

*The Banking and Financial Institutions (Physical Security Measures)  
Regulations, 2014*

---

G.N. No. 291

GOVERNMENT NOTICE NO 291 published on 22/08/2014

THE BANKING AND FINANCIAL INSTITUTIONS (PHYSICAL  
SECURITY MEASURES) REGULATIONS, 2014

ARRANGEMENT OF REGULATIONS

*Regulation* *Title*

PART I  
PRELIMINARY

1. Citation
2. Application
3. Interpretation
4. Objectives

PART II  
MINIMUM SECURITY MEASURES

5. Physical Security Policy and Procedure Manual
6. Security program
7. Training on security measures
8. Appointment of Security Officer
9. Minimum Security Devices
10. Exemption
11. Maintenance of records
12. Reporting to the Bank
13. Internal Audit Manual
14. Banking halls
15. Attributes of a strong room

PART III  
GENERAL PROVISIONS

- 16. Sanctions and penalties
- 17. Revocation GN No. 371 of 2008

SCHEDULES

---

*The Banking and Financial Institutions (Physical Security Measures)  
Regulations, 2014*

---

G.N. No. 291

THE BANKING AND FINANCIAL INSTITUTIONS ACT  
[CAP 342]

**REGULATIONS**

*(Made under Section 71)*

THE BANKING AND FINANCIAL INSTITUTIONS  
(PHYSICAL SECURITY MEASURES)  
REGULATIONS, 2014

PART I  
PRELIMINARY

- Citation                    1. These Regulations may be cited as the Banking and Financial Institutions (Physical Security Measures) Regulations, 2014.
- Application                2. These Regulations shall apply to all banks and financial institutions.
- Interpretation            3. In these Regulations, unless the context otherwise requires-  
“the Act” means the Banking and Financial Institutions Act;  
“the Bank” means Bank of Tanzania;  
“bank” has the meaning ascribed to it in the Act;  
“banking business” has the meaning ascribed to it in the Act;  
“burglary” means entering a building or a vehicle with the intent to commit a theft or any other crime;  
“financial institution” has the meaning ascribed to it in the Act;

*The Banking and Financial Institutions (Physical Security Measures)  
Regulations, 2014*

---

G.N. No. 291

“law enforcement agency” means the police force, and includes any person authorized in writing by the Inspector General of Police to perform investigative or monitoring duties;

“physical security” means the physical safeguarding or protection of property to prevent or deter acts of burglary or robbery in a bank or financial institution;

“robbery” means taking something of value from a person by means of force, violence or intimidation; and

“security program” means a comprehensive set of plans, policies, procedures, tools, and materials designed to address the threats facing a bank or financial institution.

Objectives

4. The principal objective of these Regulations is to prescribe minimum security measures to be instituted by all banks and financial institutions for the purpose of-

- (a) preventing acts of robbery and burglary;
- (b) assisting in identifying and apprehending persons who commit acts of robbery or burglary;
- (c) preventing injury and loss of lives to staff and customers;
- (d) preventing damage or loss of assets, which could result in major losses to individual institutions, the banking sector and the national economy; and
- (e) creating security awareness among management and staff in all banks and financial institutions thereby promoting a security conscious working environment.

PART II  
MINIMUM SECURITY MEASURES

Physical  
Security Policy  
and Procedure  
Manual

5.-(1) A bank or financial institution shall develop a written physical security policy and procedure manual and submit them to the Bank for review.

(2) The physical security policy and procedure manual under sub-regulation (1) shall at least address the following-

- (a) security measures for transporting of cash and other valuables;
- (b) measures for ensuring the safekeeping of all currency, negotiable instruments, and other valuable items;
- (c) measures for ensuring security of strong rooms or vaults;
- (d) events of burglary and robbery and procedures for assisting in identification of persons committing acts of robbery or burglary against the bank or financial institution;
- (e) procedures for preserving evidence that may aid identification and prosecution of persons committing acts of robbery or burglary against the bank or financial institution;
- (f) initial and periodic training of management and staff in their responsibilities under a security program for proper employee conduct during and after a robbery or burglary;

*The Banking and Financial Institutions (Physical Security Measures)  
Regulations, 2014*

---

G.N. No. 291

- (g) procedures for selecting, testing, operating and maintaining appropriate security devices, as specified in regulation 9; and
- (h) criteria and procedures for outsourcing security services to a security company or institution in conformity with the Outsourcing Guidelines for Banks and Financial Institutions issued by the Bank should such services be needed.

Security  
program

6.-(1) A bank or financial institution shall develop and implement an adequate security program commensurate with its operations.

(2) A bank or financial institution when preparing security program referred to under sub-regulation (1) shall take into consideration its size, location, number of offices and business operations.

(3) The Board of Directors of a bank or financial institution shall ensure that senior management effectively implements and administers the security program referred to under sub-regulation (1).

(4) Senior management of a bank or financial institution shall report at least quarterly to the Board of Directors on the implementation, administration, and effectiveness of the security program.

