TZS Billions)



762,291  
Total number of Smallholder Farmers and Rural Microenterprises impacted.

19  
Financial Institutions Enrolled

Since its launch in 2018 with just two banks, we expanded to 19 PFIs by June 2025.

9%  
Lower Interest Rates

SCGS has lowered interest rates, eased collateral requirements with up to 70% coverage.





## Board Chairperson's Statement

**TADB has evolved from a newly established policy bank into a credible, capital-efficient development finance institution (DFI) that now plays a pivotal role in transforming how agriculture is financed in Tanzania.**

As Chairman of the Board of Directors, I am proud and confident to reflect on the Tanzania Agricultural Development Bank's (TADB) outstanding decade-long journey. Since 2015, TADB has been envisioned as more than just a lender, it is a national development institution tasked with a catalytic role to unleash the potential of agriculture through long-term, inclusive, and innovative financing.

Over the past decade, the bank has remained true to that mandate, strategically guided by its Board and aligned with national policy frameworks such as Vision 2025, ASDP II, and the industrialisation agenda. What we have witnessed is not merely institutional growth, but systemic influence. TADB has evolved from a newly established policy bank into a credible, capital-efficient development finance institution (DFI) that now plays a pivotal role in transforming how agriculture is financed in Tanzania.

The bank's interventions have gone beyond disbursement figures, they have shaped financial market behavior. TADB has directly contributed to a paradigm shift; the proportion of private sector credit to agriculture has risen from 8.02% in 2015 to 12.3% in 2024. This is a clear evidence to the bank's success in innovative financing and de-risking agriculture and crowding in private capital to a once-neglected sector.

From a shareholder's perspective, this shift signals a long-term return on mandate TADB is delivering public value by

addressing market failures, unlocking latent productivity, and creating fiscal and economic multipliers through agricultural transformation.

As directors, we are stewards of both risk and purpose. Over the past decade, we have ensured that TADB's growth has been grounded in sound fiduciary oversight, compliance with prudential standards, and adherence to long-term strategic goals. We remain committed to supporting the bank as it enters a new phase of strategic relevance, one that must integrate climate finance, deepen market systems, and assist Tanzania in meeting both its food security objectives and its global commitments under the Sustainable Development Goals (SDGs).

In closing, I extend my sincere appreciation to our shareholder, the Government of the United Republic of Tanzania, for its firm support and strategic vision. I also thank my fellow Board members for their wise counsel, and commend the Management and staff for their executional excellence.

The next decade calls for even greater ambition. With strong governance, deep national alignment, and clear developmental purpose, I am confident that TADB will continue to be a cornerstone of Tanzania's inclusive and sustainable agricultural transformation.

**Mr. Ishmael Kasekwa**  
Board Chairman



## Managing Director Statement

**Our institutional growth has mirrored our development impact. From an asset base of TZS 61.61 billion in 2015, TADB has grown to over TZS 1.13 trillion in total assets today, attaining Tier 1 bank status and reflecting strengthened financial sustainability, effective capital deployment, and increased investor confidence in the agriculture sector.**

A decade ago, the Tanzania Agricultural Development Bank (TADB) was established with a bold vision to drive inclusive growth and transformation in the agricultural sector. Today, as we mark this 10-year milestone, I am proud to affirm that we are delivering on that promise.

Over the past ten years, TADB has emerged as a trusted catalyst for agricultural finance and development. We have disbursed over TZS 1.13 trillion in financing, reaching more than 1,953,162 smallholder farmers and supporting over 719 agribusinesses across all regions of Tanzania.

Our institutional growth has mirrored our development impact. From an asset base of TZS 61.61 billion in 2015, TADB has grown to over TZS 1.13 trillion in total assets today, attaining Tier 1 bank status and reflecting strengthened financial sustainability, effective capital deployment, and increased investor confidence in the agriculture sector.

TADB's loan portfolio has shown strong and responsible growth, increasing from TZS 770 million in 2015 to over TZS 617.84 billion today. We have maintained a healthy loan book with a non-performing loan (NPL) ratio of 3.27%, reflecting sound credit risk management. Revenue has also grown from TZS 9.71 billion in 2016 to TZS 59.87 billion (December 2024) supported by portfolio expansion and prudent financial stewardship.

A key driver of our success is the Smallholder Credit Guarantee Scheme (SCGS), which de-risks lending by covering part of potential losses. This has unlocked financing for previously un-bankable smallholders farmers, catalysing over TZS 447.95 billion addressing collateral deficiencies and promoting credit flow.

We provided technical support to farmer groups, offered advisory services to agribusinesses, and promoted inclusive finance by integrating gender and youth. We also enhanced our Environmental and Social Risk Management systems to align growth with climate and sustainability ambition.

Internally, we've advanced our digital transformation, deploying robust Management Information Systems (MIS), agri-fintech tools, and data-driven processes to improve transparency, efficiency, and service delivery. Our enhanced Monitoring & Evaluation (M&E) frameworks have strengthened our ability to capture meaningful impact and systemic transformation.

This 10-Year Impact Report reflects not only what we've achieved, but how we've evolved innovating, adapting, and scaling through strong partnerships with government, development partners, financial institutions, and farming communities.

As we enter our second decade, our vision is clear; deepen our impact, scale what works, and lead through innovation and collaboration. We are committed to building an agricultural economy that is inclusive, climate-smart and future-ready.

On behalf of TADB, I extend heartfelt appreciation to all our partners and stakeholders. Together, we have laid a strong foundation now, let us grow even further.

**Frank Nyabundege**  
Managing Director



01

# Setting the Stage for Change



Why TADB?

Contextual Story of Tanzania’s Agricultural Landscape & Financing Gap

1.

Agriculture:

The Lifeline of Tanzania’s Economy

Agriculture serves as the cornerstone of Tanzania’s economy, providing jobs for over 65% of the population, contributing around 26% to the national GDP, and fulfilling more than 70% of the country’s food needs. This sector is vital for rural development and food security. Despite its importance, it grapples with persistent structural challenges that restrict its productivity and economic growth.

In Tanzania, smallholder farmers primarily depend on rain-fed agriculture, with merely 4% of cultivated land being irrigated. Yields for key crops like maize, rice, and pulses fall below regional averages because of limited access to modern inputs, outdated farming techniques, and inadequate extension services. Annual post-harvest losses for perishable goods are estimated to exceed 30% due to insufficient storage facilities and cold-chain infrastructure. Agricultural mechanisation is also low, with fewer than 18 tractors per 100 square kilometres. These inefficiencies hinder value addition, restrict export competitiveness, and perpetuate poverty among millions of rural households.



65%  
Jobs created in the sector



26%  
National GDP contribution



70%  
Country’s food needs



30%  
Annual post-harvest losses



4%  
Land under irrigation



18 Tractors  
Per 100 square kilometres

2. The Chronic Financing Gap:

A Barrier to Transformation

Despite these obstacles, the primary barrier has been the persistent underfunding of the sector. Historically, agriculture has received under 10% of the total credit granted by Tanzania’s banking sector, despite employing nearly two-thirds of the population. In many rural regions, formal financial services are nearly absent, forcing farmers and agribusinesses to rely on informal, high-cost loans. The absence of long-term financing has hindered essential investments in irrigation, storage, processing, and value chain development. Women and youth, who constitute an increasing proportion of agricultural labour and business ownership, continue to face significant exclusion.



<10%  
Total credit granted by Tanzania’s banking sector, despite employing nearly two-thirds of the population.



The absence of long-term financing has hindered essential investments in irrigation, storage, processing, and value chain development.



Women and youth, who constitute an increasing proportion of agricultural labour and business ownership, continue to face significant exclusion.

3.

A Catalytic Response: Establishing TADB

In 2012, recognising a systemic market failure, the Government of Tanzania took bold steps to establish the Tanzania Agricultural Development Bank (TADB). This dedicated development finance institution has a specific mission: to foster sustainable, inclusive, and commercially viable agricultural transformation. Unlike conventional commercial banks, TADB seeks to fill financing gaps that others ignore by offering patient capital, concessional terms, and risk-sharing instruments tailored for the agricultural sector. The bank started its operations in August 2015.

4.

Unlocking Finance:  
Across the Value Chain

Over the last ten years, TADB has transformed the agricultural finance landscape through a strategic mix of direct lending, co-financing, wholesale lending, and credit guarantees.

Our Mandates



DIRECT LENDING  
TZS 1.13 trillion

This encompasses loans to smallholder farmers for inputs and working capital, funding for cooperatives to facilitate bulk purchasing and aggregation,



CO-FINANCING  
TZS 164.41 billion

TADB’s role in reducing lenders’ exposure has encouraged greater private sector participation in high-risk, high-impact areas of agriculture.



WHOLESALE LENDING  
TZS 39.25 billion

Disbursed through concessional credit lines to partner financial institutions (PFIs) has supported the development of customized agri-loan products across the country.



THE SMALLHOLDER CREDIT  
GUARANTEE SCHEME (SCGS)  
TZS 447.95 billion

This has mitigated the risk perceptions that deter agricultural lending by providing coverage for a portion of loan defaults. Since its launch.



## About TADB

Tanzania Agricultural Development Bank Limited (TADB) is a state-owned development finance institution (DFI), established under the Companies Act no. 2 of 2002 and given Certificate of Incorporation no. 94075 on 26th September 2012.

The key role of the bank is to be a catalyst for delivery of short, medium and long-term credit facilities for the development of agriculture in Tanzania. Its establishment is among the key initiatives and national goals enshrined in the Vision 2025 to achieve food self-sufficiency and food security, economic development and poverty reduction.

