



PRIVATE AGRICULTURAL SECTOR SUPPORT



ANNUAL REPORT 2021

www.pass.or.tz

ANNUAL REPORT 2021

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6. Ally Mwajasho - Zonal Manager, Southern Highlands Zone (Mbeya Branch)
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PASS ANNUAL REPORT 2021

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ABBREVIATIONS

ACB	Akiba Commercial Bank
AMCOS	Agricultural Marketing Cooperative Society
ASPS	Agriculture Sector Programme Support
BDS	Business Development Services
BOA	Bank of Africa
CRDB	CRDB Bank Plc
FtMA	Farm to Market Alliance
IFC	International Finance Corporation
MFIs	Micro Financial Institutions
MFIs	Micro Finance Institutions
NMB	National Microfinance Bank
PASS	Private Agricultural Sector Support Trust
SACCOs	Savings and Credit Cooperative Societies
SIDO	Small Industries Development Organization
TADB	Tanzania Agricultural Development Bank
TIB	Tanzania Investment Bank
WFP	World Food Programme

Message from the Chairperson



Dr. Tausi Kida
Chairperson, Board of Trustees
PASS Trust

Ladies and Gentlemen,

I'm so glad to present to you on our Trust's intervention and the envisioned impacts it has been contributing into our country's agricultural sector status for the year 2021.

PASS Trust has continued various efforts aiming at ensuring quality services delivery to serve the agribusiness stakeholders on accessing financial credits offered by various banks in the country.

As we all know, that the year 2021 the world was engaged in a catastrophic phenomenon of the Covid-19 pandemic, that for sure badly affected the global investment in all economic spheres. Agriculture is one the affected areas by the pandemic threat.

Effects of the Covid-19 amongst many other hazardous ones, led to loss of farmers goods, especially fresh vegetables, fruit, and other perishables. These losses were associated with restrictions imposed by countries for movement and interactions, labor losses as well as demand reduction due to closure of markets, hotels etc.

As an agribusiness institution, PASS was part of the affected organizations since some of the stakeholders we work with, found it difficult to cover the loans they had taken under the Trust's sponsorship.

These losses largely affected our services delivery since the threat came up with international attentions in business relations among the global communities, where interregional commercial relations and interactivity were banned almost everywhere.

However, something most lucky is that PASS Trust maintains its status in ensuring agribusiness entrepreneurs still continue to benefit the loans opportunity offered by various institutions in the country regardless the effects of the pandemic that threatens the world's business relations.

Addition to that, the Trust has continued investing in innovations and staff capacity building to ensure quality services delivery to agribusiness stakeholders in the country. This effort made PASS Trust continue introducing new products to ensure easier services provision environment to all agribusiness entrepreneurs across the country.

Among the remarkable new innovative launched in 2021 include the Digital Credit Guarantee Product (DCG). Digitalization of PASS services comes as an initiative targeting small hold farmers easy access to credit guarantees without extra costs incurred for transport and various forms filling.

Also, to comply with climate change threats that have been affecting the global agricultural status, the Private Agricultural Sector Support in 2021 stressed the efforts to invest in Inclusive Green Growth project to ensure environmental protection.

With IGG, PASS introduced special credit guarantees to green projects so as to support the initiatives for environmental conservation and sustainable practices. This project aims at ensuring agricultural sustainability and growth of circular economy.

Since its inception as a Trust, PASS has been famous in credit guarantees to farmers, livestock keepers and fishermen who benefit for a cover of up to 60%, however, the institution now has expanded its scope to reach more schemes in the agricultural value chain where the green projects are financed up to 80% of the loan amount and all small loans below 500,000 TZS are done digitally.

In addition, I would be remiss if don't appreciate the role our Funders and the internal team played in 2021 to launch an agricultural machinery Leasing company, PASS Leasing company which serves farmers, livestock keepers, fishermen and various entrepreneurs in the agricultural value chain access and own the equipment by providing them with up to 80% securities cover without any collateral.

It's worth noting that, the efforts taken in the year 2021, enable the Trust to cover guarantee of at least 31% of all the loans provided by various banks in the agricultural sector in the country. This is according to reports by The Central Bank of Tanzania (BOT).

PASS Trust's efforts in 2021 supported 595,157 Agribusiness Entrepreneurs with TZS. 178.1 billion where among the approved beneficiaries, 47.5% are women.

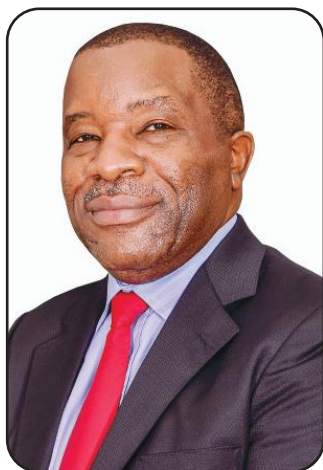
On behalf of all members of Board of Trustees, I congratulate all PASS staffs and all partner institutions for a continued effort to ensure the agricultural sector is loanable.

I want also like to dedicate my Special thanks to all partner banks which have full maintained their relationship with PASS and the Government determination to minimize the terms for agricultural loans including lowering the credit interests to single digit.

Thanks,

Dr. Tausi Mbagi Kida,
Chairperson, Board of Trustees

Message from the Managing Director



Mr. Yohane Kaduma
Managing Director

As we present our Annual report, I am hopeful that it will be found useful in understanding our services delivery status and the impacts we have continued to create in our Country as we save the agricultural sector through our products targeting agribusiness entrepreneurs.

The year 2021 witnessed numerous adaptations in the agricultural trends not only in our country but almost everywhere in the world.

Although challenges are inevitable in any human activity, the hardest of all unrests to adopt in the year 2021 was the Covid-19 pandemic, that threatened the global business relations and affect interaction among people different places. This led to massive losses of perishable agricultural products due to the restrictions imposed in some markets.

As an agribusiness institution, we were in different ways engaged in the losses since some of our partner institutions and the stakeholders we work with, withheld their businesses.

However, we are proud to let all our stakeholders, partner institutions and all Tanzanians understand that, despite the threats of the pandemic, we remained in operations and as normal we continued serving all agribusiness entrepreneurs who claimed for our services.

Our adoption to the challenges we encountered, resulted onto creativities and innovations which shaped our services delivery into the most improved means where many people benefited and continue benefiting our new products in accessing credit guarantee services.

Among the remarkable products we stressed to ensure PASS sustains the status in rescuing farmers, livestock keepers and fisherman in need of credit guarantees was the digitalization of services. We launched a digital system through which people in need to benefit our credit guarantee started accessing it online without necessity of physically coming to our offices.

With Digital Credit Guarantee product (DCG), we began offering distant guarantees to the loans below 500,000 TZS so as to let all small and medium farmers. Fishermen, livestock keepers and various entrepreneurs in value chain, who previously could find it difficult to access the services due to transport and forms filling costs benefit the loans opportunity provided by different banks in the country.

Out of the DCG product, we officially put in operations a green guarantee, that finances all environmentally friendly investments in the value chain, these include with other activities, recycling projects, climate smart agriculture, irrigation schemes, hydroponics or aquaponics, waste disposal management, solar energy application etc.

With the Inclusive Green Growth Project (IGG), we guarantee up to 80% of the loan amount to all groups engaged such investments, our main goal with this special guarantee is to encourage investment in green projects and combat threats

of climate change so as to maintain agricultural sustainability and growth of circular economy.

Also, in the same year, despite all the challenges encountered, PASS Trust managed to launch a subsidiary company, PASS Leasing Company Limited, that offers all agricultural machineries and equipment to farmers, fishermen, livestock keepers, processors, and all entrepreneurs in the agricultural value chain.

We are very proud to see how the newly launched PASS Leasing Company maintains mutual understand and partnership with various suppliers of agricultural equipment in the country through whom it stimulates advancement in modern technologies application in agricultural mechanizations.

With all these efforts, PASS since its inception 21 years ago, has managed to serve a total of 1.7 million entrepreneurs who benefited credit guarantees amounting 1.219 trillion TZS.

It is worthy nothing that, PASS Trust has served 532,798 businesses engaged in the agricultural value chain in the crops, livestock, and fisheries sub sectors, and in the year 2021 alone, PASS has supported 595,157 Agribusiness Entrepreneurs through 7,293 business proposals approved by 9 Financial institutions with loan worth of TZS 178.1Billion. Among the approved beneficiaries 47.5% were female. For all these impacts we have made, on behalf of the entire PASS staffs scattered in different zones of our offices, whose contributions in one way or other let to attainment of our goal, I would like to thank all our partner institutions who have maintained our core relationship in financing the agricultural sector.

I also thank our funders, the members of our Board of Trustees and the government of Tanzania in all the supports they have been offering to us in all operations we are engaged with. Their support places PASS Trust among then best institutions empowering the agricultural sector in Tanzania and we have been nominated the best plays in several exhibitions in the same category.

Our focus is to expand even more in ensuring all projects we establish remain sustainable with the main priority in serving women and youths, who are currently benefiting our Agribusiness Innovation Centers located in Morogoro and Dodoma. In the centers, the youths are trained practically to operate agribusinesses from the field to the markets.

I would like to welcome all people in need of our services, we were established by the Governments of Tanzania and Denmark, and we operate with Danish government with the goal to ensure life people's life improvement through agribusiness transformations.

Thanks so much.

Yohane Kaduma,
Managing Director.
PASS Trust.

Corporate Information

PASS was established in 2000 as a project by the Government of Tanzania under the Danish funded Agriculture Sector Programme Support (ASPS) and started its operation in 2002. After successful completion of the initial project phase in 2007, PASS Project was registered as an autonomous legal Trust – PASS Trust under the laws of the Republic of Tanzania.

Goal

To stimulate investment and growth of private commercial farmers and agri-businesses in Tanzania.

PASS Trust Objectives

Increasing the involvement of small and medium scale private sector entities in agri-business

Providing technical services and financial linkages to small and medium scale agri-business entities

Encouraging formation of producers' organisations for market and financial linkages – through agribusiness development services

Statement of Corporate Governance

As per PASS Trust Deed, the Board of Trustees is accountable and responsible for all affairs of the trust. The trustees are appointed by the Founders' committee and thus are accountable to the founders. As per the Trust Deed, the Board of Trustees shall comprise of two up to six members. As of 31st December 2020, all the six board positions had been filled.

The co-founders (Governments of the United Republic of Tanzania and the Kingdom of Denmark), appoint one representative to the founders' committee. The appointed members appoint a chairman from the agricultural sector to represent targeted beneficiaries of the trust. The founders committee has powers to appoint or remove the trustees and provide a "no objection" on major decisions by the trustees, such as annual reports, budgets and strategic plan. On the other hand, the two governments (Tanzania and Denmark) have a discretion to appoint or remove the members of the committee.

Good Corporate Governance is critical to the success of the objectives of the PASS Trust, and the trustees are unreservedly committed to applying the fundamental principles of good governance - transparency, integrity, accountability, and responsibility - in all dealings by, in respect of and on behalf of the PASS Trust. Amongst other duties, the Board of Trustees has the duty of validating financial results, review of PASS Trust's performance, protect assets, and provide strategic direction to the Managing Director. In this regard, the trustees have entrenched trust policies and guidelines in line with the Trust's regulatory framework as well as best practice where there is no clear regulation.

