



**GUIDELINES ON FEES AND CHARGES FOR NON-BANK PAYMENT SYSTEMS
PROVIDERS, 2024.**

BANK OF TANZANIA

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PART I
PRELIMINARY PROVISIONS

Introduction	1. The Bank of Tanzania is mandated to ensuring integrity and stability of the financial system. In pursuit of the mandate, the Bank has developed the Guidelines on Fees and Charges through a consultative approach to balance business sustainability and protect financial consumers. Further, the Guidelines provide guidance on imposition of fees and charges on products and services offered by non-bank payment systems providers. The Guidelines aim to ensure imposition of prices is equitable for both consumers, non-bank payment systems providers, fostering competition and innovation in provision of financial products and services ultimately promote financial inclusion.
Citation	2. These Guidelines may be cited as “ <i>Guidelines on Fees and Charges for Non-Bank Payment Systems Providers, 2024</i> ”.
Authorization	3. These Guidelines are issued under Regulation 25(1) of the <i>Bank of Tanzania (Financial Consumer Protection) Regulations, 2019</i> .
Application	4. These Guidelines shall apply to all Non-Bank Payment Systems Providers.

<p>Definitions</p>	<p>5. In these Guidelines, unless the context requires otherwise:</p> <p>“Act” means the National Payment Systems Act, 2015.</p> <p>“Bank” means Bank of Tanzania.</p> <p>“consumer” has a meaning as ascribed to it by the Act.</p> <p>“electronic money issuer” means an entity issuing electronic money and may either be a bank or financial institution or a non-bank entity.</p> <p>“non-electronic money issuer” means a non-bank payment system provider that does not issue electronic money.</p> <p>“non-bank payment systems providers” shall comprise of electronic money issuer and non-electronic money issuer.</p> <p>“Regulations” means the Bank of Tanzania (Financial Consumer Protection) Regulations, 2019.</p>
<p>Objectives</p>	<p>6. The main objective of these Guidelines is to provide guidance to Non-Bank Payment Systems Providers on imposition of fees and charges to financial products and services offered to consumers. Specifically, these Guidelines aim to-</p> <ul style="list-style-type: none"> (a) ensure fair and equitable imposition of fees and charges; (b) deter unfair fees and charges; (c) promote fair competition among Non-Bank Payments Systems; (d) spur innovation in provision of financial products and services; and (e) enhance access to and usage of formal financial services and products.

PART II
GOVERNANCE AND INTERNAL CONTROLS

Governance	7. A Non-Bank Payment Systems Provider shall establish an adequate governance arrangement with a clear management level, policies and reporting structure for the management of imposition of fees and charges on financial products and services offered to the public.
Responsibilities of the Board of Directors	8. The Board of Directors of a Non-Bank Payment Systems Provider shall- <ul style="list-style-type: none">(a) approve and periodically review strategies, policy and procedures for imposition of fees and charges;(b) clearly set the roles and responsibilities of senior management, internal organizational structures for the proper management of imposition of fees and charges of financial products and services;(c) ensure the fees and charges of financial products and services are fair and equitable to both consumers and the Non-Bank Payment System Provider.

<p>Responsibilities of the Senior Management</p>	<p>9. Senior Management of a Non-Bank Payment Systems Provider shall-</p> <ul style="list-style-type: none"> (a) develop and implement strategy and policy for imposition of fee and charges on financial products and services; (b) regularly review the effectiveness of the strategies, policy, and controls; (c) provide periodic reports related to imposition and revision of fees and charges on financial products and services to the Board of Directors; and (d) ensure that the internal structures responsible for managing and control imposition and revision of fees and charges are defined and have adequate resources, skills and expertise.
<p>Internal Control</p>	<p>10. A Non-Bank Payment System Provider shall put in place an adequate and appropriate internal control to ensure effective management and controls of imposition and revision of fees and charges on financial products and services.</p>

<p>Policy for fees and charges</p>	<p>11. A Non-Bank Payment System Provider shall establish a policy for imposition of fees and charges, which at minimum shall include-</p> <ul style="list-style-type: none"> (a) roles and responsibilities of the Board and Senior Management in relation to imposition of fees and charges on financial products and services; (b) roles and responsibilities of staff, risk management, and compliance function in relation to imposition of fees and charges on financial products and services; (c) a framework for imposition and revision of fees and charges on financial products and services; at minimum, the framework shall: - <ul style="list-style-type: none"> (i) include charges that reflect the actual direct costs incurred; (ii) include rationale of particular charge; (iii) include actual value added to customers; (iv) encourage use of alternative and cheaper methods of accessing services; (v) include a disclosure of key service information to enable customer to make informed decision; (vi) clearly show basic financial inclusion services or products that are not charged; and (vii) promote use of formal payment systems. (d) contents and frequency of reporting of fees and charges to the Board of Directors.
<p>PART III FEES AND CHARGES</p>	
	<p>12. (1) A Non-Bank Payment System Provider shall impose reasonable and affordable fees and charges.</p>