The bank as a key stakeholder in the development and envisaged revolution of the agricultural sector, it is committed to delivering on undertakings made in the context of the national agriculture related strategies consistent with its Vision, Mission and Objectives. Further the bank was tasked with implementation of the Government's Second-Generation Financial Sector Reforms, the national policies and strategies for the development of the agricultural sector.

### Our Vision

To be a champion development finance institution for agricultural transformation in Tanzania.

### Our Mission

To contribute to food security and poverty reduction by catalysing agricultural transformation through innovative financing solutions that develop sustainable and inclusive agricultural value chains

## Core Values



Integrity



Learning & Innovation



Team Work



Professionalism



Diversity & Inclusion

## Our Focus

### OUR BROAD GOALS

1

Contributing to the achievement of food self-sufficiency and security.



Transformation of agriculture from subsistence to commercial in order to effectively and sustainably contribute to economic growth and poverty reduction.

2

### THEMATIC PRIORITIES



CATALYZING FINANCING TO AGRICULTURE



VALUE CHAIN DEVELOPMENT



CLIMATE CHANGE AND CLIMATE SMART AGRICULTURE



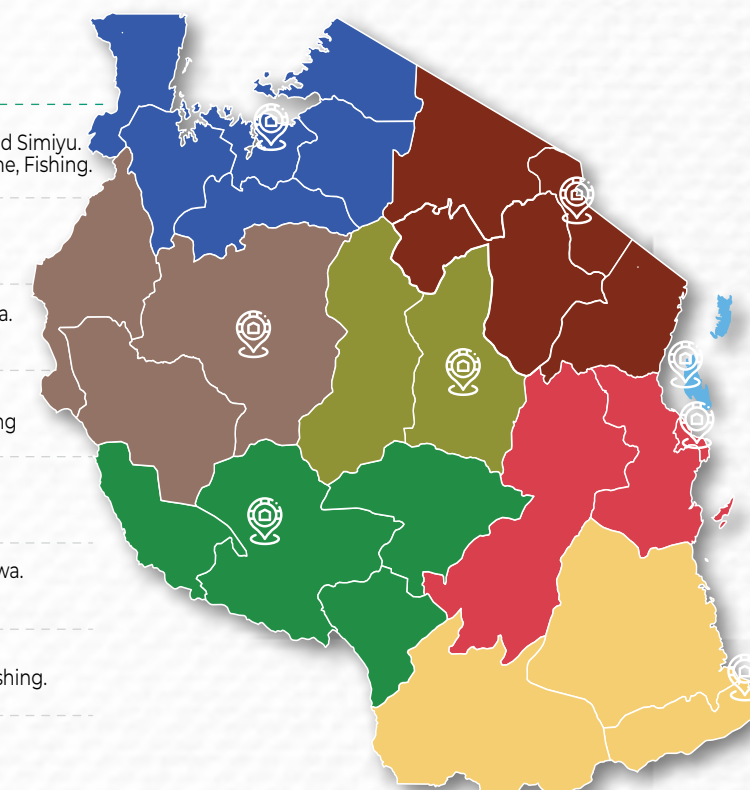
FINANCIAL INCLUSION



CAPACITY TO DELIVER

## Our Presence

- Lake Zone Cluster:** Mwanza, Kagera, Mara, Shinyanga, Geita and Simiyu. Cassava, Paddy, Pulses, Beef and Dairy, Cotton, Coffee, Sugarcane, Fishing.
- Central Cluster:** Dodoma, Singida. Sunflower, Maize, Beef and Dairy, Barley, and Grapes.
- Northern Zone Cluster:** Arusha Kilimanjaro, Manyara and Tanga. Maize, Wheat, Horticulture, Pulses, Dairy and Beef.
- Eastern Zone Cluster:** Dar es Salaam, Coast and Morogoro. Cassava, Paddy, Spices, Maize, Dairy and Beef, Sugarcane, Fishing
- Western Zone Cluster:** Katavi, Kigoma and Tabora. Maize, Paddy, Sunflower, Pulses, Palm oil, Beef, Fishing, Honey.
- Southern Hinglands:** Mbeya, Songwe, Iringa, Njombe and Rukwa. Maize, Paddy, Coffee, Sunflower, Pulses, Barley, Beef and Diary.
- Southern Coast Cluster:** Ruvuma, Lindi and Mtwara. Cassava, Coffee, Maize, Paddy, Sesame, Pulses, Cashew nuts, Fishing.
- Zanzibar Cluster:** Pemba and Unguja. Spices, Seaweed, Dairy and Fishing, Fruit and Vegetables.



## Our Roadmap

1

The bank was established in 2012

2

The bank was officially launched in 2015 as a Tier 3 bank.

3

In 2018, TADB launched Small-holder Credit Guarantee Scheme to enhance credit access.

4

In 2023, the bank began implementing its second medium-term strategy and reaffirm its mandate.

That same year, the bank was upgraded to Tier 2 status.

5

By 2025, the bank had become a Tier 1 financial institution.

Its balance sheet exceeded 1 trillion by 2025.

The cumulative value of loans and advances also surpassed 1.1 trillion by June 2025.



02

# Additionality: **The TADB Difference**

## TADB a Game-Changer

### A Decade of Transformation: Our Additionality

TADB, Tanzania dedicated agricultural DFI, was established to address the financing gaps left by commercial banks, which often avoid the sector due to perceived risks. Unlike profit-driven lenders, TADB focuses on long-term, inclusive development by offering concessional capital, de-risking private investments and financing underserved areas. Beyond funding, the bank strengthens institutional capacity, supports policy reforms, and raises standards, catalysing systemic change and driving sustainable growth across agricultural value chains.

#### Financing Structure

- TADB's financing structure demonstrates additionality by offering long-term financing with extended grace periods and concessional terms, unlocking investment in underserved agricultural sectors where commercial lenders are absent.

#### Innovative Financing

- SCGS has reduced interest rates and collateral requirements, while via wholesale lending, TADB offers concessional funding to financial Institutions for agricultural on-lending. Both structures enabled expanded lending.

#### TADB's Own Equity

- TADB's shareholder equity demonstrates financial additionality by providing catalytic capital that enables concessional lending and mobilizes additional funding for agriculture.

#### Resource Mobilization

- TADB's resource mobilization attracted catalytic funds otherwise unavailable to agriculture, unlocking investment and expanding finance to underserved value chains and respective nodes.

#### Investing in Climate-smart Agriculture

- TADB has advanced climate risk assessment by developing tools and capacity to mainstream climate-resilient lending.

#### Policy, Institutional and Regulatory Support

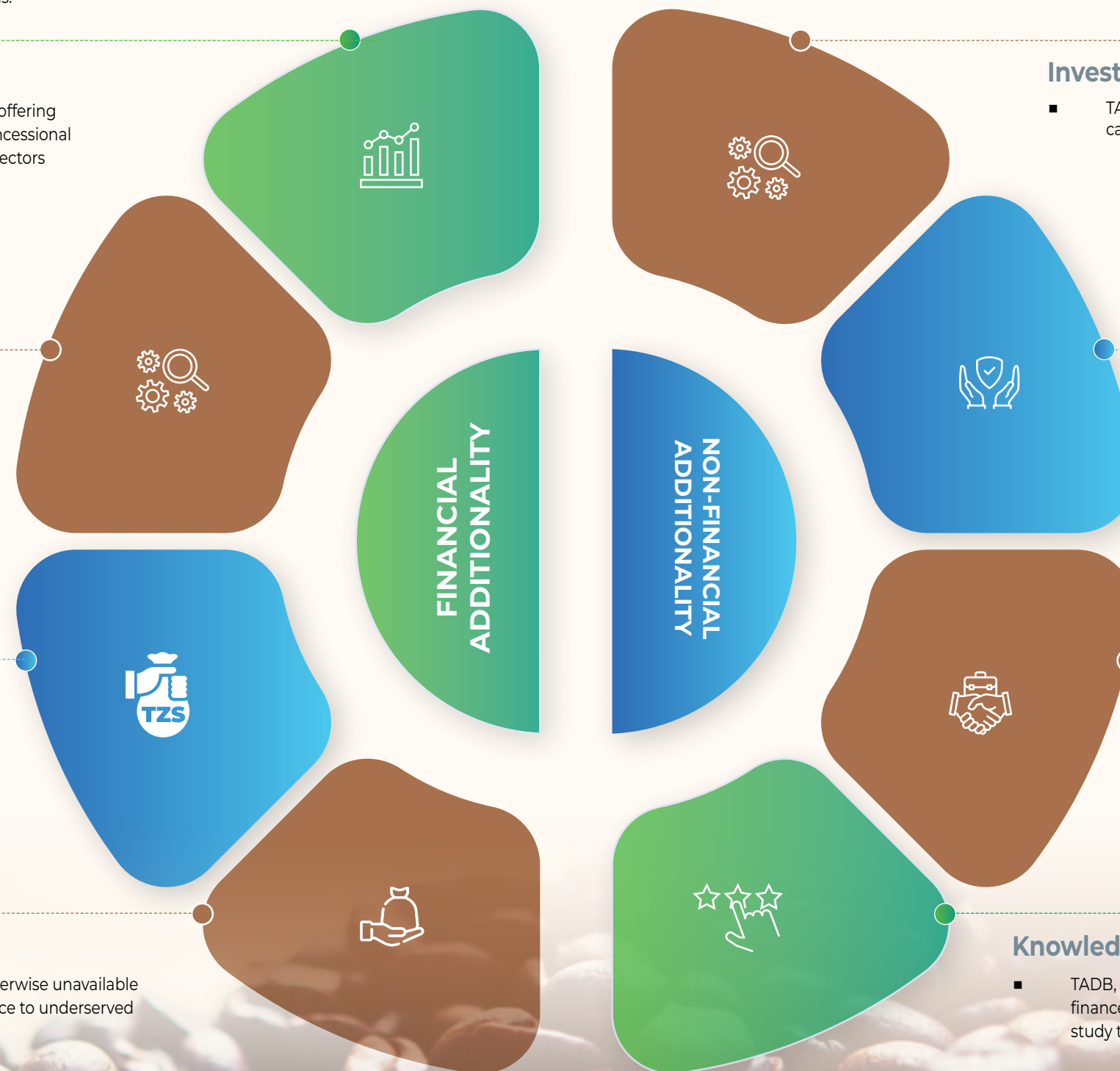
- TADB has proactively invested in policy-oriented research across key value chains and thematic areas, generating 13 policy briefs that inform national policy, guide project planning, and strengthen technical support to stakeholders filling critical knowledge gaps typically underserved by market actors.

