

Monthly Financial Sector Bulletin

Issue No. 55, March 2018: Walking The Tech Talk



COVER PICTURE: Standard Chartered's first and fully digital retail bank in West Africa, designed with continuous feedback from its clients, was officially launched on 14th March 2018, in Abidjan, Côte d'Ivoire, marking an important milestone in the Bank's path towards innovation. Earlier on the 6th of March 2018 Standard Chartered Bank had announced that sporting legend and Ivorian icon, Didier Drogba, would be endorsing the Bank's first digital bank in Africa as its 'Digital Bank Ambassador'. As part of this role, Drogba will be promoting the digital bank in Côte d'Ivoire, set to disrupt the traditional banking sector in the nation. He will lend his voice and image rights through a series of marketing and community engagement activities over a period of 12 months as part of the campaign. Drogba also became the first person in Côte D'Ivoire to open a fully digital account at Standard Chartered Bank. Through the launch of the digital bank, Standard Chartered Bank and Didier Drogba hope to bridge the gap between the traditional banking model and the new, digital savvy generation in Côte d'Ivoire, aiming to make banking services simple, more accessible and convenient. Speaking on his new endorsement, Didier Drogba said: "I am excited to be working with Standard Chartered Bank and honoured to be chosen to support their efforts to enhance accessibility to banking services for the people of my country. This is an initiative which I am truly proud to be a part of, as the cause is close to my heart. I am also looking forward to spending more quality time in Côte d'Ivoire and getting involved in a cause that is of high importance to the local community."

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The MFSB is a monthly roundup of key Zimbabwean financial sector developments produced by SoundGarden Publishing, a provider of proprietary data, business intelligence and analytical content supporting decision-making in financial markets.

SINCE SEPTEMBER 2013: For four solid years, the Monthly Financial Sector Bulletin (MFSB) has been consistently providing reliable aggregated financial sector information enabling industry professionals and other stakeholders to make data-driven decisions!

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SELECTED VITAL STATISTICS AT A GLANCE

General Statistics

Year-on-year Inflation for March 2018	2.68% (February 2018 : 2.98 %)
Average Annual Inflation for 2016	Minus 1.56% (Minus 2.4% in 2015)
Average Inflation for 2017	1%
Projected 2017 Gross Domestic Product (GDP) Growth	3.7% (Initial projection for 2017 – 2.7%; 2016 - 0.7%)
Original Budget for 2017	US\$4.1 billion
2016 Weighted Manufacturing Sector Capacity Utilisation	47.4 % (2015 - 34.3%) (2014 - 36.5%) (2013 – 36.1%)
Trade Deficit for as at November 2017	US\$1.457bn (Exports – \$3.476bn; Imports – \$4.933 bn)
Zimbabwe's Foreign Direct Investment (FDI) – 2016	US\$319 million (US\$421m in 2015) (US\$545m in 2014)

Statutory Ratios

Formula	Ratio
Minimum Capital Adequacy Ratio: (Total Qualifying Capital/Total Risk Weighted Assets) x 100	12%
Minimum Liquidity Ratio: (Total Liquid Assets/Total Liabilities to the Public) x 100	30%

Deposits, Loans and Lending Ratios

Total Banking Sector Deposits (31 December 2017)	US\$8.48 billion (US\$6.51 billion – 31 December 2016)
Total Banking Sector Loans & Advances (31 December 2017)	US\$3.80 billion (US\$3.69 billion – 31 December 2016)
Loans-to Deposit Ratio (31 December 2017)	44.81% (31 December 2016 – 56.64%)
Banking Sector Non-Performing Loans (NPLs) (31 Dec 2017)	7.08%(7.87% - Dec 2016 & Peak 20.45% as at 30 Sept 2014)
Total Banking Sector Assets (31 December 2017)	US\$11.25 billion (31 Dec 2016 - US\$8.73 billion)

Source: Mainly the January 2018 Monetary Policy Statement (RBZ) & Various other Industry Sources

Editorial Comment

Product Innovation & Channel Development: Product Innovation in Steady Rise

Total product development and promotion initiatives continued on an upward trend with a marginal increase from 4 (four) in February to 5 (five) in the month under review. Both product launches and promotions were flat at two and the increase was attributed to a product enhancement by EcoSure. The notable new development was a new public utility blockchain-based payment platform introduced by FORUS, a South African tech company, in partnership with Zimbabwe Stock Exchange-listed health, hygiene, beauty and pharmaceutical products company Medtech. The platform is an ecosystem that will facilitate mobile and web-based transacting, drive financial inclusion and access to capital for small businesses.