All Trustees are non-executive. The Trust's Secretary is present in all meetings of the Board of Trustees and founders' committee and is responsible for ensuring that all procedures are followed as per the Trust's Deed and plays an active role in the improvement and monitoring of corporate governance.

The Board of Trustees approves the delegation of certain authorities to the Board Committees and to the Managing Director. The various Board Committees have specific directives to ensure that relevant issues are attended to with proper considerations. The Board has established the following Committees, whose mandates, terms of reference, and memberships are spelt out in the Board Charters:

The Business Committee

This committee is responsible for advising on the policies and guidelines for origination, appraisal, structuring and approval of guarantees to be approved by the Board of Trustees and executed by the Management. Further, it is also responsible

for approving acceptable risk thresholds, guarantee applications that exceed the set limit for the Management and up to the limit delegated to it by the Board. This committee also has the responsibility of setting the investment policy to be approved by the Board and executed by the Management. In addition to membership from the board of trustees, the Board has a discretion to appoint an independent business professional as a co-opted member to serve on this committee.

The Audit and Risk Committee

This committee reviews internal controls underpinning the business. It supervises the Trust's internal audit and risk management functions and mandates audit activities. The committee recommends the appointment of external auditors as well as their remuneration to the Board. It also ensures that there is compliance with all applicable laws, regulations, as well as set operating standards. In addition to membership from the board of trustees, the Board has a discretion to appoint an independent accounting professional as a co-opted member to serve on this committee.

The Governance and Human Resource Committee

This committee provides strategic oversight roles and guidance on the Governance and Human Resources Management practices of the PASS Trust. Its primary responsibility includes reviewing, monitoring, and making recommendations to the Board of Trustees on the PASS Trust's human resources strategy and policies. The committee has put in place a Human Resource Manual and Scheme of Service as a guide to management on human resource issues. In addition to membership from the board of trustees, Board has a discretion to either appoint an independent Governance and Human Resource professional as a co-opted member to serve on this committee or arrange for the services of a human resource consultant working on a retainer basis.



PASS Trust's Managing Director, Yohane Kaduma, receives an award on behalf of PASS from Prime minister Kassim Majaliwa as PASS named the best performer among the empowerment funds in the country 2021.

PASS Founders Committee and Funders

PASS Founders



Government of the Kingdom of Denmark



Government of the United Republic of Tanzania

Funders



Danish International Development Agency



The Government of Sweden

Founders' Committee



**H.E. Ambassador Mette
Nørgaard Dissing - Spandet**
j Éã ÄÉê

H.E. Mette N. D Spandet is the Danish Ambassador to Tanzania representing the Government of Denmark and PASS Funders.



Mr. Morris Linuma
j Éã ÄÉê

Mr. Linuma is Director of Poverty Alleviation in the Ministry of Finance and Planning representing the Government of the United Republic of Tanzania.

PASS Board of Trustees



Dr. Tausi Mbaga Kida
Chairman Board of Trustees



Mr. Benson Mahenya
Board Member



Professor. David Nyange
Board Member



Mr. Charles Chenza
Board Member



Ms. Lucy Henry Sondo
Board Member



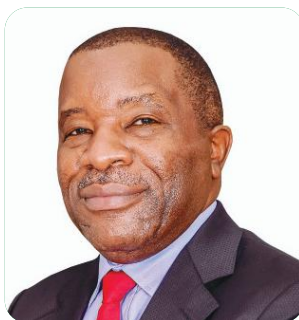
Dr. Rehema Twalib
Board Member

TRUST CORPORATE SECRETARY



Ms. Anna Mariki
Trust Corporate Secretary representing
ENSafrica

PASS Management Team



Mr. Yohane Kaduma
Managing Director



Ms Anna Shanalingigwa
Chief Operations Officer



Mr. Lucas Solomon
Director of Finance and Administration



Mr. Tamim Amijee
Director of Agribusiness Innovation



Mr Hamisi Mmomi
Business Development Manager



Mr. Hagai Maleko
Finance Manager



Ms. Leah Mwakang'ata
Business Development Manager



Mr. Richard Bruno
Business Development Manager



Ms. Safia Mbamba
Manager Monitoring and Evaluation



Ms. Glorie Mballa
Human Resource and
Administration Manager



Mr. Ally Mwajasho
Zonal Manager - Mbeya



Ms. Hadija Seif
Zonal Manager - Morogoro



Ms. Langelika Kalebi
Zonal Manager – Mwanza



Mr. Emilian Barongo
Zonal Manager - Mtwara



Mr. Robert John Lawuo
Risk Management and Quality
Assurance Manager



Mr. Ayoub Mbezi
Zonal Manager - Kigoma



Bevin Bhoke
Communication Specialist



Mr. Dickson Hyera
Audit, And Risk Manager



Ms. Hellen Wakuganda
Zonal Manager – Arusha

Pass Leasing Management Team



KILLO LUSEWA
MANAGING DIRECTOR



NEEMA NYANGARAMELA
CHIEF OPERATIONS OFFICER



HAGAI MALEKO
FINANCE MANAGER



MARIA WAMBURA
OPERATIONS MANAGER



DELIGHT MUSHI
LEASE OFFICER



ANNA GODSON
FINANCE OFFICER



AYCA MSOMA
LEASE OFFICER

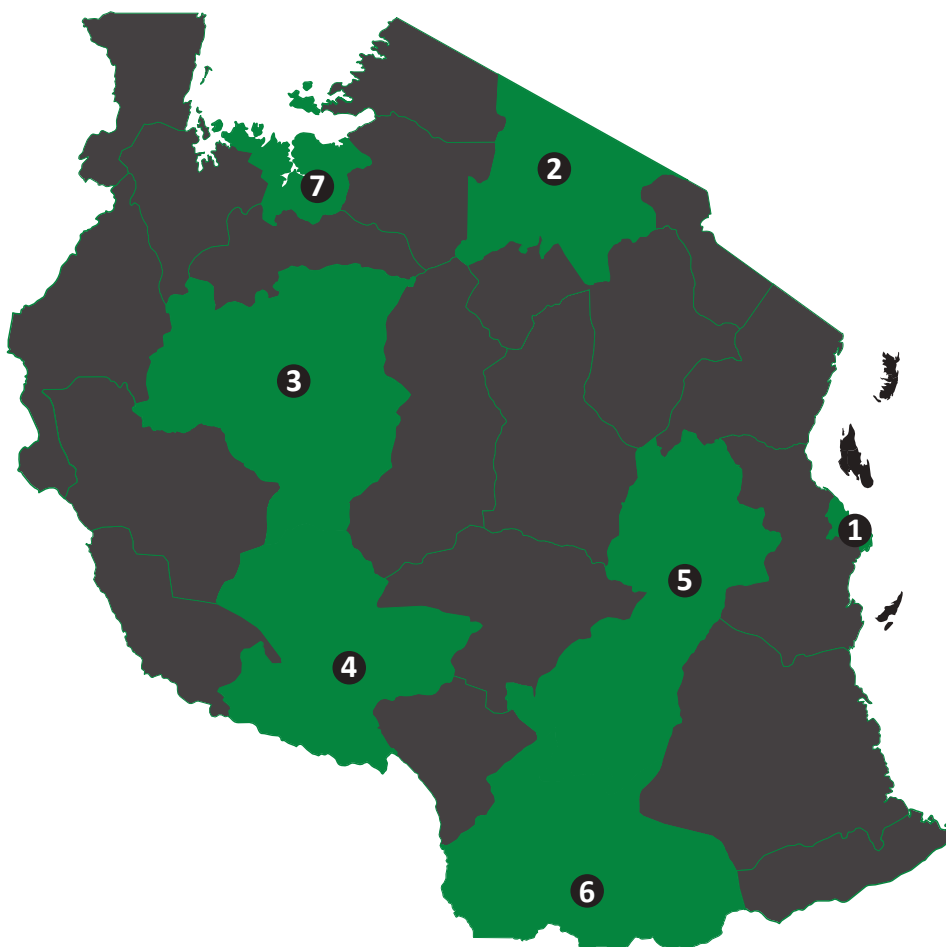
PASS Coverage

PASS Trust works across all regions in Tanzania and currently has 6 zonal branch offices in Arusha, Kigoma, Mbeya, Morogoro, Mtwara, and Mwanza. A new incubation centre for AIC has also been opened in Kongwa, Dodoma.

ZONAL OFFICES

Figure 1: PASS Zonal Coverage

- ① **Dar es Salaam**
Head Offices
- ② **Arusha (NORTHERN ZONE)**
Covering: Manyara, Kilimanjaro, Tanga & Arusha
- ③ **Tabora (WESTERN ZONE)**
Covering: Kigoma & Katavi
- ④ **Mbeya (SOUTHERN HIGHLANDS ZONE)**
Covering: Mbeya, Iringa, Songwe, Njombe and Rukwa.
- ⑤ **Morogoro (EASTERN ZONE)**
Covering: Singida, Dodoma, Morogoro, Pwani, Dar es Salaam, Unguja and Pemba.
- ⑥ **Ruvuma (SOUTHERN ZONE)**
Covering: Mtwara, Lindi and Ruvuma
- ⑦ **Mwanza (LAKE ZONE)**
Covering: Shinyanga, Geita, Kagera, Mwanza, Simiyu and Mara



Our Team

Figure 2: PASS Staff

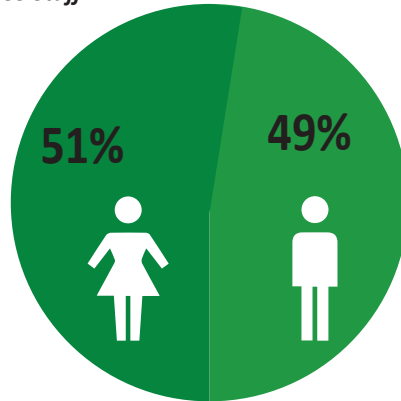


PASS staff at the Dar es Salaam head office

Total Staff

During the year 2021, the total staff headcount was 59 out of 70 staff required as per PASS 2018 – 2022 Strategic Plan. All staff are full time and on a three-year renewable contract. PASS is now implementing the Strategic Plan 2018-2022 that requires recruitment of more appropriate manpower required for smooth execution of the strategy.

