

# **Banking agricultural financing in food crops in Tanzania: a case of TIB Development Bank**

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The study focused on banking agricultural financing on food crops in Tanzania, whereas TIB Development Bank was picked as a case. The central focus of the inquiry was why there is neglect of banking agricultural financing on food crops in Tanzania. The study was mainly guided by three research objectives which became questions to be answered for successful completion of the study to fill the gap. They include determining factors fostering TIB Development Bank to embark on financing commercial agriculture other than food crops in Tanzania; to investigate the actual practice of TIB Development Bank in financing food crops in Tanzania; to examine outcomes of the practice of TIB Development Bank in financing food crops in Tanzania. The inquiry employed case study design whereas data was gathered from the selected case study. Data was gathered from the case study as well as its key and potential customers known as borrowers. Interview method was used to collect primary data such that were used to fill the gap of the inquiry. Secondary data were also used to support the primary data in discussion of the findings. The collected data were analyzed through content analysis with qualitative approach as the method to fill the gap. Findings of the inquiry showed that banks in Tanzania both public and private do not engage in agricultural financing which part of the policy among banks. Findings showed that the sector is perceived by such institutions as highly vulnerable with high risks which make it insufficient and less attractive for banks to finance the sector. In some instance, some banks finances crop trading but not primary crop production whether food and or commercial or cash crops due to high risk involved. In that regard, the study recommends that financing of agriculture in food crops has been and still is the primary duty of the government in Tanzania that it is the one which finances without assistance from any financial institution, which has fostered the establishment of the bank of agriculture special for agricultural financing for food crops.