Channel development initiatives increased by 166% from three in February to 8 in March. Notable amongst these were the closure of Standard Chartered Bank's Kwekwe branch and its merger with the Gweru branch and the bank's long overdue integration with EcoCash. Others included the introduction of Batsi, Steward Bank's customer service bot that uses artificial intelligence to respond to customer queries in real time and the enhancement of EcoCash's data application to make it compatible with NetOne and Telecel numbers, possibly as a direct response to government's plea for interoperability among mobile based financial services.

ICT Developments: New Banking System at Nedbank Zimbabwe

During the month under review, MBCA Bank Limited announced the arrival of its new banking system, some of whose benefits it said included an enhanced client experience journey, additional products, simplified pricing and a 24/7 contact centre.

Executive Management/Board Changes: NSSA Chairman Dramatically Shown the Door

One of the key highlights of the review period was the dismissal of National Social Security Authority (NSSA) chairperson Robin Vela on 28th March 2018, allegedly for not being ordinarily resident in Zimbabwe amongst a series of other claims which he dismissed as "false and libelous." Having presided over the state pensions authority's crusade for good corporate governance amongst its investee companies, it is ironic that Vela should be relieved of duties on account of the same charges he used to lay at the doorsteps of CEOs of NSSA's investee companies. The departure of Vela is likely to be followed by major changes at NSSA, once again shaking public confidence in the authority's board of directors and management, which have previously been accused of making incompetent decisions to invest in loss making entities. Some are however concerned about how Government's interference in NSSA is damaging to the authority's prospects. Also notable was NetOne Cellular Private Limited's appointment of Nkosinathi Ncube as the Managing Director of its Mobile Financial Services SBU effective 1 April, 2018, making him one of the few executives who have worked for all the three Mobile Network Operators (MNO) in addition to his extensive experience in the mainstream local financial services sector.

Rebranding & Strategic Realignment Initiatives: MBCA Rebranding Seen As Game-Changing

The commencement of the rebranding of MBCA Bank to Nedbank Zimbabwe was one of the highlights of the month. This is expected to be a game-changing development as the bank promises to bring to Zimbabwe all products that are offered in South Africa, taking local competition to higher levels. "The rebranding aligns our brand, product offering and service commitment with that of the Nedbank Group including its subsidiaries across the region. The brand transformation will ensure that our bank continues on a growth path, thanks to improved brand recognition it brings, coupled with enhanced solutions and services it will deliver to our clients," said Nedbank Zimbabwe managing director Dr Charity Jinya. Another notable development was Zimre Holdings Limited's consolidation and rebranding of its reinsurance operations Baobab Reinsurance - the largest reinsurance company in Zimbabwe - to Emeritus Reinsurance following the lifting of US sanctions on the group.

Corporate Actions: Banks more Amenable to Dividend Declarations

Most financial institutions released their audited financial results during the month under review and some like NMBZ Holdings and FBC Holdings Limited declared dividends of one kind or another. While the declaration of dividends is essentially meant to reward investors, it could also be an indication of banks' belief in sustained profitability and a

reflection of their confidence to achieve the US\$100 million minimum capital requirement by 2020 since in the past most banks have been tight-fisted, choosing instead to preserve capital.

External Financing: AfDB Line Eases FX Liquidity

The African Development Bank (AfDB) extended a three-and-half year \$25 million loan facility to CABS, which will be used to provide medium term foreign currency liquidity specifically for trade finance purposes. This is significant because it came at a time Zimbabwean financial institutions were struggling to secure trade finance lines from the international market, especially those with tenure in excess of 270 days. Meanwhile African Development Bank (AfDB) divisional manager for trade finance, Yaw Adu Kuffour noted that Zimbabwe's economic revival was being held back by lack of trade finance due to the inability of the traditional suppliers of trade finance to continue to supply the credit needed. The constraints include new developments in the international banking regulations in terms of the stringent capital requirements and also the requirements to do with anti-money laundering and KYC (know you customer) issues. There is also the issue of the small capital bases of domestic banks which limits the absorption capacity and also the weak financial systems across Africa - also a factor that inhibits the availability of trade finance.