Figure 1: PASS Staff

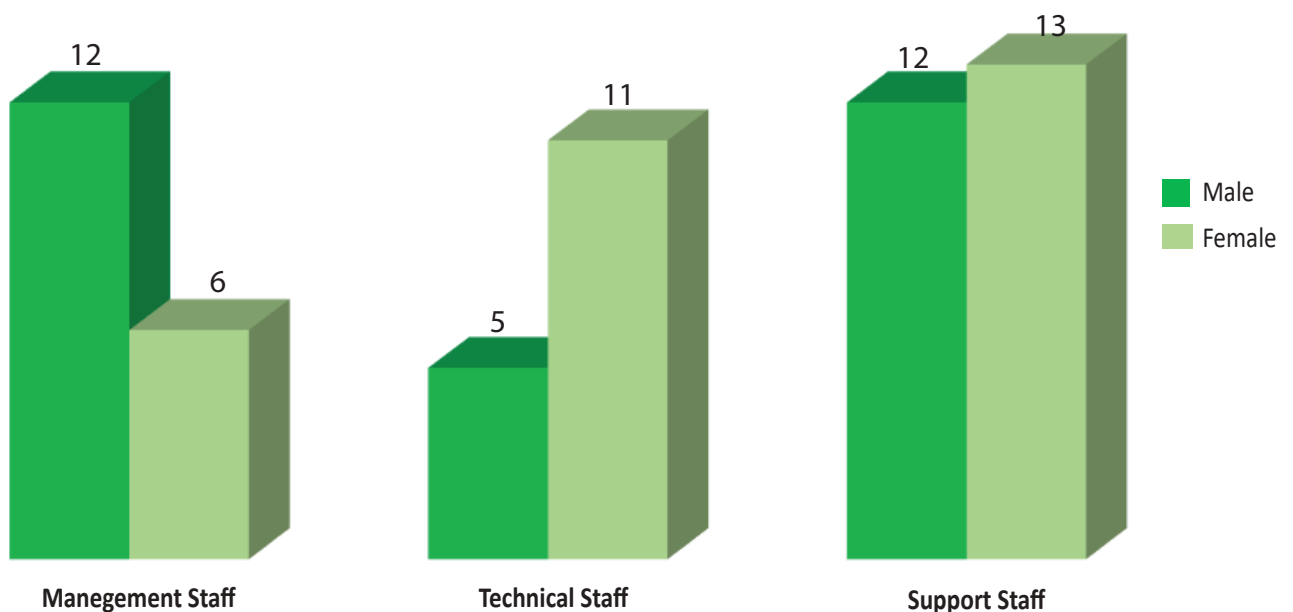


PASS Staff Gender Distribution as of 31st Dec 2020

Table 1: Summary of PASS Staff Head Count per gender

Staff Category	Approved	Actual	M	F
Management level	19	17	12	6
Technical Staff	31	23	5	11
Supporting Staff	20	19	12	13
Total staff	70	59	29	27

Figure 3: Staff Gender Distribution by Staff Category



PASS Organization Structure

AS OF DECEMBER 2020

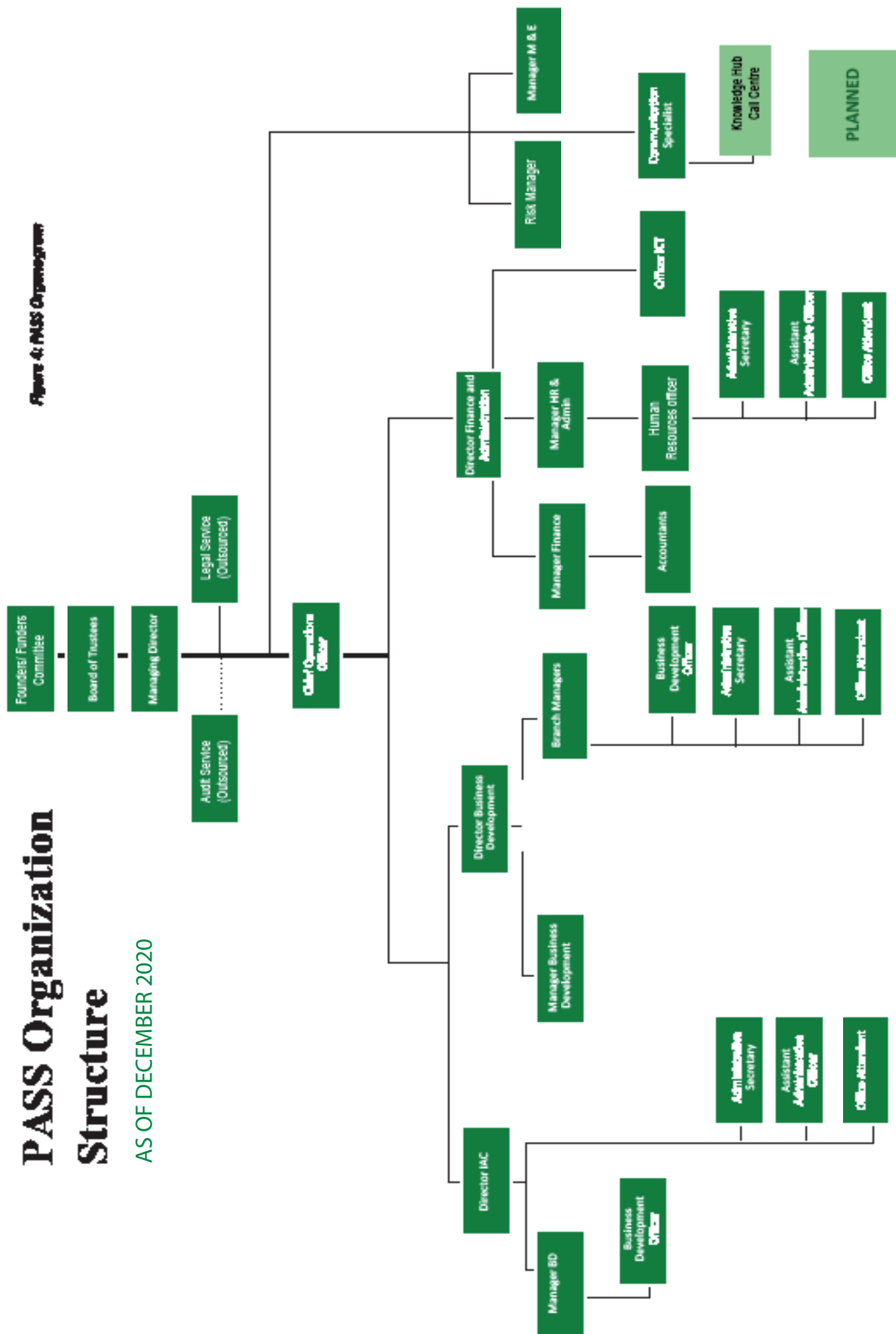


Figure 4: PASS Organization

Our work

PASS Beneficiaries

These consist of private entrepreneurs, agribusinesses, micro finance institutions (MFIs) and community banks.

Private Entrepreneurs

- Individuals
- Associations
- Companies
- Agricultural Marketing Cooperative Society (AMCOS)
- Savings and Credit Cooperative Societies (SACCOs) linked to the agricultural sector

MFIs, Community Banks

- PASS Trust provides access to loan funds;
- Provides linkage banking guarantees between large Commercial Banks and Microfinance Institutions for on lending to agricultural value chains

PASS Services

- Business Development Services: Feasibility studies & business plan preparation, farmer development services including group formation, out-grower schemes and contract farming
- Financial Services: Financial linkage with Credit Guarantee (i.e. Traditional Guarantee, Portfolio Guarantee and Institutional Guarantee), and financial analysis.
- Agribusiness Innovation Centre programme: a business-oriented agribusiness service center, under PASS Trust, mandated to provide business development services to agribusiness enterprises that are growth oriented or with potential to grow giving special attention to youths and women entrepreneurs in Tanzania. AIC has three intervention models as follows:

o No-Wall Incubation

AIC's primary intervention model is of 'no-wall' incubation of agro-processing enterprises that show potential for rapid growth. The enterprises receive a full set of business development services (BDS) over 3-year period that include strategic management, operations, finance, human resources, markets, technology and product development. Other services provided include access to finance, business networking and facilitation for business regulatory requirements.

o Seed Fund

A seed fund to operate as a mezzanine fund (in-between equity and loan, a form of quasi-equity) for enterprises that AIC is incubating

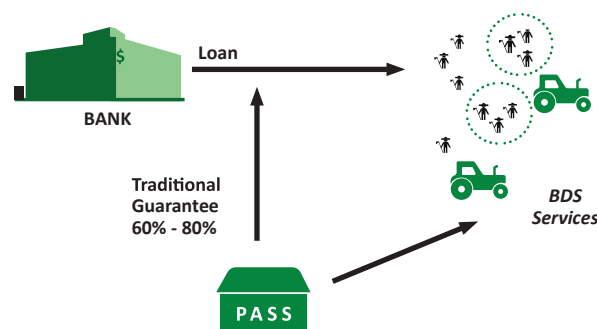
o Wall Incubation

The incubation centers incubate youth in agribusiness enshrined in green growth principles with the aim to achieve youth owned and operated successful agri-enterprises in many agriculture sub-sectors across the country. A minimum gender balance of 50:50 in favor of women is the target for youth incubation.

PASS Products

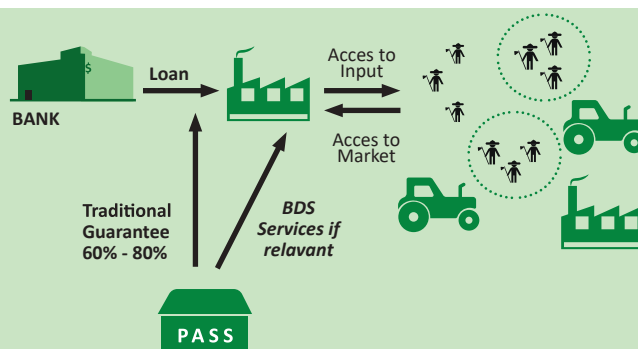
Traditional Guarantee

PASS' original product which has been fine-tuned and grown over the past 17 years. Based on a business plan, PASS provides banks with a 60% guarantee (up to 80% for women) of the loan amount. Beneficiaries can be individuals (SMEs or farmers) or farmer groups. PASS also provide BDS services such as conducting feasibility studies, support the development of business plans and conduct training or organize farmer groups.



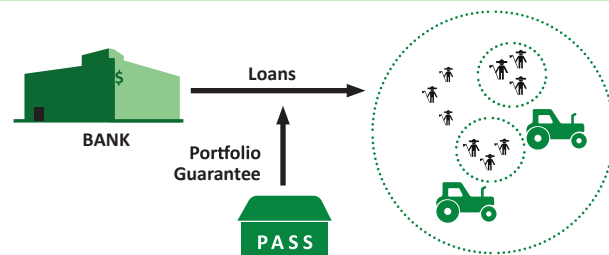
Traditional Guarantee – Large Enterprises

PASS has modified the traditional guarantee to serve demand in the market by also targeting large enterprises. In this case the need for BDS services is generally less. The criteria for servicing larger clients is that they should be important drivers in the value chains and smaller agribusiness entrepreneurs should benefit e.g. in the form of access to inputs or access to market.