#### Standards and Best Practices

- TADB guided projects and clients to adopt higher operational, environmental, and social standards including gender, aligning them with national and international best practices and new finance mechanisms.

#### Knowledge, innovation, and capacity building

- TADB, in partnership with the BoT Academy, trained 12 partner banks in agri-finance and supported over **90,137** farmers through capacity building and study tours to drive sector transformation.





Delivering Impact with Stakeholders

TADB delivers meaningful impact by working collaboratively with a broad range of stakeholders including smallholder farmers, agribusinesses, financial institutions, development partners, and government agencies. Through these partnerships, the bank drives inclusive and sustainable transformation across agricultural value chains, strengthens economies, and supports national development goals with interventions that are practical, scalable, and results-oriented.

Stakeholder	Key Interests	How TADB Relates and Responds	Outcome / Value
 <b>Shareholders</b>	<ul style="list-style-type: none"><li>Sustainable return on investment</li><li>Transparent reporting</li><li>Sound risk management</li></ul>	<ul style="list-style-type: none"><li>Provide timely, accurate financial statements</li><li>Maintain strong governance and risk controls</li><li>Drive growth via strategic initiatives</li></ul>	<ul style="list-style-type: none"><li>Growth in share value</li><li>Confidence in bank stability and prospects</li></ul>
 <b>Employees</b>	<ul style="list-style-type: none"><li>Fair remuneration &amp; benefits</li><li>Career growth &amp; training</li><li>Safe work environment</li><li>Inclusion &amp; diversity</li></ul>	<ul style="list-style-type: none"><li>Offer competitive pay &amp; benefits</li><li>Provide learning &amp; development programs</li><li>Promote health and wellbeing</li><li>Foster an inclusive culture</li></ul>	<ul style="list-style-type: none"><li>Improved morale and productivity</li><li>Low turnover rate</li><li>Positive workplace culture</li></ul>
 <b>Customers</b>	<ul style="list-style-type: none"><li>Convenient &amp; secure banking access</li><li>Fair pricing &amp; transparency</li><li>Innovative solutions</li></ul>	<ul style="list-style-type: none"><li>Ensures data protection and cybersecurity</li><li>Promotes financial inclusion through accessible, transparent services</li></ul>	<ul style="list-style-type: none"><li>Improved customer satisfaction</li><li>Strong brand reputation</li></ul>
 <b>Suppliers</b>	<ul style="list-style-type: none"><li>Fair &amp; transparent procurement</li><li>Timely payments</li></ul>	<ul style="list-style-type: none"><li>Adhere to procurement policies</li><li>Evaluate based on quality and value</li></ul>	<ul style="list-style-type: none"><li>Strong supplier relationships</li><li>Mutually beneficial contracts</li></ul>
 <b>Regulatory Authorities</b>	<ul style="list-style-type: none"><li>Compliance with regulations</li><li>Financial system stability</li><li>Input in policy frameworks</li></ul>	<ul style="list-style-type: none"><li>Strict adherence to risk-based regulations</li><li>Timely tax &amp; statutory payments</li><li>Proactive policy engagement</li></ul>	<ul style="list-style-type: none"><li>Enhanced trust &amp; reputation</li><li>Support of national development goals</li></ul>
 <b>Government</b>	<ul style="list-style-type: none"><li>Economic empowerment</li><li>Social welfare</li><li>Environmental responsibility</li></ul>	<ul style="list-style-type: none"><li>Promote financial inclusion (women and youth)</li></ul>	<ul style="list-style-type: none"><li>Positive economic impact</li><li>Strengthened public-private partnerships</li></ul>
 <b>Community / Society</b>	<ul style="list-style-type: none"><li>Economic empowerment</li><li>Social welfare</li></ul>	<ul style="list-style-type: none"><li>Support local development projects</li><li>Expand financial access to underserved areas</li></ul>	<ul style="list-style-type: none"><li>Positive community impact</li></ul>

Our Partners





03

# Our Impact: Dimensional Transformation Edge



Theme One: Catalysing Finance to Agriculture

Unlocking Potential

As of December 2015, agriculture represented only 8.2% of total private sector credit. Acknowledging that restricted access to credit poses a significant obstacle to realising agriculture’s potential for inclusive growth, food security, and poverty alleviation, TADB has intentionally implemented a series of targeted financial initiatives. These initiatives include the creation and introduction of **Smallholder Farmers’ Credit Guarantee Scheme (SCGS), Wholesale Lending and Co-financing product**. By enrolling and empowering Financial Institutions (PFIs), securing impactful financing agreements, and overseeing on-lending activities, these initiatives are designed to stimulate a sustainable rise in agricultural credit flows.



Catalyzing Through Credit Guarantee Scheme





Catalyzing Through Whole sale Lending

**Wholesale Lending**

TADB's wholesale lending product unlocks transformative access to concessional funding for Partner Financial Institutions (PFIs), empowering them to scale credit flow into Tanzania's agriculture sector. By offering long-term, low-interest financing, TADB enables eligible commercial banks, community banks, microfinance institutions, and leasing companies to expand their agricultural lending portfolios under favourable terms. This strategic support addresses the historical bottlenecks that kept many financial institutions out of agriculture due to limited access to long-term capital and costly funding.

*Growth of Partner Financial Institutions (PFIs)*

**39.25** Billion

**Transformative Access To Concessional Funding**

Disbursements improving access to inputs, mechanisation, processing, and market linkages.

**7**

**PFIs**

Partner Financial Institutions including one Leasing Company benefited.

**1,214** Farmers

**Number of Farmers Reached**

Majority benefited are Smallholder farmers

**168**

**PFIs Branch Networks**

Sub-loans are distributed to branch networks countrywide to improve credit flow.

Catalysing Through Co-Financing

**TADB's Co-financing Model**

TADB's co-financing model is a blended finance mechanism that enables joint investment with Partner Financial Institutions (PFIs) in viable agribusiness ventures. By combining TADB's long-term, catalytic funding and agricultural expertise with the financial strength and outreach of PFIs, the model reduces individual lender risk while improving financing terms for borrowers.

**Capital Mobilisation and Leverage**

**274.02** Billion

**Co-Financing Facility**

Mobilised across 12 approved agribusiness projects with TADB contributing TZS 109.61 billion (42.93%) and Partner Financial Institutions (PFIs) contributing TZS 164.41 billion (57.07%).

**PFI FINANCING**

**164.41** TZS Billion

41% Invested in Capital Expenditure and 59% on working Capital.

**SMALLHOLDER FUNDING**

**49.2%**

TZS 54.43 Billion Disbursed directly to Smallholder through cooperatives

**Inclusive Reach and Socioeconomic Impact**

**46,582** Beneficiaries

**Direct Beneficiaries**

The co-financing model has directly benefited 16,837 individuals, including 5,614 women and 1,926 youth, and indirectly reached an additional 283,132 people.

TADB Catalytic Effect in Agri-financing

**1.13** Trillion

**Direct Lending**

Baseline funding support for agribusiness and value chains

**447.95** Billion

**Credit Guarantees (SCGS)**

Mobilized private credit to high-risk smallholders

**164.41** Billion

**Co-Financing with Banks**

Leveraged ratio: 2.5

**39.25** Billion

**Wholesale Lending to PFIs**

Strengthened financial institutions' liquidity for agriculture

Non Monetized

**Technical Assistance (TA)**

Enhanced PFI readiness, credit risk management

Embedded

**De-Risking Mechanisms (incl. SCGS)**

System-wide behavior change in agri-lending

Institutional Role

**Policy Alignment & Advocacy**

Shaped agri-finance agenda at national level

Trend

**LENDING TO AGRICULTURE**

**12.3%**

TADB catalytic effect contributed to the increase of private sector lending to agriculture from 8.06% in 2015 to 12.3% in 2024