Fiscal, Public Debt & Investment Issues: AfDB cautiously optimistic about Zim's 2018 growth

On Tuesday, 13 March 2018, the African Development Bank (AfDB) said Zimbabwe could this year (2018) achieve higher than projected growth on the back of positive sentiment following the country's takeover by a new administration. The bank however contends that this will largely depend on the country's re-engagement with the international community, especially its creditors. Speaking earlier on the sidelines of the 48th World Economic Forum (WEF), Finance Minister Patrick Chinamasa had this to say about the country's growth prospects. "For this year, in the National Budget, we projected 4.5 percent and I have been saying that given what we are doing in terms of policies, in terms of economic reforms, I think 4.5 percent projection may well be conservative. I will not be surprised if we end up, towards the end of the year, all things being equal, at around 6 percent growth." Meanwhile, it is reassuring to hear that Zimbabwe expects to make up for all its debt arrears to major international lenders by September 2018, a development that could pave the way for the country's return to international capital markets

Policy/Regulatory/Legal Developments: African Leaders agree to form \$1.3 trillion free trade zone.

The utterance by Special Advisor to the President, Christopher Mutsvangwa that the Reserve Bank of Zimbabwe needs to concentrate on its role as regulator and not interfere in the allocation of foreign currency under a priority list, was one of the highlights of the review period. It's good as a statement of intent that is easy to say from a political stand point but the reality is that dealing effectively with the foreign currency shortages will take much more than just rhetoric. It will take bold moves to attract foreign direct investment, enhance export performance and reduce the country's import bill. Although Mutsvangwa correctly identifies the need to grow exports as one of the solutions to this long-running problem, he does not fully answer the question on how we got to the current situation and consequently neglects to mention how unrestrained government spending has contributed to this sorry state of affairs. He also neglects to mention that it was largely the actions of the Reserve Bank of Zimbabwe that precipitated the decline in the foreign currency reserves through unrestrained issuance of Treasury Bills on behalf of Government which also continued to borrow on overdraft from the apex bank, thereby piling pressure on foreign currency.

Meanwhile, the extended deadline of the Presidential moratorium to bring back externalised funds expired on the 16th March 2018, and names of those who defied the order were published on Monday, 19 March 2018, causing considerable anxiety in homes and boardrooms around the country. It was however felt that Government should have carried out more consultations before publishing the list as some felt they were wrongly listed.

African leaders agreed on Wednesday, 21 March 2018 to form a \$3 trillion continental free-trade zone encompassing 1.2 billion people, but its two biggest economies, Nigeria and South Africa, did not sign up, diminishing the impact of this otherwise momentous occasion. The African Union started talks in 2015 to establish a 55-nation bloc that would be the biggest in the world by member states, in a bid to increase intra-regional trade, which sits at a measly 15 percent of Africa's total commerce. Forty four (44) African nations signed up to establish the free trade bloc within 18 month, for a project that needed a minimum of 22 countries signing up to get off the ground. Nigeria, the continent's biggest economy, is reluctant to join the integration club due to domestic pressure from labour movements. South Africa did not sign the agreement with President Cyril Ramaphosa saying that while he was committed to doing so, legal

requirements meant that local stakeholders must be consulted first. The African Continental Free Trade Area (AfCFTA) is aimed at creating a single continental market for goods and services with free movement of businesses and investments. This will pave the way for accelerating the establishment of the Continental Customs Union and the African Customs Union. The AfCFTA will make Africa the largest free trade area created since the formation of the World Trade Organisation. The UN Economic Commission for Africa estimates that the AfCFTA has the potential to boost intra-African trade by 53 percent by eliminating import duties and non-tariff barriers. However local experts have sounded a note of caution and called for wider consultations before the ratification of the agreement, given the country's huge structural challenges and the vulnerabilities of some of its sectors.