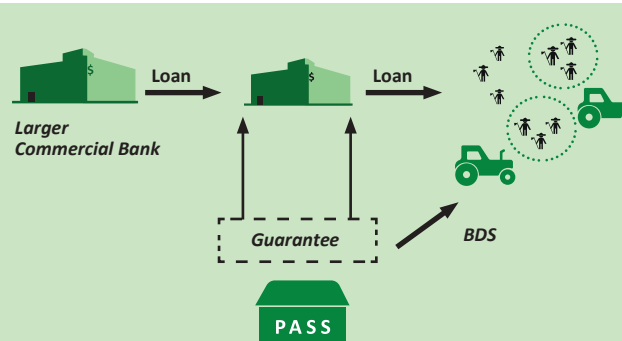
Portfolio Guarantee

Portfolio guarantee was introduced in 2012. In this case, the bank identify a group of agribusiness entrepreneurs and PASS provides a portfolio guarantee based on an application submitted by the bank. An assessment of the individual farmer is done by bank.



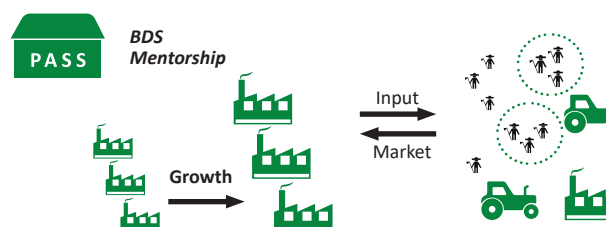
Institutional Guarantee

Smaller community banks/MFIs are closer to the farmers and see agriculture as an attractive market. In some cases, they are constrained by undercapitalisation. PASS guarantees a loan from a large commercial bank to a smaller financial institution which on-lends to agribusiness entrepreneurs. PASS can in parallel provide traditional guarantees to the smaller financial institution to agribusiness entrepreneurs and provide BDS.



Agribusiness Innovation Centre AIC

AIC was established in 2015 to incubate high potential SMEs and through mentorship and business development services to support the incubates in developing and growing.



PASS Leasing Company limited

PASS Leasing Company started its lease operations in June 2021 with the aim to support the agricultural sector through provision of competitively priced- collateral free lease financing so that producers can reach their productive potential through increased access to technology and level of Productive investments among Agri business entrepreneurs that adhere to Green growth initiatives.

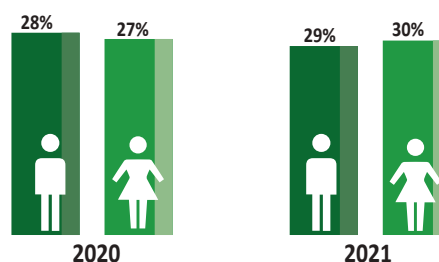


Collaborating Banks



PASS Annual Report 2021 at Glance

Gender Distribution 2020 VS 2021



STAFF



59 Countrywide

OFFICES



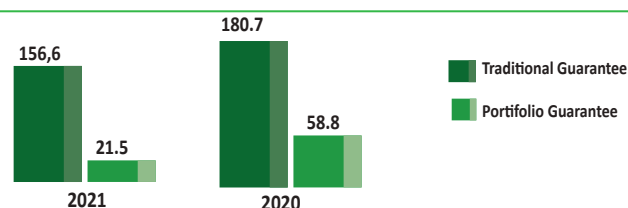
6 Zonal Offices
Two AIC Incubation Centers

Northern Zone – Arusha,
Western Zone -Tabora,
Sothorn Highlands Zone- Mbeya,
Eastern Zone -Morogoro,
Southern Zone-Ruvuma
Lake Zone- Mwanza

LOANS
GUARANTEED



Value of Business
Guaranteed by
Products 2020 vs 2021



Business
development
Services (BDS)



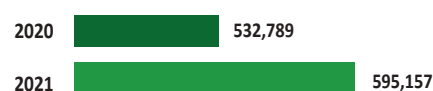
Number of Business
Approved by Products
2020 vs 2021



Social Impact
(Direct and
Indirect
Beneficiaries)



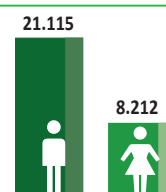
Number of Beneficiaries Reached
2020 vs 2021



Inter Grated Green
Growth



Number of supported agribusiness
entrepreneurs engaged in green
growth (29,327)



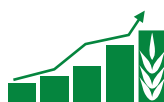
Social Impact
(Prospective
Employment
Creation)



Number of Jobs Created
2020 vs 2021



PASS finacial
Performance



Total Income 2020 vs 2021 (TZS
Billions)



PASS Net
Operational
Results



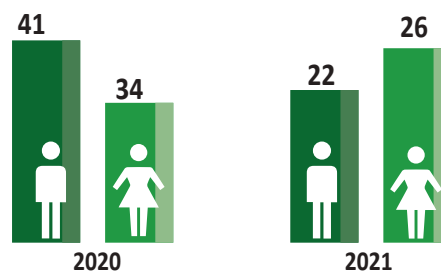
Net Surplus before Tax 2020 vs 2021
(TZS Billions)



AIC Impact



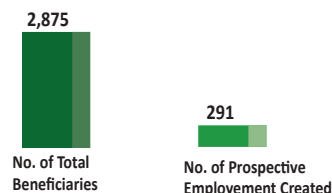
Number of Youth Exited from



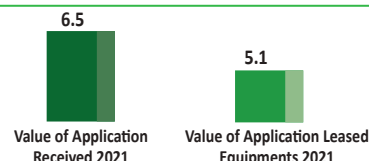
PASS Leasing Impact



Number of Beneficiaries supported in 2021



Value of Equipment Leased in 2021



PASS Annual Report 2021 At a Glance

Portfolio with Collaborating Banks

As of 31st December 2021, the total loan principal outstanding portfolio for 14 of PASS partner banks was TZS 284.52Billion showing quite a substantial increment compared to year 2020 which was TZS 278.9Billion. Total loan outstanding portfolio in 2021 is higher by TZS 5.5 Billion compared to the portfolio in 2020, an indication of a 1.9% growth on portfolio. This is due to a strong appetite for banks to lend in agricultural value chain projects as well as the efforts of the PASS Trust in marketing its services.

The loan portfolio is still dominated by two Banks, NMB Bank Plc and CRDB Bank Plc holding 81.6% (CRDB 52.7% and NMB 28.9%) while the remaining FIs with 18.4% portfolio.

During the period under review, other banks including Access Bank, Equity and AMANA Bank have increased their loan portfolio with the Trust. PASS continues to work in line with the targets of its 2018-2022 strategy in diversifying its portfolio not to exceed an acceptable level of 60% of the total portfolio per single financial institution. The focus is to concentrate on other partner banks and diversify the portfolio to at least 5% for each of at least 5 banks to diversify risks and this so far has been achieved by 60%.

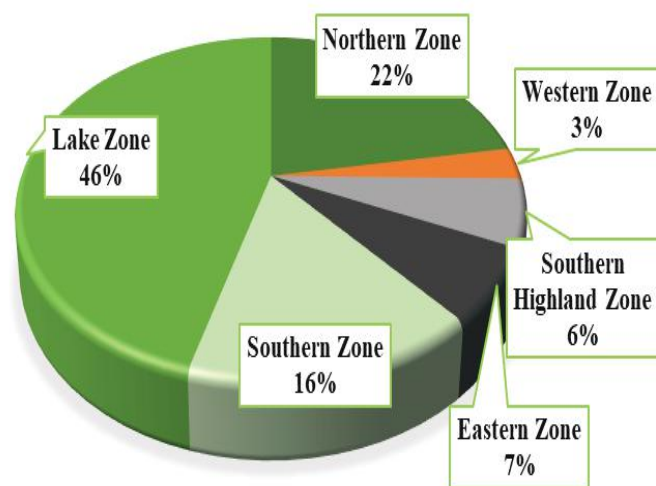
Table 2: Portfolio Distribution Within Collaborating Banks for 2020 vs 2021

S/NB	BANK	2021 % Value Of the total portfolio	2020 % Value Of the total portfolio
1	CRDB	52.72%	39.00%
2	NMB	28.89%	39.27%
3	ACB Plc	0.56%	1.13%
4	ACCESS	0.19%	0.03%
5	BOA	0.28%	2.57%
6	MKOMBOZI	0.03%	0.04%
7	TADB	10.06%	9.06%
8	EQUITY	0.83%	0.19%
9	ABC	0.14%	0.14%
10	AMANA	0.05%	0.05%
11	VFMB	0.86%	0.93%
12	NBC	2.65%	2.90%
13	AZANIA	2.74%	4.70%
	TOTAL	100.00%	100.01%

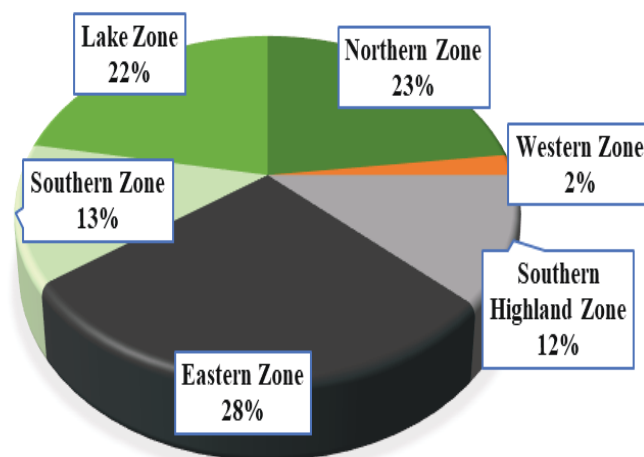
Loan Portfolio by PASS Zonal Branches as at December 2021

Figure 3: PASS Guaranteed Loans by Zonal Branches as of 31st December 2020 vs 31st December 2021

PORTFOLIO GUARANTEED BY PASS IN 2021



PORTFOLIO GUARANTEED BY PASS IN 2020



PASS Guarantee Support 2021

PASS Guarantee Support 2021

In 2021, PASS supported various agribusiness projects under different guaranteed products. 7,293 business proposals approved by 9 Financial institutions with loan worth of TZS 178.1Billion supporting 595,157 Agribusiness Entrepreneurs. Among the approved beneficiaries 47.5% were female, number of beneficiaries reached exceeded the target by 95%. Business Proposals approved were from Traditional Guarantee and Portfolio Guarantee products as follows:

Traditional Guarantee

Under Traditional Guarantee in 2021, PASS reached 71,583 agribusiness entrepreneurs via 302 business Proposals worth TZS 156.6 Billion compared to 473,902 farmers via 433 business Proposals worth TZS 180.67Billion in 2020 approved by banks. Projects funded were for crop production, crop processing, horticulture, input trading, transport, livestock and crop trading.