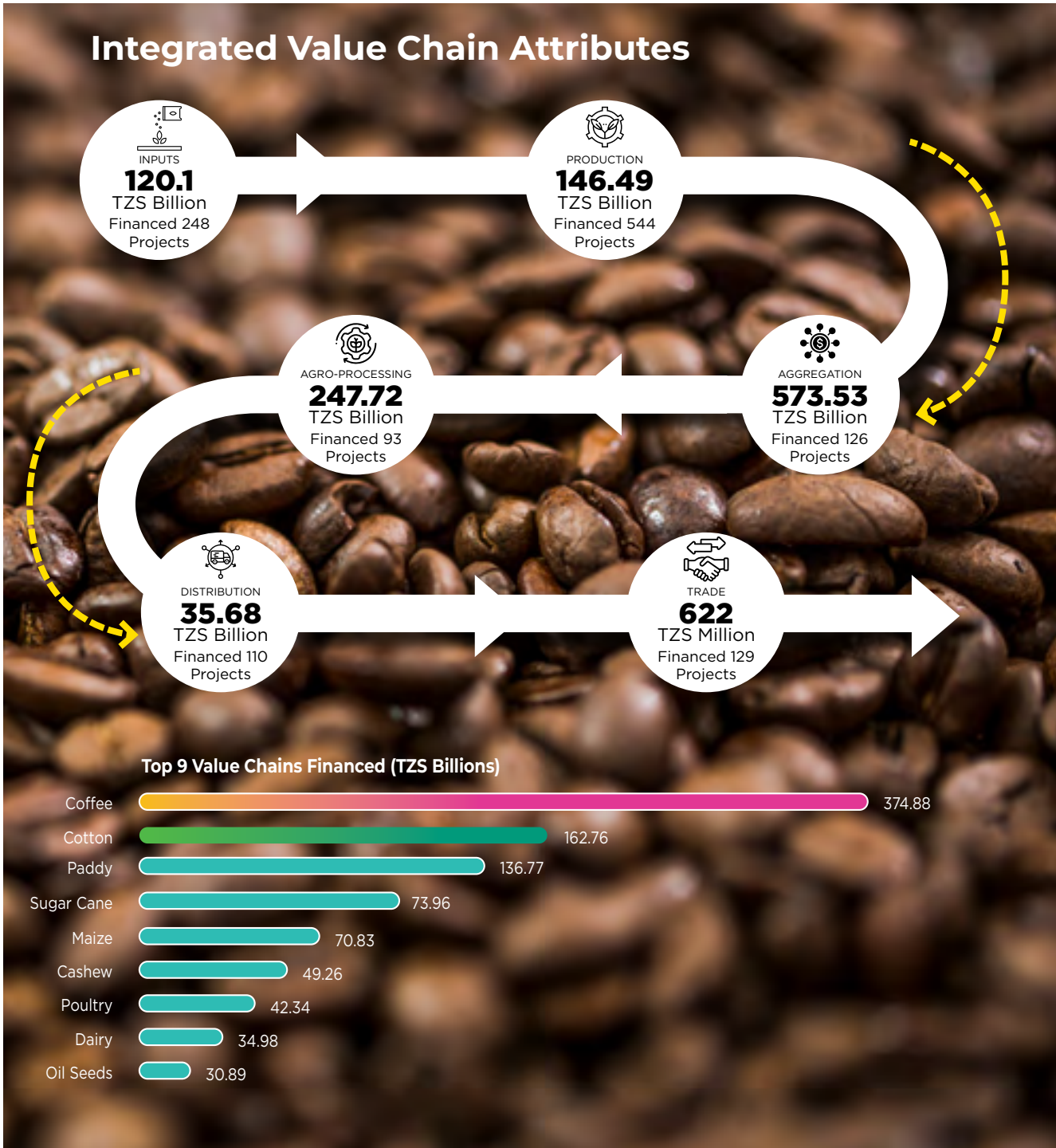
Impact Area	TADB Contribution
<b>Raising Agricultural Credit Share</b>	<ul style="list-style-type: none"><li>■ Providing loans through co-financing of large-scale projects to maximize capital leverage</li><li>■ Provides wholesale loans to agricultural lending.</li><li>■ Lowers banks' risk through SCGS guarantees.</li></ul>
<b>Risk Mitigation &amp; Financial Stability</b>	<ul style="list-style-type: none"><li>■ Reduces perception of agriculture as high risk.</li><li>■ Makes lending more stable and predictable.</li><li>■ Offers training to PFIs in agri-lending.</li></ul>
<b>Outreach to Underserved Groups</b>	<ul style="list-style-type: none"><li>■ Focuses on women and youth-led agri-enterprises.</li><li>■ Designs inclusive products.</li><li>■ Works with partners to reach underserved groups.</li></ul>



Theme Two: Value Chain Development

Integrated Value Chain Financing Model (IVCF)

Since its launch in 2015, TADB has disbursed about TZS 1.13 trillion in loans across 57 different agricultural value chains, targeting Tanzania's staple and cash crops at an unprecedented scale. Major sectors like coffee, cotton, rice, sugar, maize, cashew, poultry, and dairy have received substantial financing, reflecting TADB's broad approach to developing agriculture. This large-scale investment is not just about financial support; it translates into tangible outcomes, thriving farms, modern warehouses, new processing factories, and expanded markets, benefiting communities nationwide.



Our Impact on Value Chain Interventions

VALUE CHAINS FINANCED  
**57**  
Across crops and livestock

**1** Driving Systemic Change through Value Chain Market Systems

TADB's integrated financing approach has delivered a transformative impact by targeting the agricultural sector as a dynamic system rather than a series of isolated interventions. With a deliberate market systems perspective, the bank has financed 57 agricultural value chains across crops, fisheries and livestock, ensuring end-to-end value creation. By channeling capital into every critical function from input supply (seeds and fertilisers), aggregation, storage facilities to processing and market access TADB has strengthened entire ecosystems. This holistic approach ensures that improvements at one stage of the chain catalyse performance across others, unlocking sustainable growth, expanding rural incomes, and accelerating agricultural transformation at scale.

FARM LEVEL INVESTMENTS  
**120.1**  
TZS Billion  
Enabling smallholder access to inputs

**2** Putting Smallholders at the Center

A significant portion of the bank's resources, approximately 10.64% of its total financing, equivalent to TZS 120.1 billion, has been dedicated to farm-level investments, enabling smallholders to access critical inputs such as quality seeds, fertilisers, irrigation systems, and basic mechanisation. Beyond production, TADB has embedded smallholders within integrated value chain systems by financing infrastructure, processors, and off-takers, as well as cooperative models that link farmers to markets and stable incomes. Smallholder farmers have been transformed from isolated producers into key players in commercially viable, resilient value chains. This deliberate, inclusive approach not only enhanced productivity and incomes at the grassroots but also reinforced the broader agricultural economy.

AGRICULTURAL SECTOR  
**1.13**  
TZS Trillion  
Amount invested over a decade

**3** Sustainability and Leverage

Over the last decade, TADB has not only injected over TZS1.13 trillion into Tanzania's agricultural sector it has also essentially shifted the way agricultural finance drives impact. Each shilling invested has gone beyond the immediate beneficiary, unlocking private sector capital, spurring agribusiness growth, and drawing smallholder farmers into formal and structured value chains. This catalytic approach has transformed single loans into value chain-wide ripple effects: processors expand and source from hundreds of local farmers; transporters and service providers gain new business opportunities; and rural economies experience a surge in jobs and income. Through this model, TADB has multiplied the reach of its financing turning strategic investments into engines of inclusive growth, and proving that when agriculture is financed correctly, the entire economy moves forward.

IVCF MODEL  
TADB has focused investments and initiatives on the sector's most persistent constraints.

**4** Addressing Systemic Constraints

TADB's integrated financing model was designed to address the deep-rooted, systemic barriers hindering Tanzania's agricultural sector. Over the past decade, TADB has focused investments and initiatives on the sector's most persistent constraints. Each intervention has been part of a deliberate strategy to rebuild agriculture from the ground up, making value chains more connected, inclusive and investment-ready.

**Systemic Change Focus**

Access to Finance

Productivity

Post-harvest Losses

Agro-processing capacity

Market Access




CASE STORY


Cotton Reimagined:  
TADB’s Blueprint for Value Chain Transformation

For years, Tanzania’s cotton farmers toiled in fields of promise but reaped little reward. Broken ginneries, limited access to inputs, and a market that scarcely covered their costs pushed many to abandon the crop that once clothed the nation. Yet change arrived not with fanfare, but through finance.

In 2015, the Tanzania Agricultural Development Bank (TADB) turned its focus to the cotton-growing regions of Simiyu and Shinyanga. What it found was more than a struggling sector, it saw a chance to reignite livelihoods. Over the past decade, TADB disbursed over **TZS 162.76 billion** to breathe life back into the cotton value chain. This strategic infusion revived dormant ginneries, strengthened seven key farmer cooperatives, and restored confidence in a crop once left behind. For thousands of smallholders, the support wasn’t just financial, it was transformational. It was the return of hope.



GINNERIES BROUGHT BACK TO LIFE



CHATO COOPERATIVE UNION

**27.0**  
TZS Billion

Amount injected to enabled the repair and reactivation of cotton processing lines.

In the towns of Chato and Kahama, once-silent ginneries roared back to life. With over TZS 27 billion injected into the Chato Cooperative Union, TADB enabled the repair and reactivation of cotton processing lines that had stood idle for years. At harvest time, more than 11,000 farmers lined up not to beg for a market, but to deliver their cotton and be paid promptly at prices they had never imagined. While the national average hovered around TZS 810 per kilo, TADB backed cooperatives paid farmers as much as TZS 920. For many, it was their first season of true profit.



KAHAMA COOPERIVE UNION

**28.6**  
TZS Billion

Amount injected to support its farmers with quality seeds, pesticides, and working capital.

In Shinyanga, Kahama Cooperative Union received TZS 28.6 billion in financing, not just for its ginnery, but to support its farmers with quality seeds, pesticides, and working capital. The results were immediate. Yields surged, ginneries hummed, and farmers began to see cotton not as a burden, but as a business.




FARMERS

**11,000**

lined up not to beg for a market, but to deliver their cotton and be paid promptly at prices they had never imagined.

But TADB didn't stop at bricks and machines; it recognised that transformation begins with the farmer. Through input financing, TADB reached thousands of growers, offering affordable credit via cooperatives and AMCOS. In just one season, over 16,000 farmers accessed timely inputs. Simultaneously, the bank financed 55 tractors across the Lake Zone, bringing mechanisation to hundreds of thousands of fields that had long been ploughed by hand.



PRICE PER KILO

**920**  
TZS

TADB backed cooperatives paid farmers as much as TZS 920. For many, it was their first season of true profit.