Currency, Pricing and Liquidity Perspectives: Cryptocurrency Exchange Golix announces Security Breach

During the month under review, Zimbabwe's leading cryptocurrency exchange, Golix announced a breach to 23 of its user accounts in the three weeks ending March 12, 2018, when a third party took advantage of email password vulnerabilities to facilitate transactions without the users' consent. This development demonstrates the perils of dealing in cryptocurrencies, and though the exchange says no money was lost, the development appears to vindicate the RBZ's position on cryptocurrencies. On 20 December 2017, the RBZ issued a warning to members of the public that cryptocurrencies were not regulated by the country's laws and those who traded in these currencies had no recourse to the country's laws.

The year-on-year inflation rate for the month of February stood at 2.98%, after shedding 0, 54 percentage points on the January figure of 3.52% but there were fears that official data are not reflective of what's happening in the broader economy. Analysts contended that a lot of things happening in the informal economy were not being captured by Zimstat, especially as the inflation rate in Zimbabwe was dependent on the cost of acquiring forex.



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PRODUCT LAUNCH/ENHANCEMENT INDEX (PLEI)

- **FORUS**, a South African tech company behind a new public utility blockchain-based payment platform, partnered **Zimbabwe Stock Exchange**-listed health, hygiene, beauty and pharmaceutical products company **Medtech** to launch its global digital exchange in Zimbabwe. FORUS is an acronym for **Free, Open, Real-time, Ubiquitous and Secure**. The platform is an ecosystem that will facilitate mobile and web-based transacting, drive financial inclusion and access to capital for small businesses. The solution is aimed at providing a single, global, universal, trusted, user-authentication platform for both mobile and web-based transactions, for the banked and unbanked. While the platform is a multi-function system, founder **Sonny Fisher** said the digital platform rivalled established global payment systems, such as **Visa** and **MasterCard**, but was also tailor-made for sensitivity to the need to address financial challenges of the poor (small business) while enabling real time transacting globally. For signed up members who access low interest working capital loans for their small enterprises, the system has real functionality compatible with artificial intelligence that allows monitoring and interventions to ensure beneficiaries meet set targets. Individuals would first make a small payment that gives them shares in the organisation and against which they would be able to borrow up to a prescribed thresholds, for instance to stock up their businesses, but without necessarily getting hold of the actual cash. Users will have a credit card for which no fees will be charged apart from a 3 percent administration charge on transactions. The payment functionality will be made available to all banks, financial institutions, merchants, application developers, and corporate enterprises, and will allow anyone who is registered to use this free payment gateway with a built-in advertising platform. Further, members will hold shares in an internationally listed company, access to low-interest loans, funding/financing for capital and businesses and affiliation to clubs for pooling of collateral for large-scale funding. All funds will be fully insured.
- **Steward Bank** started lending to Zimbabweans living in the diaspora for property purchases in a bid to generate foreign currency while at the same time developing the country's infrastructure. CEO **Dr Lance Mambondiani** said that an individual must have a work permit, resident permit or visa in the country he or she is resident and should have either a valid Zimbabwean passport or a Zimbabwean ID. "Most diasporans want to come back to Zimbabwe someday and this is where they would rather build and plant roots. Some of them left unfinished houses and they just can't lump funds together to complete these projects. These are the reasons we think the loan facility is a good product. It allows Zimbabweans around the world the opportunity to fulfil their dreams," said Mambondiani. The loan is repaid at an interest rate of 9 percent per year and the tenure is up to a maximum of 20 years, based on how close one is to retirement age. "You can apply for any amount between \$10 000 and \$200 000. Repayment instalments must not exceed 45 percent of the gross monthly income. The establishment fee is 2 percent of loan and a non-refundable application fee of \$100 is required on submitting the application. If your application is successful then you must pay the commitment or deposit of 10 percent. This is your share of the cost of buying or building your home. Repayments are to be made monthly and in hard currency," added Mambondiani. The loan is for buying a serviced stand, construction of a new house, renovating or upgrading an already existing property or purchasing a new house. In all cases the property must have title deeds.
- **EcoSure, Econet Wireless'** funeral insurance offering which is underwritten by **Econet Life (Private) Limited**, enhanced convenience for registered customers by enabling them to buy airtime for themselves and their loved ones. All they have to do to enjoy this service is to dial *900#.