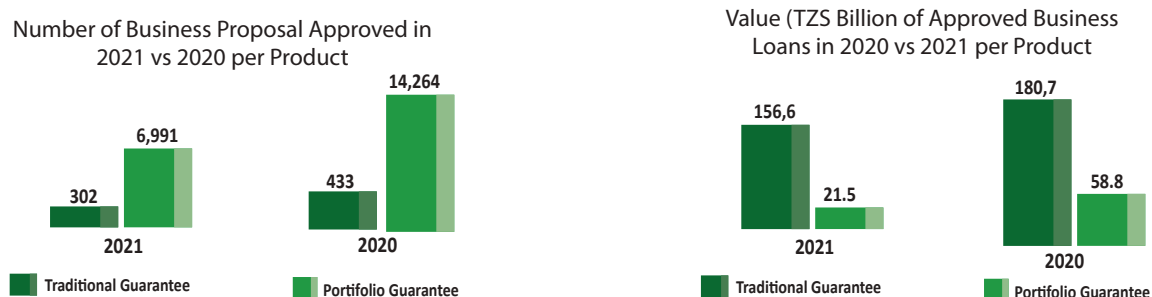
Portfolio Guarantee

Under Portfolio Guarantee in 2021, PASS reached 517,574 agribusiness entrepreneurs via business proposals 6,991 worth TZS 10.8Billion compared to 58,896 agribusiness entrepreneurs via 14,264 worth TZS 58.84Billion in 2020. Most of these proposals were for crop production and fertilizers.

Table 3: Value of Business Proposals Guaranteed by PASS Products as of 31st December 2021 compared to 2020

Product	2021						2020					
	Target		Actual			Beneficiaries	Target		Actual			Beneficiaries
	# of BP	Value (TZS)	# of BP	Value (TZS)	% Contribution		# of BP	Value (TZS)	# of BP	Value (TZS)	% Contribution	
Traditional Guarantee	614	145.13	302	156.63	87.94%	77,583	399	129.02	433	180.67	24.60%	473,902
Portfolio Guarantee	9,749	31.94	6,991	21.48	12.06%	517,574	8,367	44.07	14,264	58.84	75.40%	58,896
Total	10,363	177.08	7,293	178.11	100.00%	595,157	8,766	173.09	14,697	239.51	100.00%	532,798

Figure 4: Number and Value of Business Proposals Guaranteed to Banks (TZS Billion) per PASS



Business Proposals Guaranteed per Sub-sector

In the year 2020, PASS supported 10 sub-sectors (Table 4). Among these, Crop Production comprised of the highest value of the total loan amount approved, followed by crop trading and processing by 32.4%, 26.1% and 23.7% respectively. In 2019 Processing was leading followed by Crop production and crop trading by 43.8%, 27.3% and 14.3% respectively as per Table 4.

This was attributed by PASS Trust's support to Agro-processing in response to government policy to support industrialization in the country. PASS has also continued to support crop production in 2020 in collaboration with mainly VisionFund and other collaborating partners to ensure availability of raw material to Agro-processors.

Table 4: Business Proposals Guaranteed per Sub-Sector in 2019 compared to 2020

Subsector	Value	CGC Amount	% Contribution in Loan Value	Value	CGC Amount	% Contribution in Loan Value
	(TZS Billion)	(TZS Billion)		(TZS Billion)	(TZS Billion)	
Crop Production	77.56	25.47	32.38%	16.61	8.77	9.33%
Crop Trading	62.40	22.95	26.05%	19.33	10.7	10.85%
Livestock	2.82	1.58	1.18%	1.91	1.12	1.07%
Processing	56.68	23.20	23.67%	70.11	18.09	39.36%
Mechanization	16.27	3.40	6.79%	14.5	6.27	8.14%
Input Trading	19.52	9.18	8.15%	54.56	15.26	30.63%
Horticulture	0.11	0.05	0.04%	0.11	0.07	0.06%
Storage	2.56	1.29	1.07%	0.83	0.44	0.46%
Fish Farming	1.27	0.67	0.53%	0.16	0.08	0.09%
	239.51	87.96	100.00%	178.11	60.8	100.00%

Paid Up Guarantee Claims in 2013 to 2021

In 2021, the total paid up Guarantee Claim was TZS 4.1Billion compared to TZS 2.4Billion in 2020

Table 5: Paid up Guarantee Claims (TZS Billions)

Year	Guaranteed Loan Portfolio (TZS Billion)	Credit Guarantee Committed (TZS Billion)	CGC Claims Paid (TZS Billion)	Percentage
2013	0.7	11.3	.52	13.50%
2014	4	18.4	.61	8.80%
2015	9.8	41.1	.34	0.80%
2016	122.2	8.8	1.6	2.70%
2017	184.1	8.9	1.79	.30%
2018	217	102.7	.3	.20%
2019	272.6	114.7	.5	.30%
2020	278.9	124.9	.4	.90%
2021	284.5	110.4	.13	.71%
Total	1513.8	661.2	20.16	3.05%

PASS Outreach in 2021

The processed businesses in 2021 plus pending businesses in banks from year 2020 submission resulted to a total of 7,293 businesses approved in 2021 with values summing to TZS 178.1Billion of which 595,157 agribusiness Entrepreneurs benefiting from PASS guarantee in 2021. The high number of beneficiaries recorded this year was due to PASS support to large agribusiness entrepreneurs with large number of indirect beneficiaries. The guaranteed value was TZS 60.8Billion with an average guarantee of TZS 24.4Million per business supported.

Among the approved businesses, 302 were business proposals under traditional guarantee worth TZS 156.6Billion and 6,991 applications processed under portfolio guarantee worth TZS 21.5Billion. Among the supported 595,157 beneficiaries, 52.5% were Male and 47.5% Females. These benefited entrepreneurs created prospective employment opportunities to 69,315 people in agriculture industry.

Table 6: Business Proposals and Outreach of PASS Core Business in 2021

Year	Business Plans Submitted to Banks		Business Plans Approved Clients		Number of Beneficiaries under BP Approved	Number of Prospective Employment Created
	Number	TZS (Billion)	Number	TZS (Billion)		
2021	502	190.5	7,293	178.1	595,157	69,315

In 2021, PASS Trust worked with 24 regions worth a total value of TZS 178.1billion in loan approved amounts and TZS 60.8billion worth of guaranteed value in different collaborating banks. The results are lower compared to 2020 (Table 7) in terms of value but fewer regions compared to 2019 where PASS worked with 26 Regions countrywide.

Table 7: Value of Approved Business Proposals (TZS Billion) Guaranteed

No	Regions	2020	2021
		Loan Approved Amount	Loan Approved Amount
1	Arusha	12.52	35.06
2	Dar es Salaam	8.48	0.00
3	Dodoma	0.16	0.13
4	Geita	0.3	0.05
5	Iringa	0.92	0.40
6	Kagera	0.61	0.60
7	Kigoma	6.43	5.31
8	Kilimanjaro	0.08	4.35
9	Lindi	0.29	1.59
10	Mbeya	32.3	9.18
11	Morogoro	64.79	12.09
12	Mtwara	42.84	16.39
13	Mwanza	51.31	79.73
14	Njombe	0.05	0.34
15	Rukwa	0.36	0.61
16	Ruvuma	6.79	10.38
17	Shinyanga	5.6	0.85
18	Singida	0.17	0.00
19	Songwe	0.16	0.63
20	Tabora	0.55	0.00
21	Coast	0	0.05
22	Manyara	0.19	0.10
23	Mara	0.01	0.00
24	Tanga	4.6	0.26
	Total	239.51	178.11

Agribusiness Innovation Center

Agribusiness Innovation Center (AIC), under PASS Trust, provides business development services to small and medium agribusiness enterprises, specifically agro processors, that show growth-potential to enable them to grow, become profitable and sustainable. Special attentions are provided to youth and women agribusiness entrepreneurs to provide them with reliable support and facilitation to ensure youth and women achieve their full potential and become successful entrepreneurs.

The motivation behind AIC's services is the fact that many small and medium agro processors stagnate after having reached a certain level and do not realize their full potential in terms of growth and profitability. AIC services are designed to support stagnating agro processors to once again be on the growth path. AIC also provides a specific service to the youth through dedicated agribusiness incubators, where the youth start and manage their own agribusinesses using modern and efficient technology and processes while adhering to green growth principles.

AIC Services

No-Wall Incubation

AIC provides Business Development Services (BDS) to small and medium agro-processors in the areas of management and operations, including planning, finance & financial linkages to commercial financial institutions, human resources, technology and production, markets, business regulations, and networking. From 2019, the focus has been on supporting exited youth from the agribusiness incubators to properly establish themselves as independent enterprises.

Walled Incubation for Youth

In 2020, AIC consolidated and further expanded its youth agribusiness incubation services. The incubators provide opportunity to youth to start and manage their own agribusiness. After a specific period in the incubator, the youth relocate to his/her own premises and continues with the business.



One of PASS-AIC incubates at the SUA Morogoro displaying her product



PASS AIC Morogoro center's outlook.

Currently, there are two AIC Youth Agribusiness Incubators operating.

One is located at Sokoine University of Agriculture, Morogoro, which focuses on horticulture and a plan to expand other subsectors like fish Farming, poultry and agro-processing. In 2021, 62 youth successfully exited from the incubator, and are now establishing horticulture agribusinesses in their own premises. 76 youth are undergoing incubation in 2021/22.

Another incubator is located at Tanzania Livestock Research Institute (TALIRI) Farm, Mbande, Kongwa (on the Dodoma– Morogoro highway). The incubator focuses on livestock keeping and meat processing. During 2021, 13 youth successfully exited. Expansion work is ongoing to accommodate an addition of 30 youth enterprises in abattoirs services, meat processing and barbecue (meat catering) agribusinesses.

Expansion of agribusiness incubators to other regions like Zanzibar and Dodoma for food processing, Tanga for Dairy and in Mwanza Fish farming in cages along Lake Victoria has been postponed waiting for recommendations from the technical review team. The Technical review team has been contracted to evaluate AIC project and offers recommendations on whether the project is achieving and making an impact to the targeted group or not.



PASS AIC Dodoma Centre's beneficiary, young woman explains to PASS Trust's MD, Yohane Kaduma, how she benefited from the center to own a number of goats she fatten in modern technologies she learnt.



PASS AIC Incubatee works in his green house farm at Morogoro center.

ABOUT PASS LEASING COMPANY LIMITED

PASS Leasing company Limited is wholly owned company by PASS Trust. Its establishment is in line with the provisions of the PASS Trust Deed, that seeks to establish a business of Leasing for Agricultural machinery and equipment, with the aim of stimulating investments and promoting growth of commercial agriculture and agribusinesses in Tanzania that improves the quality of life for small and Medium Scale Agribusiness Entrepreneurs.

PASS Leasing Company aim to support the agricultural sector through provision of competitively priced- collateral free lease financing so that producers can reach their productive potential through increased access to technology and level of Productive investments among Agri business entrepreneurs that adhere to Green growth initiatives.

