

#BankTheYouth Youth Financial Inclusion Factsheet UNITED REPUBLIC OF TANZANIA



Definition of youth (at national level)

The national youth policy (2007) of the United Republic of Tanzania defines youth as

15–35 YEARS.

Youth population aged 15–24 (%)

19.2

Source: United Nations, Department of Economic and Social Affairs, Population Division, *World Population Prospects: The 2012 Revision* (New York, 2013).

Youth Development Index

0.436

Source: The Commonwealth, '2016 Global Youth Development Index.' Available from <http://www.youthdevelopmentindex.org/>

Financial inclusion in numbers (%)



Source: Global Findex (2014)**

	Young adults aged 15–24	Adults aged 25+
Have account*	13.2	22.0
Borrowed from a financial institution	5.0	7.3
Saved at a financial institution	4.9	11.1
Have mobile account	25.6	35.9

Policy and legislation

Minimum age to open and independently manage a savings account

AGE OF 18

Presence of a national financial literacy strategy
YES



Signatory of Maya Declaration***
YES



A young person can only open and independently manage a savings account at the age of 18. The same restrictions exist for opening a mobile money account. These barriers are exacerbated by identification requirements (i.e., birth certificate or proof of residence), which are often difficult for youth to obtain. However, **legislation is very supportive of digital financial services**, which could be key to reaching youth in schools and universities and in remote rural areas.

The **National Financial Inclusion Framework** targets all segments of the population, but it encourages capacity-building activities aimed at building youth financial literacy, in particular for those who are in school, in tertiary institutions and out-of-school. These activities are reinforced in the **National Financial Education Framework**. The **National Employment Policy** identifies youth employment as a priority and highlights the benefits of access to finance as a vehicle to address this issue.

The Bank of Tanzania is a principal member of the **Alliance for Financial Inclusion (AFI)** and has endorsed the **Maya Declaration**. The Government, however, is not a signatory of the **Better Than Cash Alliance**, which leaves room for improving its commitment towards the digitization of the economy as a way to advance financial inclusion and towards youth-friendly delivery channels.

*Account at a financial institution: Denotes the percentage of respondents who report having an account (by themselves or together with someone else) at a bank or another type of financial institution. For 2014 data, this figure can include a mobile account as well. **Global Findex does not specifically break down youth data by gender. However, according to information available, females (aged 15+) are more financially excluded than males (age 15+); respectively, 17.1% and 21.1% of respondents report having an account. It is then assumed that female youth are more financially vulnerable than male youth. ***The Maya Declaration is an initiative to unlock the economic and social potential of the unbanked population through greater financial inclusion. It represents the world's first commitment platform which enables AFI member institutions to make concrete financial inclusion targets, implement in-country policy changes, and regularly share progress updates. A public commitment to the Maya Declaration is a means to champion financial inclusion.
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