PRODUCT PROMOTION INDEX (PPI)

- **TM Pick n Pay Zimbabwe** once again introduced the **Rich Rewards Promotion** running from 1 March to 5 August 2018. Under the promotion, shoppers receive a stamp for every \$5 they spend in any Pick n Pay store in Zimbabwe. Once they have collected the required number of stamps per product, they can receive a free Royal VKB non-stick cookware item relevant to the amount of stamps collected. Shoppers who swipe on an **FBC Bank** Point of Sale machine receive an extra stamp every Friday, Saturday and Sunday.

- [ZB Bank](#) introduced various promotions for several savings accounts targeted at children under the age of 25 years in commemoration of Global Money Week. “Dream Big and Save Big With ZB! Are you saving for a laptop, mobile phone or even a video game console? Take advantage of the Global Money Week celebrations to open a ZB Junior Stash Account, Stash Account or Super Saver Account, and start saving for what you’ve always wanted. Visit social media pages today for exciting promotions and prizes throughout Global Money Week,” said the bank, which boasts of over 50 branches across the country.

SUMMARY: PRODUCT LAUNCH & PROMOTION INITIATIVES

#	Organization	Product /Promotion	Product/Service Category	Sub-sector	Type of Initiative
1	FORUS/Medtech	Blockchain Payment Platform	Payment Service	Non-bank/Fintech	Product Launch
2	Steward Bank	Diaspora Mortgage Finance Facility	Lending	Banking	Product Launch
3	EcoSure	Airtime purchases	Funeral Insurance	Insurance	Product Enhancement
4	FBC Bank /TM	Rich Rewards Promotion	Plastic Money	Banking	Product Promotion
5	ZB Bank	Global Money Week Promotions	Savings Accounts	Banking	Product Promotion

CHANNEL DEVELOPMENT/RATIONALISATION ACTIVITY

- Hundreds of [Standard Chartered Bank](#) clients in Kwekwe were left stranded after the bank closed its branch in the Midlands city. “Please be advised that with effect from 1st March 2018, Kwekwe branch will be merged with Gweru branch located at 32 Robert Mugabe Way, Gweru. What does that mean for you and your account? All accounts at Kwekwe will be relocated to Gweru branch,” read a notice placed at the branch.
- [EcoCash](#) enhanced its transaction channels by adding [Orange Money](#) to its list of regional partners. “Receive money transfers from Botswana via EcoCash and Orange Money instantly. All you need to do is tell your loved ones in Botswana to send you money through Orange Money and you’ll get it directly into your EcoCash wallet. It’s safe and convenient,” said the company whose payoff line is “Live life the EcoCash way.”
- [EcoCash](#) announced that it was now possible to link [Standard Chartered Bank](#) accounts to Ecocash wallets. “Visit the nearest Standard Chartered Bank, get your account and EcoCash wallet connected and move money from your bank to your wallet and vice versa using your cell phone,” said the company, which went on to provide information on how to link accounts to EcoCash wallets.
- [Steward Bank](#) introduced Batsi, a “customer service bot to deal with customer queries on its [Facebook](#) page. “Hi I am Batsi. I am the Steward Bank customer service bot. My mission is to address queries on all our customer facing platforms at robotic speed. Pass by our Facebook page and say hi,” said a print media advertisement by the bank. Steward Bank said Batsi was a customer service bot that uses artificial intelligence to respond to customer queries in real time. The bot is continually learning and in the event that it is unable to attend to a query it will revert to a human agent to respond. Batsi will initially be available on the Steward Bank Facebook Page messages inbox but will eventually roll out to all customer facing platforms. Batsi can assist with General product information queries, Balance inquiry. Airtime purchase for bank account holder’s registered number and Internal bank transfer.
- [Zimtrade](#), the exports promotions body, advised that it was moving office with effect from 1 April 2018. “ZimTrade would like to advise all our clients and stakeholders, that from 1 April 2018, our Head Office will be located at 188 Sam Nujoma Street, Avondale, Harare. All other contact details remain the same. We look forward to serving you better from these new premises,” said the company whose payoff line is “Energising Zimbabwe’s Export Growth”
- [Barclays Bank of Zimbabwe Limited](#) issued a public notice on the renovations of its Avondale Prestige Centre Renovations. “Barclays advises its valued customers and stakeholders that the Avondale Prestige Centre will be undergoing extensive building works from [3 April 2018](#). The branch will therefore be temporarily closed from that date to a date to be advised. Avondale Main Branch will continue to be operational with dedicated prestige

counters. In-branch banking services may also be accessed from other Prestige centres in Harare, Highlands, Borrowdale, Pearl House and any other Barclays branches countrywide. Digital channels such as [Hello Money](#), Mobile banking and Internet Banking will be available as usual,” said the bank in the notice published on the 29th of March 2018.