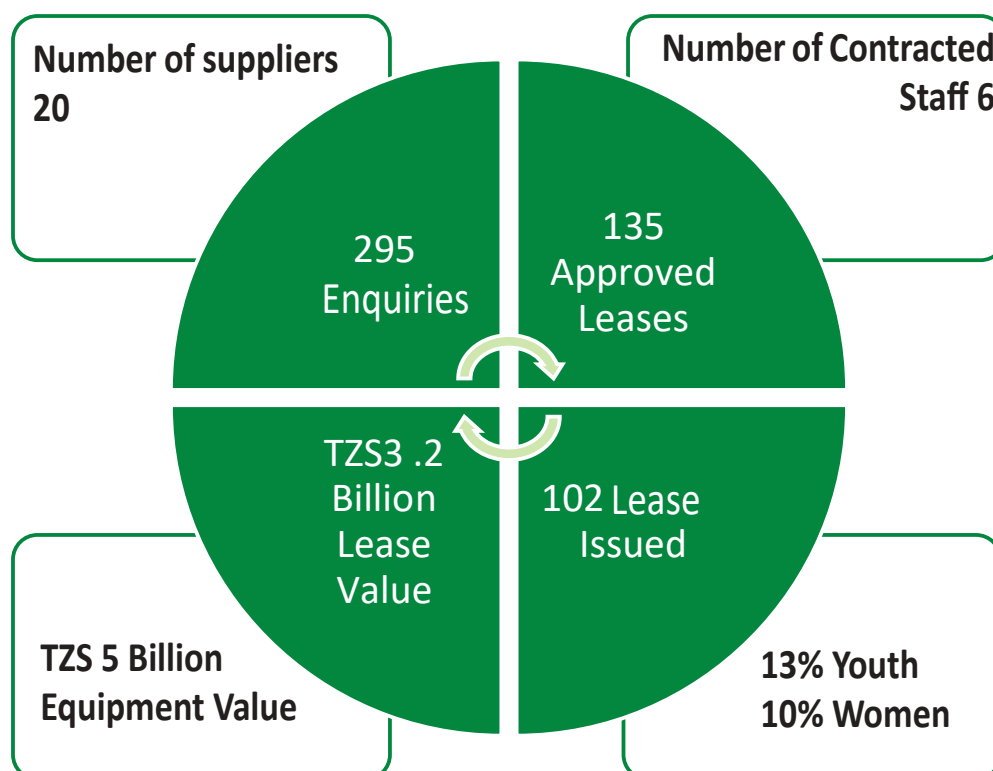
Financial Year 2021 was successfully closed with the newly inaugurated company PASS Leasing obtained license by 1st March 2021 of Financial Leasing license with registration number FLC 004, by the Bank of Tanzania.

The Launch of PASS Leasing at Dodoma in July 2021 marks the beginning of serving Lease Clients throughout Tanzania through PASS Leasing Company where its first clients were issued with Agricultural Equipment's. The Board and Management of PASS Leasing has continued to steer up the developments of Products, Processes, People and Policies as core to building up a Strong Financing Lease Company PASS Trust can rely on in implementing the shared vision for Agricultural Entrepreneurs. PASS Trust has maintained its Majority shareholding in PASS Leasing the year 2021 with a Total Equity injection of Tanzania Shillings (TZS) 4,500,000,000.

During the year Three Financial Leasing products were in place (1. Traditional Financing Lease, Supply/ Value chain financing lease and Micro-leasing) with most Clients served under Traditional Financial Leasing product.

PASS Leasing Performance as close of December 2021.

Throughout the year, the company-worked together with various equipment suppliers, focused on reaching small and medium agricultural entrepreneurs. By the end of the year, PASS Leasing Company Limited had offered an estimated TZS. 3.2 billion shillings worth of agricultural machinery equipment to at least 102 agribusiness entrepreneurs spread across the country from various agribusiness sectors. This also led to the creation of an estimated 291 jobs and a further estimated 2875 beneficiaries.



PASS Financial Performance

Guarantee Fee Income Growth Trend 2013 – 2021

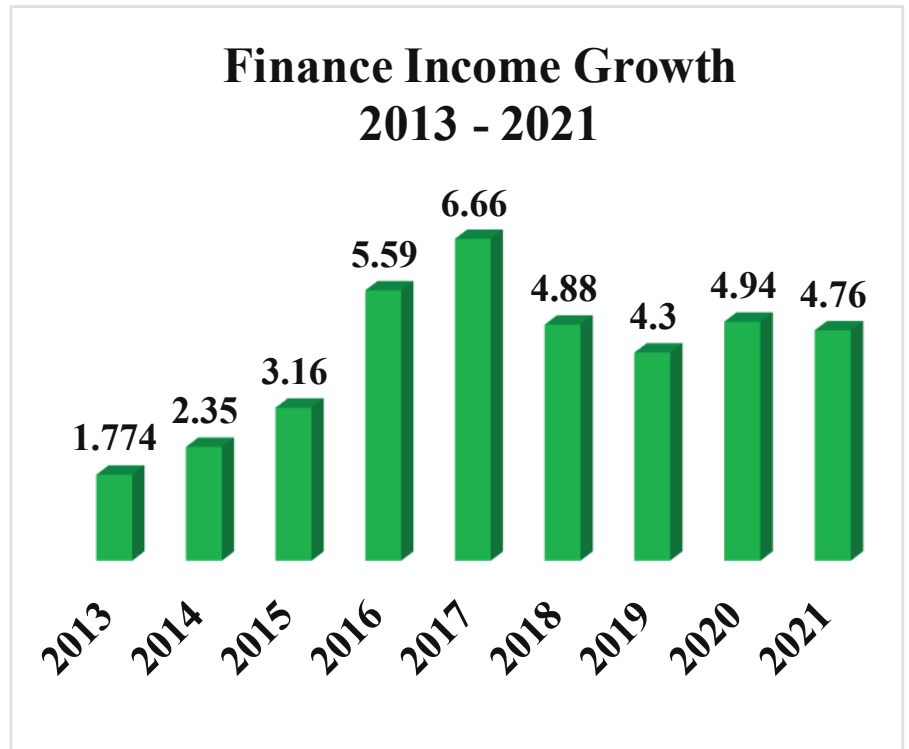
Since 2013, the income from credit guarantees, which is PASS Trust's core business has been increasing steadily. This was in line with growth of guaranteed loan portfolio from partner banks.

Year	Guarantee Fee Income (TZS Billion)
2013	0.90
2014	1.11
2015	2.11
2016	3.21
2017	3.54
2018	4.43
2019	4.47
2020	4.94
2021	4.32



Finance Income Growth Trend 2013 - 2021

Year	Finance Income (TZS Billions)
2013	1.774
2014	2.35
2015	3.16
2016	5.59
2017	6.66
2018	4.88
2019	4.3
2020	4.94
2021	4.76



Trend of Net Operational Results: Profit Before Tax (PBT) (2013 – 2021)

Profit Before Tax (Excluding Revaluation Gain) – TZS Billions

Year	PBT		PBFT
	(Incl. FX Gains)	Revaluation on FX Gains	(Excl. FX Gains)
2013	(1.70)	0.03	(1.73)
2014	2.71	0.88	(1.18)
2015	9.98	0.59	0.39
2016	1.90	0.77	0.13
2017	1.57	0.29	0.28
2018	(1.25)	1.26	(2.52)
2019	(2.29)	0.20	(2.49)
2020	2.39	0.33	2.06
2021	(5.41)	0.02	(5.42)

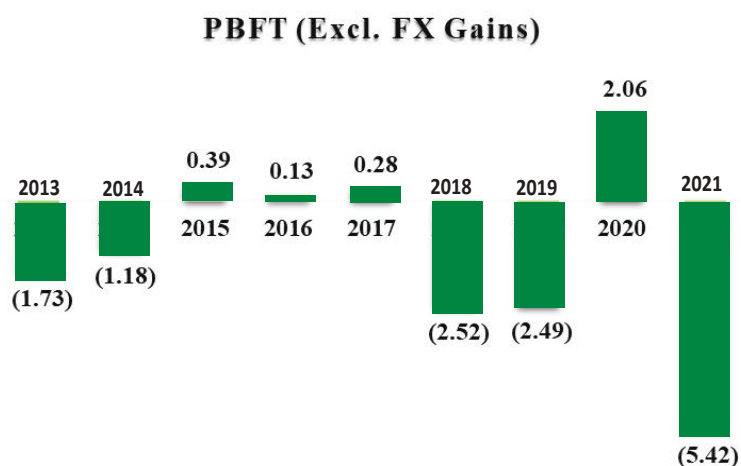


Table 8: Status of the Credit Guarantee Fund (CGF) utilization as at 31st December 2021

The total book value of the Credit Guarantee Fund deposited in various Banks is TZS 74.31 billion and the actual credit guarantee committed amount to TZS 110.44 billion as per loans ageing reports received from Banks as of 31.12. 2021. The committed Guarantee Fund is 148.6% of the total available GCF, on a leverage ratio of one to one and . If we will include CGC recently issued in Quarter Four of TZS 19.95 billion Loan with PASS Commitment of TZS 11.3 billion utilization is at 163.8% under Leverage of 1:1 and 54.6% under the leverage of 1:3 as per summary in table 3.1 and 3.2 below.

Period/Date	Loan Portfolio	CGF Deposited/Required	CGF Utilized	% Utilization Leverage 1:1	% Utilization Leverage 1:3
Book value as per aging report from Banks as at 31.12.2021	284.52	74.31	110.44	148.60% 4	9.50%
Add: CG C Recently Issued to Banks	19.95		11.31	15.20% 5	.10%
Add: PASS Guarantee Approved, but CG C not issued to Banks	-	-		0.00% 0	.00%
Actual Committed CGF Utilization as at 31.12.2021	304.47	74.31	121.75	163.80% 5	4.60%

2. Challenges Facing Financing in Agricultural Sector

- Inadequate experience of some commercial banks in lending to agricultural sector: PASS is providing technical assistance to partner banks in terms of training on Agricultural Financing through partnership with the Financial Sector Deepening Trust (FSDT) and IFC.
- Many banks are in major towns hence difficult in dealing with rural farmers: PASS is working with rural microfinance institutions under institutional guarantee. For major banks, PASS is negotiating in enhancing adaptation and usage of ICT based technology banking.
- Lack of title deeds for collateral (as required under land act) especially for farmers in rural areas: PASS is promoting acceptance of traditional land titles as collateral by banks, under laws of contract
- Poor credit knowledge of farmers: PASS is now working with other partners like International Trade Centre (ITC), AMDT, Enabel Belgium, etc to build the capacity of farmers in financial literacy.
- High dependence on natural rainfall: PASS is promoting irrigation farming projects through guarantee of irrigation infrastructure loans and working with in partnership with Imperial College London under the AfDB's project on De-risking Agricultural Finance for Smallholder Farmers (DAFS), to design a weather index insurance product for maize and sunflower farmers.



A paddy farmer in Mbarali Mbeya, shows his modernly cultivated crops during a visit by PASS Trust's team in his field.