To unlock even more credit, TADB deployed its Smallholder Credit Guarantee Scheme, with guaranteed loans that traditional banks once deemed too risky. With this assurance, over TZS 32.5 billion in new credit was made available to cooperatives and agribusinesses. Suddenly, farmers with collateral shortfall had access to capital and a future.

Simiyu’s Cotton Comeback

Nowhere was this transformation more visible than in Simiyu, Tanzania’s cotton capital. Once plagued by non-functional ginneries, the region is now alive with activity. With support from TADB and public partners, the Simiyu Cooperative Union rehabilitated its main factory in 2024. At the same time, farmers began selling cotton at record prices, earning up to TZS 1,800 per kilo nearly double the rates seen just a few years earlier.

The Legacy of a Bold Intervention

In just ten years, TADB didn’t just inject over TZS 162.76 billion into cotton it reweave the fabric of rural prosperity. By reviving ginneries, financing farmers, empowering cooperatives, and stitching together broken links in the value chain, the bank proved that with the proper support, agriculture can thrive and transform lives. Tanzania’s cotton sector is no longer asleep. It is awake, vibrant, and growing because someone believed in its potential. Because finance met purpose. Because TADB showed up.

THE RIPPLE OF REVIVAL





NEW JOBS CREATED

**2,000**

More than 2,000 new jobs have emerged in ginneries and rural supply chains.

Beneath the statistics are impactful stories. More than 2,000 new jobs have emerged in ginneries and rural supply chains. Councils have gathered over TZS 320 million in levies, supporting schools and clinics. Cooperative unions, previously struggling financially, are now thriving entities that support rural economies. Families across Simiyu and Shinyanga are rekindling their hopes. Parents are sending their children to school using earnings from cotton. Young people are opting for farming instead of migrating. Once solely focused on subsistence, villages are now saving money, constructing brick homes, and nurturing futures centred around cotton.



BOOSTING LEVIES

**320**  
TZS Million

Gathered by Local Councils in levies, supporting schools and clinics.





CASE STORY

# Unlocking Dairy Industry Potential: Catalysing Inclusive Growth in Nascent and Established Markets

Tanzania’s dairy sector holds immense untapped potential. While urban demand for dairy is rising, the supply side remains constrained by low productivity, weak infrastructure, and fragmented markets. To address these systemic barriers, the Tanzania Agricultural Development Bank (TADB) In collaboration with the Gates Foundation, in 2022 launched the Tanzania Inclusive Processor-Producer Partnerships (TI3P) project a strategic initiative designed to unlock dairy sector growth by targeting both nascent and established markets with tailored interventions.



## Building the Foundations in Nascent Markets

In nascent dairy locations such as Zanzibar (Unguja and Pemba) and Lake Zone where the dairy ecosystem is still in its infancy, TI3P focused on market creation and institutional strengthening. These areas faced a lack of organized milk collection systems, low adoption of improved breeds, and almost non-existent access to finance.

### To address this, TI3P:



4

Milk collection centers financed



991

Smallholder dairy farmers enabled to participate in structured value chains



45

Producer groups and cooperatives Organized, strengthened and established



90,137

Smallholder farmers trained on basic animal husbandry, feed management and milk hygiene.



2,914

Heifers financed



12

Milk Factories supported

These foundational interventions paved the way for a commercially viable dairy sector transforming isolated smallholders into bankable, supply-ready producers. Initiatives like Kahama Fresh and Kopa Ng’ombe, Lipa Maziwa catalyzed this shift, enabling asset ownership and market participation. For women and youth, it meant expanded income, entrepreneurship, and lasting economic empowerment.

## Accelerating Growth in Established Markets

In established dairy regions such as Iringa, Njombe, Tanga, Pwani, Arusha, and Kilimanjaro, TI3P adopted a different strategy to help processors scale up, modernise equipment, and expand cold chain networks. Smallholder farmers in these areas already had some market access, but TI3P enabled them to advance further. With access to finance, improved genetics, and structured supply agreements, Processors, in turn, increased production by over 85%, supplying quality dairy to expanding urban markets.



### NEW INVESTMENTS

20.94  
TZS Billion

In construction of essential infrastructure transforming into formal dairy structured businesses.



### TI3P REACHED

90,137

FARMERS Including women and youth, to stronger dairy value chain.



TADB significantly accelerates dairy sector transformation through financing, infrastructure support, and value chain development. It has funded over 30 cooperatives and SMEs to set up milk collection, cold chains in Kagera, Kilimanjaro, and Mbeya. Breed improvement and artificial insemination services have increased milk yields. TADB has expanded financial access for thousands of rural farmers, especially women and youth and facilitated structured market linkages that formalised dairy trade and increased incomes. These efforts have benefited over 90,137 smallholders and financed more than TZS 34.98 billion in dairy investments nationwide.



### ACCUMALITE INVESTMENTS

34.98  
TZS Billion

Disbursed to finance dairy investments nationwide



### TADB REACHED

90,137

Smallholders Including women and youth, to stronger dairy value chain.



Theme Three: Driving Food Security

Strategic Investment in Food Systems

Over the past decade, the Tanzania Agricultural Development Bank (TADB) has played a critical role in financing sustainable food security in Tanzania by strategically investing and unlocking finance across the country's key staple and non-staple food systems. Through a entwined approach of direct lending and an innovative Smallholder Credit Guarantee Scheme, TADB has financed over **TZS 734.71 billion** to transform the country's food systems by empowering more than **554,486 smallholder farmers** and agribusinesses, enhancing food availability, market stability, and resilience, while fostering economic inclusion.





CASE STORY

TADB’s Support for Tanzania’s Second Staple:  
A Decade of Advancing Food Security Through Paddy Financing

In Tanzania, paddy (rice) is not only a staple food but a strategic crop that directly impacts household nutrition, national food reserves. It is the second most consumed cereal after maize, forming a vital part of the daily diet for millions of Tanzanians. With over 75% of domestic rice produced by smallholder farmers, the crop plays a central role in food self-sufficiency, income generation, and poverty reduction. Yet, despite its significance, the sector has long struggled with low productivity, high post-harvest losses, poor infrastructure, and limited access to affordable finance. Over the past decade, TADB has disbursed over TZS 136.77 billion to the paddy value chain, boosting productivity, storage, processing, and market access for thousands of smallholders.

Mechanizing Hope: The Transformation of Mwamapuli Irrigation Scheme Cooperative Society

Historically, in Tabora, the Mwamapuli Irrigation Scheme Cooperative Society, comprising 974 members (770 men and 204 women), was considered “un-bankable” by commercial lenders. Local farmers struggled with basic tools, fighting against unpredictable weather, delayed harvests, and considerable post-harvest losses.

MWAMAPULI



MECHANISATION  
**850**  
TZS Million  
Disbursed to finance Mechanisation since 2021

↑

OUTCOME  
**3.2**  
Yields/Acre  
Up from 1.5, an outstanding improvement

↓

LOSSES  
**50%**  
Post Harvest  
Post-harvest losses dropped boosting supply local and regional rice markets reliably.

Mechanisation created new employment 35 youth were hired for machinery operations, and over 120 seasonal jobs emerged during peak periods. Women gained new roles in input distribution and processing, while household incomes rose significantly. Farming shifted from survival to a business enterprise, setting the foundation for improved household food availability.

Revitalising CHAURU Irrigation Cooperative

Once constrained by low yields and limited capacity, the CHAURU Irrigation Cooperative Society in Chalinze, Coast Region, has become a beacon of agricultural transformation through targeted financing from the Tanzania Agricultural Development Bank (TADB). Through a TZS 2.5 billion concessional loan, TADB directly financed critical investments, including tractors, combine harvesters, the procurement of certified seeds and fertilisers, and purchase of drier. These inputs were pivotal in modernising production across 720 hectares of irrigated land.

CHAURU



YIELD  
**30**  
Sacks/Acre  
Doubled rice yield, 15 sacks per acre previously.

↑

MEMBERSHIP  
**900**  
Farmres  
A surge from 160; 322 women, representing 37%

↑

WAREHOUSE CAPACITY  
**10,000**  
Metric Tones  
To be constructed to tackle post-harvest losses and thus enhancing the market competitiveness

INDIRECT BENEFICIARIES  
**28,826**

of which 14,645 males and 14,181 females contributing to the cooperative's revenue base strength and improved incomes, reinforcing household food security.



Mombo Reborn

In the fertile plains of Korogwe District, the Mombo Irrigation Scheme was once a sleeping giant, its canals crumbling, yields declining, and farmers trapped in cycles of uncertainty. But in 2023, the Tanzania Agricultural Development Bank (TADB) stepped in with catalytic financing that breathed new life into this critical agricultural hub unlocking productivity, restoring dignity to farming families, and reinforcing Tanzania’s food security.

This transformation rippled beyond individual farmers. With increased output, Mombo is now contributing significantly to regional rice supply, boosting Tanzania’s food security and helping reduce reliance on imported staple grains.

Looking ahead, TADB’s next bold step is already in motion, financing the installation of modern drying and storage facilities to minimize post-harvest losses and maximize value for every grain harvested. By closing the loop from production to processing, TADB is building not just farms, but futures.

MOMBO

INVESTMENT  
**722**  
TZS Million  
Disbursed to facilitate mechanisation and milling machine.

LAND  
**550**  
Acres  
of land revitalized for rice farming

↑

OUTCOME  
**4.2**  
Yields/Acre  
Up from 1.8, more than doubling household output in one season

Financing Sparked Green Growth and Food Security

In the heart of Tabora, Michael Mroso had a vision but not the means. His agribusiness, rooted in the paddy value chain, revolved around rice bran a by-product often overlooked despite its potential. With no capital to scale and no machines to process, he watched opportunity slip through his fingers as mountains of bran piled up, unused and undervalued.