Training on  
security  
measures

7. A bank or financial institution shall train its management and other staff on physical security measures and such training shall cover the importance of security measures, including at minimum-

- (a) how to operate the security devices;

*The Banking and Financial Institutions (Physical Security Measures)  
Regulations, 2014*

---

G.N. No. 291

- (b) what to do in the event of robbery or burglary;
- (c) how to be a good witness;
- (d) how to preserve evidence; and
- (e) how to deal with threatening messages and kidnappings.

Appointment  
of Security  
Officer

**8.** A bank or financial institution shall appoint or designate a suitable officer who shall be responsible for its day-to-day security matters.

Minimum  
Security  
Devices

**9.** A bank or financial institution shall, at minimum, install security devices listed in the First Schedule to these Regulations.

Exemption

**10.** The Bank may, upon written request from a bank or financial institution, grant exemption from complying with one or more of the security devices listed in the First Schedule.

Maintenance  
of records

**11. -(1)** A bank or financial institution shall maintain records on implementation, administration and effectiveness of the security policy, security program and other security issues.

(2) The records referred to under sub-regulation (1) shall at least include the information set out in the Second Schedule to these Regulations.

Reporting to  
the Bank

**12.** A bank or financial institution shall, within one working day after reporting to law enforcement agencies, report to the Bank any incident of robbery or burglary against the

*The Banking and Financial Institutions (Physical Security Measures)  
Regulations, 2014*

---

G.N. No. 291

bank or financial institution.

Internal Audit  
Manual

**13.** A bank or financial institution shall include in its internal audit manual comprehensive procedures for auditing its physical security measures.

Banking halls

**14.** A bank or financial institution shall ensure that its banking halls are built in a manner that limits visibility of and access to cash vaults, safes or strong rooms.

Attributes of a  
strong room

**15.** Notwithstanding the location or set-up of strong rooms as prescribed under regulation 14, a bank or financial institution shall ensure that its strong rooms are built in accordance to the best construction standards and shall include-

- (a) fire alarm security system;
- (b) intrusion detection systems;
- (c) twenty four hours monitored surveillance cameras;
- (d) secured locks and keys to avoid duplication; and
- (e) secured safes and storage equipments, which are rust free, water resistant and fire proof.

**PART III  
GENERAL PROVISIONS**

Sanctions and  
penalties

**16.-(1)** Without prejudice to penalties or actions prescribed by the Act, the Bank may impose on any bank or financial institution any of the following sanctions for non-compliance-

- (a) a penalty of the amount to be determined by the



*The Banking and Financial Institutions (Physical Security Measures)  
Regulations, 2014*

---

G.N. No. 291

Bank;

- (b) suspension of the right to establish or open new branches;
- (c) suspension of the right to accept new deposits;
- (d) revocation of banking license;
- (e) suspension from office of the defaulting director, officer or employee; and
- (f) disqualification from holding any position or office in any bank or financial institution under the supervision of the Bank.

(2) The penalty referred to in paragraph (a) of sub regulation (1) shall apply to directors, officers or employees of the bank or financial institution.

Revocation of  
GN No. 371  
of 2008

**17.** The Banking and Financial Institutions (Physical Security Measures) Regulations, 2008 are hereby revoked.

—————  
FIRST SCHEDULE  
—————

*(Made under Regulation 9)*  
—————

**MINIMUM SECURITY DEVICES**

A bank or financial institution shall install and appropriately maintain and operate in all its banking premises, the following security devices-

1. A means of protecting cash and other liquid assets; including vault, safe or other secure space;
2. A combination lock for all safe and vault or strong room doors, with at least dual control;
3. An alarm system or other appropriate device for promptly notifying the nearest responsible law enforcement agency or a contracted security company or institution, of an attempted or perpetrated robbery or burglary.
4. Intruder alarm system;
5. Surveillance cameras or any other device for monitoring movements;
6. Panic buttons for all tellers;
7. Bullet proof glass for tellers' cubicles; and
8. A means of controlling unauthorised persons to access various areas in a bank or financial institution.

---

**SECOND SCHEDULE**

---

*(Made under Regulation 11)*

---

**RECORDS ON IMPLEMENTATION, ADMINISTRATION AND  
EFFECTIVENESS OF THE SECURITY PROGRAM AND OTHER SECURITY  
ISSUES**

A bank or financial institution shall maintain records covering at least the following-

1. Detailed account of incidences of robbery or burglary the bank or financial institution experienced during the year indicating nature of the event as well as loss and casualties sustained.
2. A list of types of security devices the bank or financial institution has installed at the head office and all branches.
3. An assessment report on the effectiveness and efficiency of the installed security devices including frequency of testing and maintenance of each of the security devices identified in 2 above.
4. Plans the bank or financial institution has to improve testing and maintenance of security devices in the coming year.
5. A detailed report on security training provided to management and staff during the year indicating type, duration and frequency of training as well as participants and facilitators.
6. Plans on training of security matters the bank or financial institution has for next year.
7. General annual security vulnerability assessment.
8. Any other security issues on which the bank or financial institution would wish to maintain records.

Dar Es Salaam,  
....., 2014

**BENNO J. NDULU**  
*Governor*