



Enhed:
FRU

Dato:
15-01-2024

Sagsnummer:
2015 - 51005/ 2706663

2020-11712

C-sag:
C1427

Fraudulent activities by one grantee of the Financial Sector Deepening Trust in Tanzania

Reference is made to the latest report dated 15 July 2022, on the reported fraud committed by ex-employees of Mbinga Community Bank (MCB), which is a grantee of the Financial Sector Deepening Trust (FSDT). Denmark supported FSDT with DKK 83,296,400 during the period 2010-2015. FSDT provided DKK 7,100,000 in support to MCB.

The fraudulent activities were discovered by MCB in 2013. Based on the findings, MCB raised criminal charges against six ex-employees, and civil lawsuits were filed against nineteen ex-employees suspected of being involved in defaulting repayments of loans. Since the latest reporting, a lawyer was engaged to assist with the follow-up on the finalisation of the legal proceedings against the accused ex-employees of MCB. However, FSDT is not able to get access to the specific information about the cases raised by the MCB, due to unavailability of the personal details of the accused ex-employees.

The lawyer was also asked to assist with the follow-up of the liquidation process, in order to establish whether FSDT is to expect a refund of the Danish share of the suspected mismanaged amount of DKK 236,525 from the liquidation process. Since the liquidation process is still ongoing, this information is not yet available. It has been agreed that FSDT will contact, regularly, the authority responsible for the liquidation process.

A follow-up report will be forwarded when there are further developments in the case.