GREEN FINANCING  
**570**  
TZS Million  
Disbursed to finance waste into ingredient for animal feed.

Then came a lifeline, a TZS 570 million loan from the TADB. With this bold investment, Michael installed a machine that could transform rice bran once discarded as waste into a sought-after ingredient for animal feed. What was once left to rot now feeds poultry and livestock, fuelling a new wave of food production across Tanzania and beyond.  
  
From the moment the machines started running, the change was tangible. Bran that once had no value was now feeding chickens in Mwanza, cows in Dodoma, and even crossing borders to Rwanda and Uganda. Each bag of feed helped ensure more eggs, more meat, and more milk putting nutritious food within reach for more families.



CASE STORY

Clucking Towards Prosperity:  
Food Security Through Poultry Financing

Over the past decade, the Tanzania Agricultural Development Bank (TADB) has become a vital driver of agricultural transformation, promoting food security, rural development, and inclusive growth through targeted financing. This is particularly evident in the poultry sector, an essential pillar of household nutrition and a fast-growing income source for smallholders, where TADB has disbursed **TZS 42.34 billion** to support its expansion and sustainability nationwide.



NEW INVESTMENTS

**27.6**  
TZS Billion

Disbursed to finance modern poultry processing facility



CAPACITY

**3,000**  
Birds/Hour

Supplying quality poultry to the local market through 11 retail outlets, with 26 more planned across Dar es Salaam.



OUT-GROWER OUTPUT

**70,000**  
Broilers

TADB loans have supported **3** out-growers operating under guaranteed market agreements with Hill Oils.

**Modern Poultry Processing Facility**

In December 2021, TADB made a significant move to unlock the potential of Tanzania's poultry industry by extending a revolutionary loan of TZS 20.6 billion to **Hill Oils & Fats Limited**. The majority of this financing was dedicated to constructing a modern poultry processing facility and automated production infrastructure with a capacity of 100,000 birds per circle. This was followed by an additional TZS 7 billion in January 2023 to scale operations, including the acquisition of live birds and expansion of processing capacity.

These investments were not merely commercial; they were strategic. By enhancing production and processing capabilities, the bank directly addressed two national imperatives: increasing the availability of affordable protein and reducing reliance on imported poultry products.

Today, the high-tech slaughterhouse, capable of processing 3,000 birds per hour, is operational and supplying high-quality poultry meat to the domestic market. The company's rollout of 36 prefabricated retail outlets in Dar es Salaam ensures that chicken products reach urban consumers reliably and affordably, helping to stabilise prices and improve dietary diversity. The project has created 141 direct jobs and supported hundreds more indirectly, including veterinarians, input suppliers, transporters, and retail clerks, most of whom are youth and women.

**Strengthening National Supply Chains from the Ground Up**

Food security begins at the farm, and TADB's approach connects the grassroots to the national plate. The bank's inclusive financing model supports out-growers while strengthening the entire poultry value chain from hatchery to household. Through targeted loans, TADB has enabled three key out-growers to collectively raise over 70,000 broilers under guaranteed market agreements with Hill Oils.

**SHEMSA**

Shemsa Taraba, a determined poultry farmer from Unguja, Zanzibar, represents the power of grassroots financing. With only 900 birds in a cramped compound, Shemsa could barely meet local demand.

FINANCING

**220**  
TZS Million

given to construct a modern poultry sheds.

OUTCOME

**↑5,900**  
Layers

up from **900** bird flock to meet local egg demand



**JOYCE**

Joyce Kabago, from Mwanza, embodies long-term agricultural entrepreneurship. She began her poultry journey in 2013 with just 200 layer chickens, operating from an old farm structure. Her ambition and discipline caught the attention of TADB.

FINANCING

**470**  
TZS Million

given to construct a modern poultry sheds and working capital .

OUTCOME

**↑35,000**  
Layers

up from **200** bird flock staggering **175-fold** increase in capacity.

Today, Joyce produces an average of **500** trays of eggs per day, contributing significantly to local egg supply. She also operates a feed production facility with a daily capacity of 150 bags, ensuring quality and self-sufficiency in her supply chain.

**Inclusive voices of Transformation: Shemsa and Joyce's Stories**  
**Securing the Nation Through Local Production**

Tanzania's per capita poultry consumption remains low, but TADB's investments are closing the gap. By empowering smallholder producers and financing industrial infrastructure, the Bank is increasing domestic supply of poultry meat and eggs two of the most affordable and accessible animal protein sources. These efforts are critical to improving nutrition outcomes, particularly for children, pregnant women, and low-income families.

At the macro level, this translates into greater food sovereignty. Reduced reliance on poultry imports keeps foreign exchange within the country, stabilizes rural incomes, and ensures national preparedness during global supply disruptions a lesson made clear during recent global crises.



CASE STORY

TADB Drives Tanzania Toward Sugar Self-Sufficiency

For decades, Tanzania imported tens of thousands of tonnes of sugar each year to meet local demand. But today that gap is shrinking rapidly. Government leaders now forecast that by the mid-2020s Tanzania will no longer need imports, and instead could export a surplus. The Tanzania Agricultural Development Bank (TADB) has become a key architect of this turnaround, financing new factories and smallholder programs that turn fields into farms of opportunity.



DEVELOPMENT  
**15**  
TZS Billion  
Disbursed in 2020 to facilitate Sugar production in Bagamoyo



SCALE-UP  
**70**  
TZS Billion  
Disbursed in 2021 to scale up



PRODUCTION  
**30,000**  
Tones  
Disbursed in 2021 to scale up

Bagamoyo's Greenfield Factory: A New Source of Sugar

In 2020, TADB took a bold step to transform Tanzania's sugar industry by approving a TZS 15 billion facility for Bagamoyo Sugar Limited (BSL) to develop 2,000 hectares of farmland, expand sugarcane nurseries, and establish critical farm infrastructure. More than just a loan, this investment aimed to boost national sugar production, reduce import dependency, and uplift rural livelihoods. The USD 100.36 million Bagamoyo Sugar project became a model of blended financing, with TADB partnering with other financial institutions and project promoters. By December 2021, TADB deepened its commitment by refinancing BSL's exposure and scaling up its support to TZS 70 billion reinforcing its mandate to finance transformative, long-term agricultural ventures.

By mid-2022, this greenfield project came to life as a modern sugar mill began producing crystal from cane on the Bagamoyo coast. In its first season, the plant produced 18,000 tonnes of sugar, immediately helping close a national supply gap then estimated at 30,000 tonnes. Designed to reach 30,000 tonnes per year in its first phase, the mill is fast approaching full capacity. TADB's catalytic support has turned previously idle land into productive estates and added vital new processing capacity to the country. In fact, Bagamoyo's debut alone contributed to a 70,000-tonne increase in national sugar output between 2022 and 2023 the largest single-year jump on record, highlighting the bank's impact in driving import substitution and agricultural industrialization.



Kilombero Valley: Empowering Smallholder Growers

In the lush Kilombero Valley responsible for about 33% of Tanzania's sugar production long rows of sugarcane now signal more than just a harvest; they represent a turning point for smallholder farmers and for the country's journey toward sugar self-sufficiency. At the heart of this transformation is the catalytic role played by the Tanzania Agricultural Development Bank (TADB). By partnering with Kilombero Sugar Company (KSC) and out growers farmers cooperatives, TADB has enabled farmers to access drought-resistant cane seedlings, secure off-take agreements, and critically affordable financing.

This support has empowered smallholders to invest in better seeds, mechanization, and modern farming practices, resulting in increased yields and higher household incomes. The ripple effect has been



PRODUCTION  
**33%**  
Market Share  
Kilombero Valley holds a significant share of Tanzania's sugar production market.



significant: more cane grown locally means more sugar produced domestically, reducing the country's reliance on costly imports.

To deepen its reach and accelerate impact, TADB rolled out the Smallholder Credit Guarantee Scheme (SCGS), a strategic de-risking instrument designed to address collateral constraints and unlock agricultural lending. By partially guaranteeing loans, the SCGS incentivised banks to extend credit to out growers in high-potential areas like Kilombero, where traditional collateral was often lacking. Between 2018 and 2024, the scheme facilitated access to TZS 10.4 billion in financing for 1,787 smallholder farmers. This breakthrough enabled timely input purchases, farm upgrades, and expansion of cultivated acreage boosting productivity and strengthening the domestic sugar supply chain. Together, these interventions have not only revitalized Kilombero's sugar value chain but also contributed tangibly to narrowing the national sugar gap. What was once a subsistence-driven landscape is now a commercially viable, productivity-driven engine of food security and economic resilience.



FINANCING  
**10.4**  
TZS Billions  
Disbursed between 2018 and 2024 to facilitate smallholder farmers sugarcane production



SMALLHOLDERS  
**1,787**  
Farmers  
Facilitated timely input purchases, farm upgrades, and acreage expansion and boosting productivity.



Promising Future for Tanzania


With sugarcane flourishing from the coast to the fertile valleys, Tanzania's ambition to end sugar imports by 2025/26 is fast becoming a reality. What was once a stubborn deficit is now turning into a surplus in the making. At the heart of this transformation lies TADB's strategic investments, which have not only fuelled production but also delivered widespread benefits strengthening food security, boosting rural incomes, and preserving billions in foreign exchange that would have been spent on imports. The sweet harvest is now a national asset.



Theme Four: Economic Development

Economic Transformation through Agricultural Finance (2015–2025)


Over the last decade, the Tanzania Agricultural Development Bank (TADB) has become a pivotal institution in transforming Tanzania's agricultural sector and contributing to inclusive economic development. TADB contributes to economic growth through strategic agricultural finance, targeting key domains such as productivity, industrialisation, livelihoods, trade, and inflation control, positioning agriculture as a catalyst for inclusive and resilient growth.



