



Loan to NIC Tanzania to meet the needs of local and regional SMEs

05/12/2014 – Date of signature of the project

BANKS AND FINANCIAL SERVICES – Sectors

TANZANIA – Location

LOAN AND TECHNICAL ASSISTANCE – Financing tool

5793587,68 EUR – Amount of funding

LOAN OF USD 7M AND TECHNICAL ASSISTANCE OF EUR 28,000 – Financing details

NIC BANK TANZANIA LIMITED – Client

IF-B – CES

CLIENT PRESENTATION

NIC Tanzania is the largest international subsidiary of NIC Bank Limited, a Kenyan bank set up in 1959 by Standard Bank Ltd and Mercantile Credit Company. It is currently majority-owned by the Ndegwa family. NIC Tanzania was formerly called Savings and Finance Commercial Bank (SFCB) and changed its name when it was taken over by NIC Bank Limited in 2009. The bank mainly provides financial services to local and regional SMEs.

PROJECT DESCRIPTION

PROPARCO's credit line aims to support NIC Tanzania's medium and long-term credit activity in foreign currency. It will allow it to meet the increasing demand for long-term financing in dollars from exporting SMEs. PROPARCO is already a key partner for NIC Group and wishes to support it for the development of its first international subsidiary in Tanzania. PROPARCO's financial support will assist NIC Tanzania in setting up an environmental and social management system. This financing has been mobilized from the Support Fund for Governance Capacity Building (FRCG) managed by AFD.

PROJECT IMPACT

This operation will strengthen local financing capacities in a country where there is a lack of long-term financial resources. It will contribute to the development of the private sector in key economic sectors. It will also help improve access to financial services. This financing will also contribute to disseminating SER good practices in the local banking sector.

