

Co-operative Banking in Tanzania

The Case of Kilimanjaro Co-operative Bank Limited (KCBL); Views of a practitioner

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Abstract

This paper builds upon recent advances in the cooperative banking in Tanzania which tends to extend and complement the economic growth through co operatives. The main objective of this paper is to show from the practitioner's point of view the advantages and challenges faced by co operative banking in Tanzania taking the Kilimanjaro Co operative Bank Limited (KCBL) as a case study. Suggested solutions on how co operative banking can be and is the ultimate way of reaching out to the rural majority for the provision of quality financial services. It is intended to show the significance and strength of the co operatives in Tanzania, the constitutes and strength of co operative banking, the establishment of Kilimanjaro Co-operative Bank Ltd, challenges, recommendations and suggested steps to be taken have been discussed.

The paper sets out to consider the impact of reform dynamics on co operative banking, examining developments both within the agricultural sector and beyond. Co-operatives are usually misjudged, misunderstood and poorly portrayed that they are the centre of corruption and mismanagement, this is not right. It is time for the co operative banks to prove that it is not the case since co operative banks have shown that there is a possibility of assisting the un banked communities to get quality financial services.