**1.13**  
TZS trillion  
Disbursed

**Expanding Agricultural Output and GDP Contribution**


TADB disbursed over TZS 1.13 trillion to agricultural value chains, financing commercial farming, storage facilities, expansion, processing capacity, and farm-level productivity. These interventions contributed to agricultural GDP growth above the 4.31% average.<sup>1</sup>



**4.31%**  
GDB Growth

**Impact Pathway:**


TADB financing → Increased Productivity and Processing → Expanded output and Value Addition → Higher Sectoral GDP Contribution → Broader National Economic Growth



**1,953,162**  
Smallholder farmers  
accessed capital

**Employment creation and improving Livelihoods**

TADB's inclusive financing models, particularly those implemented through structured cooperative schemes and value chain-based interventions, enabled over 1,953,162 smallholder farmers to access capital for production inputs and farm improvements. These interventions also supported agro-processing enterprises and aggregation hubs, generating more than 11,214 direct jobs. According to independent assessments, such integrated models have contributed to income increases of up to 352%<sup>2</sup> among participating households



**4,514**  
Rural jobs  
created with  
352% income  
increase

**Impact Pathway:**

Affordable Finance + Structured Value Chains → Inclusive Production Models → Job Creation + Increased Household Income → Economic Development




**133.76**  
TZS Billion  
Disbursed

**Advancing Industrialisation and Import Substitution**

Investments in sugar, sunflower oil, and dairy processing have reduced import dependency and increased domestic value addition, saving foreign exchange and boosting national food self-sufficiency.

**Impact Pathway:**


Investment in agro-processing (133.76) → Expanded domestic production → Reduced imports → Foreign exchange savings + enhanced food self-sufficiency



**19**  
Partner Financial  
institutions (PFIs)

**Deepening Financial Sector Participation in Agriculture**

TADB mobilized 19 partner financial institutions through wholesale lending, co-financing, and the Smallholder Credit Guarantee Scheme (SCGS), facilitating TZS 651.61 billion in loans to underserved farmers.




**651.61**  
TZS Billion  
Catalysed

**Impact Pathway:**

De-risking tools (SCGS, co-financing)+ concessional capital (WL TZS billion) → Expanded access to credit → Increased PFI engagement → Greater private sector participation in agriculture


<sup>1</sup> National Bureau of Statistics (NBS). (2024). Highlights on the Third Quarter GDP 2024.  
<sup>2</sup> Laterite Ltd. (2024). Impact of Financing on Household Dynamics, Dairy Productivity, and Income Levels: A Study on the Tanzania Inclusive Processor-Producer Partnerships in Dairy (TI3P) Project. IGNITE Initiative, commissioned by Heifer International & TADB



**13**  
Policy briefs  
produced

**Reinforcing Economic Policy and Institutional Capacity**


TADB produced 13 policy briefs, supported national strategy formulation, and trained 12+ financial institutions, improving institutional capability and agricultural lending.



**12**  
Institutions  
trained

**Impact Pathway:**

Research + training + strategic guidance → Enhanced policymaking + institutional learning → More effective agricultural financing and planning



**1.13**  
TZS trillion  
Disbursed

**Embedding Additionality through Structural Financial Innovation**

TADB delivered financing not available through commercial banks, long-term loans, grace periods, support to underserved regions, and blended finance mobilization.

**Impact Pathway:**

TADBs' financial innovation → Filling market gaps → Increased access for high-risk/transformational investments → Sustainable market system change.




**586.9**  
TZS Billion  
Disbursed

**Strengthening Export Competitiveness and Foreign Exchange Earnings**

TADB financed over TZS 586.9 billion in cashew, cotton, and coffee exports. This enhanced AMCOS and processors' capacity to access global markets, stabilized farmers' incomes, and improved Tanzania's trade balance.

**Impact Pathway:**

Trade finance (TZS 586.9 billion)+ processing upgrades → Increased and higher-quality exports → Forex earnings + stronger farmers export economies



**734.71**  
TZS Billion  
Disbursed  
staple crop  
production

**Supporting Price Stability and Controlled Inflation through Food Production Finance**

TADB financed TZS 734.71 billion in staple crop production, supported warehouse systems, & invested in volatile commodities like sugar & edible oil mitigating food-induced inflation & securing real incomes.

**Impact Pathway:**

Targeted food production finance (TZS 213.05 billion) → Increased supply + reduced import dependency → Stabilized retail prices → Controlled food inflation + protected real incomes

SDGs Addressed:





CASE STORY

TADB’s Role in Strengthening Coffee Exports and Economic Development

Coffee stands as one of Tanzania’s most valuable traditional export crops, historically contributing up to 20–30% of earnings from traditional exports<sup>1</sup>. However, by 2017, the sector’s performance had sharply declined, with export revenues dropping to just USD 127.2 million<sup>2</sup>, and farmers confronted with limited access to credit, unstable markets, and outdated processing systems. Acknowledging this market failure, the Tanzania Agricultural Development Bank (TADB) intervened decisively to revitalise the sector and restore its significance in the national economy.



FINANCING

**451.3**

TZS Billion

Disbursed to finance coffee value chain

**Financing that Fuels Transformation**

In 2018, TADB launched a targeted financing strategy focused on revitalising the entire coffee value chain—from production to processing to export. Over the period from 2018 to 2025, the bank disbursed TZS 451.3 billion to the sector, with TZS 374.88 billion (84%) in direct loans and TZS 76.42 billion (16%) under its Smallholder Credit Guarantee Scheme (SCGS). This strategic funding enabled:

- Over 60 cooperatives and farmer groups to access working capital and market coffee more effectively.
- Investment in modern wet mills (TZS 11.14 Billion) and storage units (TZS 589.43 Billion), which improved bean quality and post-harvest handling.
- 315,863 of smallholder farmers to access seasonal input loans, many for the first time boosting productivity on their farms.



STORAGE

**589.43**

TZS Million

Storage units for improved bean quality and post harvest handling

**A Boost to Foreign Income**

These efforts translated into a substantial economic impact. By 2024, Tanzania’s coffee export value had surged to USD 237.4 million, representing an 86% increase from pre-intervention levels in 2017<sup>2</sup>. During the same period, the average annual coffee production rose from 50,441 tonnes to 81,366 tonnes<sup>3</sup> in the 2024/2025 season, despite climatic constraints in the northern regions.

Coffee’s share in traditional export earnings also rebounded from 21% in 2017 to 35% in 2023<sup>5</sup>, reinforcing its renewed position as a foreign exchange anchor.



EXPORT

**237.4**

USD Million

Export value, representing an 86% increase in pre-intervention levels in 2017

**Widening the Circle of Impact**

The growth in export earnings had positive spillovers across Tanzania’s economy. Increased foreign exchange has helped stabilize the Tanzanian shilling, strengthened the balance of payments, and provided fiscal space for key public services<sup>6</sup>. In rural regions, the benefits are visible: coffee farming communities now report improved household incomes, better access to farm inputs, and enhanced cooperative governance.

Footnotes

1. Bank of Tanzania (2023). Monthly Economic Review – December 2023.

2. Ministry of Finance and Planning / TADB (2024). Internal export data reports and statistical trend analysis.

3. Tanzania Coffee Board (2024). Annual Coffee Production and Marketing Report.

5. Bank of Tanzania (2024). Export Sector Performance and Traditional Export Composition.

6. National Bureau of Statistics (2024). Macroeconomic Indicators Summary Report.





CASE STORY

From Waters to Wealth:  
TADB's Fisheries Financing as an Engine of Economic Development

In Tanzania's quest for inclusive and resilient economic development, the fisheries sector stands as a vast yet underutilized frontier. Recognising its potential to drive rural transformation, job creation, and food security, the Tanzania Agricultural Development Bank (TADB) in strategic collaboration with the Ministry of Livestock and Fisheries has deployed an innovative financing programme to catalyse growth across fishing, aquaculture, and seaweed farming value chains.

Building Local Economies Through Modern Fishing Boat Financing

Through TZS **14.23 billion** in fund mobilized, TADB has financed **190 modern boats**, enabling **3,329 small-scale fishers** across 16 regions to move from subsistence to semi-commercial fishing. By modernizing fleets and increasing fish catch volumes, TADB is stimulating:

**Local Value Addition:** Increased supply is activating cold storage, transport, and fish processing services in remote lakeside areas.

**Community Economic Linkages:** Boat financing has multiplied indirect employment through gear suppliers, fuel vendors, and fish traders.

**Rural Financial Inclusion:** 3,329 fishers previously outside the formal finance system now have credit records and bank relationships.

This intervention has a **71.2% implementation rate**, with early loan repayments confirming the model's viability and developmental return.



Scaling Cage Fish Farming

In the Lake Zone, where overfishing and climate pressures threaten wild fish stocks, **TADB's cage aquaculture financing** has offered a high-growth alternative. With **TZS 8.36 billion** disbursed, **337 cages** have been established by **1,631 farmers**, creating:

**Direct economic output:** Over **265.18 tonnes of fish** harvested, generating nearly **TZS 2 billion** in local revenue.

**Household income improvement:** before the intervention, beneficiaries had no formal or stable source of income. With the support received, they established reliable livelihoods especially through access to productive fishing cages and capital leading to consistent earnings and improved living standards.

**Repayment and reinvestment capacity:** TZS **1.90 billion** already repaid, with **25 groups financed again** for second production cycles.

**Youth engagement:** The simplicity and profitability of cage farming has attracted younger and more diverse groups into the sector. Among the 1,631 direct beneficiaries 75% were youth equal to 1,223 youth farmers.