Conclusion

PASS Growth

PASS has grown in terms of coverage and staffing due to the increased demand for Trust's services. Between the years 2002 and 2003, PASS had 10 staff of which 5 were technical staff and 5 were supporting staff. PASS had a total of 59 staff of which 34 are technical staff while 25 are supporting staff as of 31st December 2021. Through Gender mainstreaming strategy, PASS has surpassed 50% gender balance of its employees, as of 31st December 2021 51% of PASS Employees were female. PASS started with one office in Morogoro and to date has expanded to six zonal offices with its headquarters in Dar es Salaam

PASS Beneficiaries and Job Creation

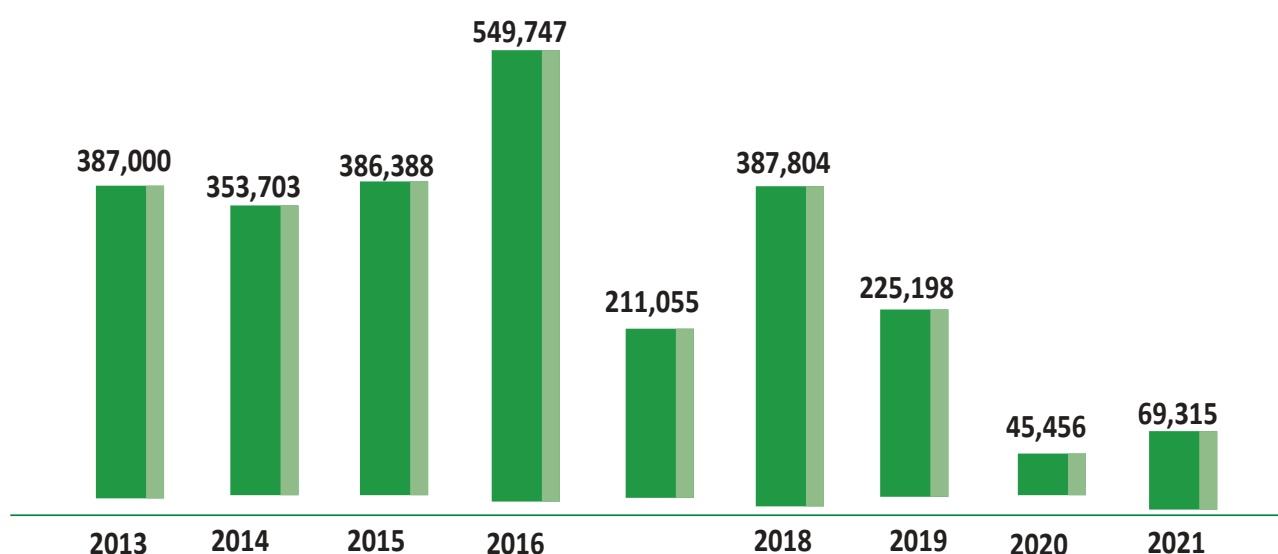
A total of 2,281,437 agricultural entrepreneurs benefited from PASS Guarantee between the years 2013 to 2021 with total loan amounts of TZS 1,143.1 Trillion. In 2021 alone, PASS Trust support supported a total of 595,157 individuals of which 47.5% were women with loan value of TZS 178.Billion. The percentage of women has increased compared to efforts made by PASS to make access to credit more inclusive. This has resulted in increased guarantee cover of up to 80% for women owned agricultural business and encourage women farmer groups.

Table 9: Beneficiaries and Job Created 2013 - 2021

Year	Number of Business Proposals Supported	Value of Business Proposals Supported (TZS Billions)	Number of Beneficiaries Reached	Number of Prospective Jobs Created
2013	3104	8.8	129,000	387,000
2014	3787	5.5	117,901	353,703
2015	5645	6.1	128,796	386,388
2016	,010	101	183,249	549,747
2017	623	122.7	170,974	211,055
2018	5,563	191.7	196,873	387,804
2019	0,666	129.7	226,689	225,198
2020	4,697	239.5	532,798	45,456
2021	,293	178.11	595,157	69,315
Total	51,104	1,143.11	2,281,437	2,615,666

Figure 5: Number of Jobs Created 2013 – 2021

Number of Prospective Employment Created



Prospective Impact on Agribusiness Entrepreneurs

In 2021 alone, PASS guaranteed 7,293 business proposals to 595,157 agribusiness entrepreneurs of which 47.5% are female beneficiaries worth TZS 178.1Billion. The beneficiaries include farmer groups, SACCOs, farmers' associations and companies individual and women groups involved in agricultural activities as well as indirect beneficiaries associated with large clients under traditional guarantee.

a) Increasing Productivity and Technology Adoption

- Small holder coffee farmers have managed to produce quality specialty coffee for export.
 - In poultry keeping the laying capacity has been increased from 60% to between 80% and 90% laying capacity
 - Sugarcane yields have increased from 20 tons to 60 tons per ha with high sugar content
 - Paddy farmers experienced increased yields from 10 to 42 bags per ha using SRI technology
 - On technology adoption processors accessed modern machineries and equipment's.
- As such, some of the direct benefits accrued included increased productivity, technology adoption and creation of employment opportunities.

b) Jobs Creation

A total of 69,315 employment opportunities were created by the 595,157 benefited agribusiness enterprises with credit accommodation worth TZS 178.1 Billion. In Mtwara, Mwanza and Arusha, support to cashew nut production, grain farming and trading and input supply created employment especially for women in processing of cashew nuts due to increased harvests.

c) On Youth Capacity Building

In 2021, from the AIC youth agribusiness incubators, 75 youth successfully exited the incubators after 12 months agribusiness incubation period and are now establishing their own horticulture agribusinesses in Morogoro, Kilosa, Mpwapwa and Kongwa districts. In total, since start of AIC youth agribusiness incubation in 2018, 141 youths have successfully exited. Various commercial finance institutions such as TADB, Mkombozi and VisionFund are showing interest to provide finance. Once the exited youth establish and properly manage their own agribusinesses at their own premises, they will have shown the full working of the AIC youth agribusiness incubation model. The AIC model quick-starts a youth on the journey to own, establish, operate and grow – profitably and sustainably – his/her own agribusiness anywhere in the country using local resources and local markets as a starting point.

During 2021/22, 76 youth are undergoing agribusiness incubation in horticulture production and livestock-keeping. A further increase in incubation capacity is planned in 2022 to accommodate additional youth in dairy cattle farming agribusinesses and agro-processing enterprises. Within five years, through the AIC model, 1,000 youths are expected to have been quick started into owning and operating their own successful, sustainable and growing agribusinesses.

PASS Outlook 2019-2022

PASS Trust is implementing a strategy strategic plan with three overall strategic priorities to drive the continued development of PASS in the coming years. The strategy priorities include to:

- Scale up and diversification of PASS portfolio to further expand outreach
- Identification and roll out of innovative ways of using information and communication technology to expand outreach
- To ensure that PASS is financially and institutionally sustainable

In 2021, PASS Trust targeted a total of over 1,270,151 beneficiaries with guaranteed loan amounting to TZS 153.8 billion. This will have the potential to create more than 1,000,000 direct and indirect jobs in the agricultural sector.

STORIES FROM PASS CLIENTS

A Case of Neema Elenziali in Madaba

A maize farmer in Madaba, Neema Elenziali stands at her new house she has built after being supported by PASS via their Kiwama AMCOS in Madaba Ruvuma.

Maize agricultural entrepreneur from Kiwawa Village located in Madaba in Ruvuma Region, Neema Elenziali has successfully improved her life through maize farming entrepreneurship after being enabled by PASS Trust to get a cash loan.

Miss. Neema (38) has been involved in maize farming for a long time without success due to lack of capital to run modern agriculture but after joining a group of small-holder farmers and being sponsored by PASS on a bank loan, she has seen great productivity in agriculture a condition she notes has changed her life through an increase in productivity unlike before.

She says that in the initial production, her income was not meeting the demands so her life continued to be poor but through the loan and the encouragement from his fellow group members she has been producing more and able to carry out other developmental activities.

"When I started farming, I had two acres, I was getting eight to ten sacks so it didn't help me at all to achieve my goals, later I decided to join the KIWAMA farmers' group and through that group we have been taking loans from banks for PASS sponsorship. These loans have enabled me to increase my production more as I now get 60 to 70 sacks in the three acres I cultivate" she says.

The entrepreneur, who is a mother of three runs her own life without a husband, explains that the increase in production in her maize farm has enabled her to achieve great success including building a better house to live in and expanding agricultural

activities.

"PASS guarantees on loans within our group has benefited me a lot, together with educating my children good schools I have managed to build a modern house to live with my family but I have also bought a plot elsewhere I hope to build another house after next season's harvest" explained the entrepreneur.

she notes that in addition to the loans to enable her to build a house and buy a plot for future construction, she has also been able to buy one more acre so that she can expand her farming from the two acres she used to cultivate and now has three acres.

"I am very grateful to PASS because with-



A maize farmer in Madaba, Neema Elenziali stands at her new house she has built after being supported by PASS via their Kiwama AMCOS in Madaba Ruvuma.



Neema's former house, before PASS' credit guarantee.



Neema's new house, that she built after a support from PASS Trust.



Kiwama AMCOS farmers in a group photo with PASS officers during the recent visit at the AMCOS warehouse in Madaba Ruvuma.

out them enabling our group I would not be able to build a better house to live in" explains Neema while urging women to stop degrading behavior but to be confident and join in groups so that they can apply for loans from banks with PASS sponsorship to increase productivity and change their lives. Speaking on PASS guarantees in loans to agricultural entrepreneurs, PASS Monitoring and Development Manager Ms. Safia Mbamba said that PASS is focused on enabling women to improve their lives by giving them credit on loan guarantees up to 80% and the target being to make sure

that 50% of the beneficiaries of PASS securities are women.

"We PASS see Pride when women are successful through our bonds as the goal is to make 50% of our beneficiaries be women and that is why we have given priority to our guarantees up to 80%" she said.

Explaining how the KIWAMA farmers' group got loans through PASS, the group's secretary Martin Flavian Mnyanyuka said the group had been benefiting from PASS bonds for four consecutive years since 2015.

"We have been benefiting with PASS guarantees since 2015/2016

where they secured us a loan of 113 million through NMB bank, in 2016/2017 we were also able to borrow 245 million and later in 2017/2018 we shifted to TADB bank where we borrowed 375 million and in 2020/2021 we borrowed Tsh.37,375,000 / - through TADB" said the secretary of the group which has a total of 324 smallholder farmers who have been benefiting in various ways.

Kiwama AMCOS farmers in a group photo with PASS officers during the recent visit at the AMCOS warehouse in Madaba Ruvuma.

The Case of Kiwawa AMCOS in Madaba



Kiwawa AMCOS leaders check quality of the maize collected by their members at the warehouse in Madaba, Ruvuma. (Photo by Pawa Lufunga)

More than 300 smallholder farmers in Madaba district, Ruvuma region have managed to change their livelihoods from agricultural financial loans enabled by PASS.

The farmers who have been involved in maize farming have moved away from traditional farming to modern mechanisms which have led to increased production and productivity in different crops than in the past while joining groups and continuing to benefit from cash loans to increase investment in agriculture through PASS securities.

Commenting on how the farmers have benefited from PASS-sponsored loans, Secretary of the Kiwawa AMCOS farmers' group Mr. Martin Flavian Mnyanyuka noted that the farmers have

been benefiting from PASS services from 2015 to date with great success for the group and individual farmers within that group.

He said that the group with a total of 324 farmers was connected to PASS through NMB Songea Bank where for the first time, in 2015/2016 they were enabled by PASS to get a loan of Tsh. 113 million and the following year 2016/2017 were also enabled to borrow up to 245 million and in 2017/2018 borrowed 478 million loans enabled through NMB bank.