Reasonable and affordable fees and charges	<p>(2) In determining reasonability and affordability referred to in guideline 12 (1) a Non-Bank Payment System Providers shall consider, among others, the following proportionate pricing attributes based on: -</p> <ul style="list-style-type: none">(a) service and benefit offered or provided;(b) customer segment;(c) public good and marginalized groups;(d) cost options for services and products; and(e) customer's needs and preferences.
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Electronic money transactions	13. (1) A Non-Bank Payment System Provider may impose fees and charges on electronic money transactions.
	(2) The Electronic money transactions referred to in guideline 13(1) shall include: - <ul style="list-style-type: none"> (a) wallet to wallet (on-us); (b) wallet to wallet (off-us); (c) merchant payments (QR, Merchant ID & Card); (d) withdrawals; and (e) any other electronic transactions
Negotiable fees and charges	14. (1) A Non-Bank Payment System Provider may impose fees and charges on services that are initiated by the consumer on negotiable basis.
	(2) Negotiable fees and charges may be imposed on the following electronic payment services and products- <ul style="list-style-type: none"> (a) special request for statement of account; (b) bulk payment to account holder; and (c) bulk payment to non-account holder.
Prohibited fees and charges	15. (1) A Non-Bank Payment System Provider shall not impose fees and charges on the services that are part and parcel of internal operating activities in providing services to the consumers.
	(2) A Non-Bank Payment System Provider shall not impose fees and charges on the following - <ul style="list-style-type: none"> (a) call centre services; (b) issuance of one month digital statement of wallet account; (c) maintenance of wallet account; (d) cash-in (customer cash deposits at agents); (e) E-wallet account opening / renewal;

	<p>(f) airtime and bundle purchase;</p> <p>(g) personal identification number (PIN) reissue;</p> <p>(h) personal identification number (PIN) reset; and</p> <p>(i) account balance inquiry.</p>
<p>PART IV</p> <p>DISCLOSURE REQUIREMENTS</p>	
<p>Disclosure</p>	<p>16. (1) A Non-Bank Payment System Provider shall:-</p> <p>(a) display fees and charges in a conspicuous place at their business and agent premises;</p> <p>(b) explicitly provide fees and charges in loan agreement, brochures, sales materials, and key fact statement.</p> <p>(c) publish fees and charges in official websites or social media platforms.</p>
	<p>(2) Notwithstanding guideline 16(1), a Non-Bank Payment System Provider shall publish interest rates, fees and charges, and other related costs at least quarterly in official websites and newspaper of wide circulation in the United Republic, excluding weekends and public holidays.</p>
	<p>(3) The publication referred to in guideline 16 (2) shall be made in at least one Kiswahili and one English newspaper.</p>
	<p>(4) Without prejudice to Guideline 16 (1) and (2) a Non-Bank Payment System Provider shall be required to disclose fees and charges on electronic transactions before a consumer confirm the transaction.</p>

PART V
SANCTIONS AND PENALTIES

<p>Administrative Sanctions</p>	<p>17. The Bank may impose to Non-Bank Payment System Provider any of the following sanctions for non-compliance of these Guidelines:-</p> <ul style="list-style-type: none"> (a) suspension from operations for a period not exceeding one year; (b) suspension or order for withdrawal of financial product or service or advertisement materials; (c) suspension of management staff; (d) conditions, restrictions or cancellation of registration or licence provided; (e) disqualification of management to carry out regulated activities; (f) publication of the names of offenders; (g) reprimands; and (h) other sanctions deemed appropriate.
<p>Penalties</p>	<p>18.(1) The Bank may impose on any Non-Bank Payment System Provider a fine or penalty not exceeding Tanzania Shilling twenty million.</p> <p>(2) The penalty referred to in guideline 18 (1) may apply to directors, officers or employees of the Non-Bank Payment System Provider.</p>

PART VI	
CIRCULARS AND DIRECTIVES	
Circulars and Directives	19. The Bank may, notwithstanding the provisions of these Guidelines, from time to time, issue Circulars and/or Directives on fees and charges relating to specific financial services and products.
PART VII	
GENERAL PROVISIONS	
General Provisions	20.(1) A Non-Bank Payment System Provider shall seek written approval from the Bank when intending to revise upward existing or imposing new fees and charges.
	(2) When seeking for the approval under guideline 20(1), a Non-Bank Payment System Provider shall submit to the Bank at minimum the following: - <ul style="list-style-type: none"> (a) type of fees and charges; (b) existing fees and charges; (c) proposed fees and charges; and (d) the justification for the imposition of, or increase in, fees and charges.
	(3) Notwithstanding guideline 20 (1) and (2), a Non-Bank Payment System Provider shall in the event of above the line marketing campaign notify the Bank of a downward change of fees and charges, provided the campaign will be of a specific period of time and upon the expiry of the period the fees and charges shall revert to its status quo.

Dodoma

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