**Enterprise formation:** Cage farming has evolved from household ventures to structured aquabusinesses with employment and tax potential.

These results underscore aquaculture's capacity to scale up Tanzania's fish production while diversifying rural economic activities.

**8.36**  
TZS Billion  
Disbursed in Lake Zone to finance cage aquaculture

**337**  
Cages  
Cages established

**1,223**  
Youth Farmers  
Employed in cage aquaculture in Lake Zone



Regional Spread, National Impact

With implementation across **16 regions**, the fisheries financing initiative is delivering measurable economic development gains:

**22.59** Billion  
Disbursed in productive credit.

**4,960**  
Entrepreneurs reached with direct financing.

**190**  
Modern fishing boats

**337**  
Cages Built.

Food & Nutrition Security Enhanced  
Reducing dependence on fish imports and stabilizing protein access in low-income households.



A Strategic Partnership  
Driving Systemic Change

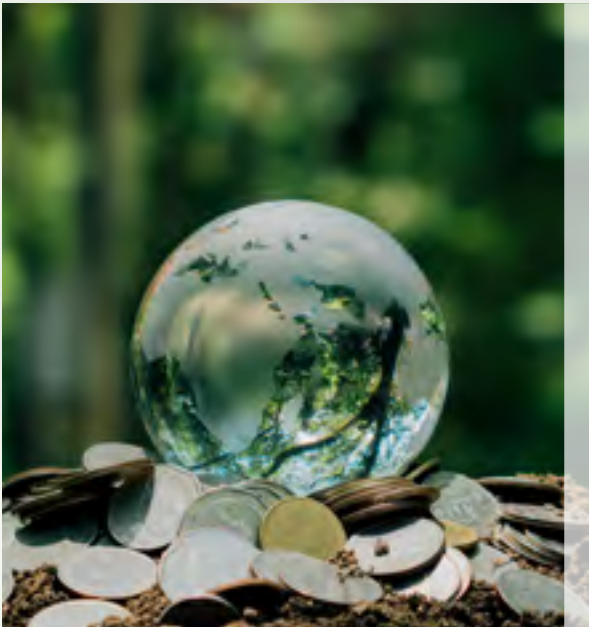
Crucially, this success rests on TADB's strong collaboration with the **Ministry of Livestock and Fisheries** ensuring that financing is aligned with sectoral policies, technical training, and input coordination. This integrated approach is not just financing projects it is **building a fisheries economy**.



Sustainable Transformation

Pioneering Sustainable Agriculture: TADB at the Forefront

For a decade, the Tanzania Agricultural Development Bank (TADB) has stood at the forefront of sustainable finance, boldly reimagining agriculture as a vehicle for climate resilience, inclusive growth, and long-term ecological security. In a rapidly changing climate, TADB's commitment to Climate Smart Agriculture (CSA) has positioned it as a pioneer in green agricultural transformation.



Climate-Conscious Action

Tanzania's agriculture lifeline to millions faces unprecedented climate threats: erratic rains, droughts, floods, and pest outbreaks. These are not just seasonal anomalies they are structural risks to food systems and rural economies. TADB has responded with clarity and resolve, integrating climate risk into its financial frontiers with tools, capital, and knowledge to adapt and thrive. Sustainability as Strategic Priority

In 2023, TADB reaffirmed its commitment on addressing the adverse impacts of climate change by strategically prioritizing climate change and promotion of climate smart agriculture among the bank's five key strategic thematic priorities in the bank's Medium Term Strategy 2023-2027. Strategically, TADB seeks to build the adaptive capacities of farmers and other actors along the agriculture value chain to effectively respond to the impacts of climate change, through the provision of inclusive climate financing and tailored technical assistance.



Embedding ESG in Agricultural Investment

TADB's Environmental and Social Policy ensures that agricultural financing advances sustainability, inclusion, and economic resilience.

Aligned with national priorities and the UN SDGs, the policy is grounded in six core principles ranging from legal compliance and human rights to climate resilience and biodiversity protection. These principles are given practical effect through a set of 10 Environmental and Social Performance Standards (ESPS), which serve as the operational backbone of the policy.

The ESPS translate high-level commitments into concrete requirements for project planning, appraisal, and execution, guiding how risks are assessed, safeguards are applied, and sustainability outcomes are measured across all financing activities.



Institutionalized ESG Culture

TADB enforces these standards through a robust governance system involving the Board, Audit & Risk Committee, Management, Compliance, and Internal Audit functions. These structures ensure that ESG principles are fully integrated into institutional processes and investment decisions. By embedding the ESPS into project due diligence, stakeholder engagement, and monitoring frameworks, the bank creates a consistent, accountable approach to environmental and social risk management. This performance-driven model ensures that sustainability is not an add-on, but a core part of TADB's operational identity delivering real impact for communities, ecosystems, and the agricultural economy.

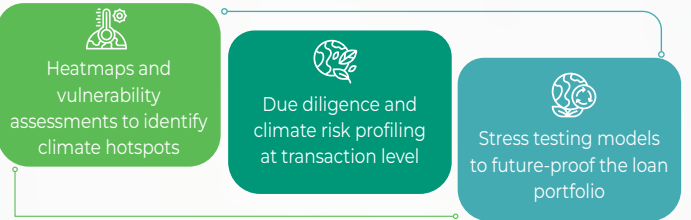


These instruments enable smarter decisions and safeguard the bank's green investments across both direct lending and indirect financing channels.

To support its mission of financing sustainable and climate-smart agricultural transformation, TADB has developed a Climate Smart Agriculture (CSA)

Innovation in Climate Risk and Green Finance

To de-risk climate-vulnerable investments, TADB has developed advanced tools:



Adaptation Catalogue. This strategic tool guides TADB and its partner financial institutions in identifying and financing CSA interventions tailored to vulnerable agricultural value chains. By leveraging direct lending, indirect lending and partnerships, the bank seeks to scale up CSA financing and strengthen the resilience and adaptive capacity of farmers and other value chain actors across Tanzania.

CSA Strategy & Product Suite

Informed by a national CSA Situational Analysis, TADB has unveiled the CSA Strategy 2025-2027, targeting 15 high-impact value chains. Customized financial products are now being rolled out enabling farmers, SMEs, and partner financial institutions to invest confidently in climate-smart innovations. The CSA/Adaptation Catalogue serves as a compass for identifying viable and resilient interventions along the value chain.



04

# Lessons Learned & The Road Ahead



## Lessons Learnt

### Reflections that Shape the Future

#### 1. Integrated Value Chain Financing Delivers Systemic Impact

TADB's decade of experience has shown that financing just one aspect of agriculture is insufficient; a transformative impact necessitates system-wide investment. By supporting farmers, aggregators, processors, and markets as a cohesive ecosystem, TADB transformed fragmented operations into functioning value chains. This holistic approach enhanced productivity, minimised post-harvest losses, and fortified rural economies, establishing a strong foundation for long-term food and income security.



#### 2. De-risking Unlocks Private Sector Lending

Through the Smallholder Credit Guarantee Scheme (SCGS), TADB successfully broke barriers to agricultural lending by sharing credit risk with financial institutions. This model unlocked significant financing for smallholders and cooperatives, transforming them from subsistence farmers into viable agri-businesses. Building on its success, TADB is now replicating and scaling up to benefit more financial institutions and mobilise more resource for the scheme broadening its reach to deepen financial inclusion in agriculture.

#### 3. Blended Finance Attracts Capital and Builds Market Confidence

TADB learned that strategically using concessional funds to co-invest with the commercial bank doesn't just fill financing gaps, it inspires market transformation. By combining long term financing with commercial financing, the bank mobilised billions in investment toward high-impact sectors like sugar, edible oil, and dairy. This blended model not only delivered inclusive growth but proving that agriculture is investable.



#### 4. Leveraging Wholesale Lending to Expand Agricultural Finance

TADB's provision of wholesale lending on concessional terms to financial institutions has emerged as a high-impact strategy for scaling agricultural finance. By offering affordable capital to trusted intermediaries, the bank has enabled broader, more inclusive on-lending to rural borrowers, including smallholders and agri-enterprises. This approach not only improves access to tailored, last-mile financing but also strengthens the capacity of financial institutions to serve the agricultural sector sustainably.

## Future-Focused & Ready to Scale

### Next Decade Focus: Driving the wave of impact



**Agricultural Value Addition:** TADB will finance agro-processing and scale up post-harvest infrastructure to drive value addition and reduce losses.



**Inclusive Financing:** The bank is expanding concessional financing to PFIs, strengthening credit guarantees, and developing tailored products for smallholders, women, youth, and underserved communities ensuring broader, more equitable access to agricultural finance.



**Climate-Resilient Agricultural Financing:** TADB will support investments in climate-smart technologies and green infrastructure while aligning its environmental and social risk safeguards with international climate finance standards.



**Livestock & Fisheries Value Chain Modernization:** Financing will target abattoirs, milk collection centres, feedlots, aquaculture operations, and veterinary services to modernize these sub-sectors.



**Resource Mobilisation & De-risked Investments:** The bank will mobilize long-term capital and climate funds, deploy blended finance tools, and structure co-financing arrangements to crowd in private investment.



**Food Security, Nutrition & Trade Competitiveness:** TADB will finance staple crops, promote resilient food systems, invest in nutrition sensitive sector and market infrastructure, and support cross-border trade facilitation.



**Innovation, Digitalisation & Knowledge Systems:** Investments will be directed toward agri-fintech solutions, M&E management information systems, digital extension services, and strengthening research-finance linkages.



**Institutional Resilience & Impact Governance:** The bank will enhance its M&E systems, ESG compliance, and internal controls, while building capacity for gender- and climate-responsive lending and expanding its regional footprint



**NOTES:**

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