As a result of the government's advice through a program to increase productivity for farmers through TADB agricultural bank, in 2018/2019 the farmers moved to TADB bank where they have continued to get loans until last year 2020/2021 where they bor-

rowed 375 million.

Along with many other benefits that they have been receiving through these financial loans, these farmers of whom 178 are women, 146 men, have also been able to improve the quality of life at the household level, the individual farmers through guarantees enabled by PASS.

"We are very grateful to PASS because since we started working with them, they have changed our farming systems from traditional locally practiced farming which we used to get eight to ten sacks per acre but now we produce professionally and our yield is an average of 20 to 30 sacks per acre" explained the group's secretary, Martin Mnyanyuka.

Mr. Mnyanyuka said that the increase in production was due to the

proper use of fertilizers and quality seeds as well as pesticides that have been readily available due to the availability of funds different from what they used to cultivate earlier.

Agness Luambano, a farmer in the group who is also the vice chairman of the group said that many women have succeeded in improving their living conditions through farming and urged those who are discouraged from the challenges to stand firm so that they can succeed.

"Mothers are the most numerous in our group and have been very successful in their lives, many have built better houses, educated their children, have been ensured with food security and have been increasing agricultural areas due to the productivity they get in their production" said the vice chairman.

"Personally, I have been very successful from PASS guarantees. Apart from the success we have generally achieved in the group, I bought a plot of land and hope to build my beautiful house and leave the letting house, my three children are schooling in good schools from my farm benefits and I am getting enough food," said Maria Salingwa, one of the female group members who grows maize due to the benefits of PASS securities.

Maize production in the group was reported to have changed significantly



as previously one acre was producing eight to ten sacks but after being empowered by PASS and being able to use modern techniques in crop production and storage facilities, they have now been producing up to 30 sacks per acre and enable the total production within the grid to be greater.

Citing the harvest of the 2021 agricultural year, the group's secretary said that this year the group had collected a total of 8000 tones while initially harvesting an average of 752 tones in an area of 1375 acres.

Kiwama AMCOS members measure their maize harvests ready for sales.

PASS has been influencing economic changes and improving livelihoods to the people through credit loans guarantees and business development services including business plans and loans security to agribusiness entrepreneurs in the country.

Kiwama AMCOS leaders check quality of the maize collected by their members at the warehouse in Madaba, Ruvuma



Part of Kiwawa AMCOS'S maize sacks stored at the cooperative's godown In Madaba, Ruvuma.

Supporting Tanzania's Cashews Growers through Financial Capital Availability

A Case of Said Mtalala in Liwale, Lindi

Credit guarantees sponsored by PASS Trust have been named a catalyst for changes encountered by some Cashews farmers in Lindi region who have been borrowing capitals and invest in the crop's production under PASS sponsorship.

PASS specializes in sponsoring agribusinesses growth in the country

Mr. Said Mtalala, a cashews farmer in Nachingwea, Lindi who has been doing

the best after being facilitated by PASS to get a modern tractor to support his farm activities (Photo by Philbert Felix)

through credit guarantee from financial institutions depending on regional and national agricultural preferences, this makes the Trust to provide various strategic groups in each zone in partnership with the government and other development partners.

In the southern zone, PASS has been sponsoring Cashews' growers and make them realize much profit and expand their investment in the crop that has been transforming lives of many people through employments creation and improvement of qualities of living.

Said Mtalala is among the growing cashew farmers whose growth in the sector was facilitated by PASS financial credit guarantee from NMB Bank. He currently owns a large farm and employs many people in his field in Nachingwea District, Lindi region.

He explains that in the beginning he hardly cultivated and harvested little in a big area then he decided to look for modern working machineries which would support him simplify farming mechanisms and expand his farm for much profits.

"As I started, it was not an easy task, I was getting less profits from my farm and I couldn't realize progress in my life, then I



decided to apply better technology, that's where I met PASS who supported me to get a good tractor as they guaranteed me 60% of a loan that I had to buy a tractor of 96 million approved though NMB Bank" said Mr. Mtalala.

"After getting this tractor I was able to cultivate a big area timely than I was able to do with my previous weak tractor that had been

Mr. Said Mtalala, a cashews farmer in Nachingwea, Lindi who has been doing the best after being facilitated by PASS to get a modern tractor to support his farm activities (Photo by Philbert Felix)



Mr. Said Mtalala, points at riped cashews ready for harvest in his farm.



PASS Monitoring and Evaluation Manager Safia Mbamba joins farmers working on cashewnuts in the Southern zone

costing me several times with maintenance and repairs. As I bought the tractor in 2018, I prepared well my cashews covering 150 acres from which I harvested 500 sacks" he said.

Explaining on the changes he made since he got the loan facilitated by PASS, Mr. Said Mtalala says that he has employed for drivers to operate he has employed four tractor operators for his farm and more than 50 seasonal jobs in his farm.

He reveals that the Credit guarantee has increased his outputs from the field that he now serves many other small hold farmers in Nachingwea and other nearer places as he is currently the best farmer who has been doing better in agribusinesses sector since 2018.

"My production has been growing and the yields are good, for three consecutive years since 2019 I was named the best Cashews farmer in the country, I was rewarded the first best farmer in 2019/2020 and the third best famer country wide in 2020/2021, I thank PASS so much, they have lifted me to the top through the credit guarantee that improved my production" he added.

"If I consider my previous life situation and what I lead today I can say my income has been improved approximately to 75% than before" he commented arguing that the income has risen not only due to the increase in agricultural productivity in his cashews' fields but also from other sources brought by the tractor as he uses it to support other farmers on payment basis of 60 thousand per acre.

"I also use my tractor to work on other farmers fields who pays me 60 thousand per acre,



provided that the tractor I have is able cultivate up to 500 acres in a season, I get a lot of money with this tractor" he noted.

Among other personal progresses he has attained, Mr. Mtalala said he has successfully schooled his five children and bought a plot where has constructs business camps as a part of further investment he has managed to launch from surplus he gets from his fields.

PASS credit guarantee has made Mr. Mtalala a modal farmer and help creation of employments in the region and with the tractor he bought he has been making many other small agribusiness dealers cultivate their farms on time on cheaper costs.

Mr. Said Mtalala's new house that he built after a support from PASS Trust to get a tractor that improved her production.

A Case of Ripambikayika Agrovet in Songea



Ms. Rosemary Haule, a supplier of agricultural inputs in Ruvuma who has expanded her business with the support from PASS.

Credit guarantee services provided by PASS Trust to agribusiness entrepreneurs have awakened women in Southern zone of Tanzania to cheer opportunities available in agriculture and the related businesses against the dominant culture within the region.

Chronicles show that, for many years women have not been taking part in agriculture in the region, its only men who had full participation in land ownership and control of businesses the issues that is said to be influenced by cultural practices in which women remained family carriers and spent most of their time in entertainment waiting for the men to work for the basic needs in the family.

“For many years, most of agribusiness entrepreneurs who have been taking loans from our banks are men, women have not been active and it looks it is the culture that made them lazy and unaware of benefits they would get if they employed themselves in agriculture” reveals Mr. Amani Madale, the Branch Manag-

er at CRDB Bank Mtwara.

He said that women in the region spend most of the time in entertainment, traditional dances and have little understanding on opportunities available in the agribusiness sector.

As PASS reached the zone and organized functions to spread information on opportunities and challenges of agriculture and introduce the credit guarantee and business development services they facilitate to agribusiness entrepreneurs, some women awakened and have realized the success from agribusinesses after being facilitated.

Rosemary John Haule is a successful agribusiness entrepreneur woman in Songea, Ruvuma region who has grown up in the business by bank loans that have been facilitated through PASS credit guarantee service, she says it was not easy when she started her business.

“I knew PASS when they had a meeting with stakeholders of agriculture here in Songea, then in 2012/2013 I took a loan of 30 million from NMB under PASS guarantee and as I benefited, I continued taking other more loans at different times under their support” reports

Ms. Rosemary Haule, a supplier of agricultural inputs in Ruvuma who has expanded her business with the support from PASS. (Photo by Pawa Lufunga)



Rosemary Haule stands at her warehouse building at Ruhuwiko street in Songea, that she constructs from the profit she has been making with capital facilitate by PASS.

Ms. Rosemary, a 47 years woman.

“In 2014/2015 I borrowed another loan of 50 million from CRDB Bank under PASS sponsorship, all these loans I took were for buying agricultural inputs which I have been supplying to farmers here in Songea” she says.

She makes it clear that the loans she was facilitated with PASS from Banks, to the great extent helped to expand her business to a company level, that she now owns many agricultural inputs stations and creates jobs to others than before.

“From the sales I made with these loans, I benefited a profit of more than 8 million which I used to expand my agribusiness from having one station I developed to three stations as I opened other two new suffices, two of them are in Songea and one in Namtumbo and now I have four of them operating in several areas of Songea, Mbinga, Namtumbo, Nyasa and Madaba” she added.

Apart from business expansion, Rosemary employed other three workers together with the former five whom she has been working with since the beginning, therefore she now has created employment to eight people of whom five are women and three men.

About personal life improvement, she has adopted several changes in life as she used part of the profit that she earned



Rosemary speaks to PASS' officers when they visited her in Songea

from the business in 2016 to build a better house for her to live in with her family she currently constructing a big warehouse at Ruhuwiko street in Songea town where she expects to be keeping several tonnes of goods.

“In the beginning I was cultivating a small area, then I started buying and distributing fertilizers, seeds and other inputs to the nearer farmers. I thank PASS they have changed my life that I now own a big fame and I reach more than 19,000 farmers whom I serve with my business all over Ruvuma region” she said.

“My life has totally changed, I call on PASS and their partner banks to contin-

ue trusting in us farmers and make us loanable so that we can lift up agriculture in our Country.” Commented Ms. Rosemary adding that apart from owning a company supplying agricultural inputs to many farmers, she also cultivates soybeans, maize and sesame in Ruvuma.

Rosemary's Rupambikayika Agrovet company is a modal industry to women participation in agribusiness who eventually have been revolutionizing lives through agricultural entrepreneurship in the southern zone. She now motivates other women to form groups and benefit agricultural cash loans which will be guaranteed by PASS.

Past events in photos

PASS management with Government leaders pose for a photo during the launch of Digital Credit Guarantee.



PASS Trust Managing Director, Yohane Kaduma with management team smiles after receiving a victory reward during NEEC Exhibitions in Dodoma in 2021.

PASS Trust, MD. Yohane Kaduma with other leaders listens for a presentation during Agribusiness stakeholders meeting in Arusha held in 2021.



Past events in photos

Morogoro DC, Albert Msando (middle) leaders from Denmark Embassy and PASS Trust Staffs pose for a photo with AIC incubatees at SUA Center.



PASS Trust MD, Yohane Kaduma (second left) hands over tree plants to Arusha Management during the official launch of Green Guarantee in Arusha.

Former Singida RC. Binilith Mahenge, addresses agribusiness stakeholders forum initiated by PASS Trust in Singida in 2021.



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