- A spokesperson for [EcoCash](#) said its data application was now compatible with [NetOne](#) and [Telecel](#) numbers. He said holders of lines from other networks would now be able to access EcoCash through its data application, available for Android and iOS devices. “Yes, customers from other networks can access the EcoCash services via the EcoCash App which can be downloaded on the Apple App Store or Google Play Store. The App is universal, meaning that it will allow any properly registered number with correct KYC details, to access the service,” the spokesman said. Government has called for interoperability among mobile based financial services and it is not clear if the move is a direct response to the government’s plea. The EcoCash data application operates exclusively on internet connectivity as opposed to Unstructured Supplementary Service Data or USSD connectivity. This means that under the current arrangement where numbers on networks other than [Econet](#) can only access EcoCash through the data application, any EcoCash transactions involving these numbers will not involve the respective networks in any way.

- [Nedbank Zimbabwe](#) issued a notice to its clients in respect of its Point of Sale Transactions Limit. “In light of the increase in card fraud cases, we advise that we have reviewed the daily Point of Sale purchases limit to \$2 000 per account. We apologise for the inconvenience caused and we assure you that all efforts will be made to safeguard Nedbank accounts against any potential risk of card fraud. To that end, we encourage all Nedbank clients to exercise due caution when transacting at Point of Sale machines to avoid misuse of your account. This limit will be reviewed from time to time in the interest of protecting your funds. You are encouraged to use your internet banking option, Zipit and mobile app to transact,” said Marketing, PR & Communications Executive Head [Dedrey Mutimutema](#), on 29 March 2018.

SUMMARY:CHANNEL EXPANSION/RATIONALISATION ACTIVITY				
#	Institution	Sector	Type of Initiative	Description
1	Standard Chartered Bank	Banking	Kwekwe Branch Closure	Merger with Gweru Branch effective 1 March 2018
2	EcoCash	Non-bank	Channel Addition	Addition of Orange Money to Regional Partners
3	Standard Chartered Bank	Banking	EcoCash integration	Linking bank account to mobile money wallet
4	Steward Bank	Banking	Customer Service Bot	A bot that uses AI to respond to customer queries
5	Zimtrade	Non-bank	Moving Office	Relocation of Head Office effective 1 April 2018
6	Barclays Bank of Zim Ltd	Banking	Branch Renovation	Avondale Prestige Centre effective 3 April 2018
7	EcoCash	Non-bank	Date App Access	Interoperability with NetOne and Telecel
8	Nedbank Zimbabwe	Banking	POS Transaction Limit	Review of purchase limit to \$2 000 per account

ICT DEVELOPMENTS

- [MBCA Bank Limited](#) announced the imminent arrival of its new banking system. “The dawn of the brand new brand will bring with it a new banking system. Some of the benefits of the change include; an enhanced client experience journey, additional products, simplified pricing and a 24/7 contact centre. What’s more, you will not have to change your account number as only the first digit on your account number will be dropped,” said the bank. Its branches were accordingly closed on Saturday, 10 March 2018 to allow for a smooth migration. However, the following platforms were available: ATMs, Point of Sale (POS), Mobile Banking, [EcoCash](#) and Zipit.

- [FBC Bank Limited](#) and [FBC Building Society](#) issued a public notice in respect of System Maintenance and Service Interruption. “We advise our valued clients that FBC Bank and Building Society will be carrying out a system maintenance exercise starting at 0200hrs on 11 March to 0430hrs on 12 March 2018. The exercise will result in the unavailability of the following services during the period: Internet Banking, E-statements, Email and SMS Alerts. The following services will however be available: - ATM, [MasterCard](#), POS, Mobile banking services will be available with balances as at 0200hrs, 11 March 2018. [ZIMRA](#) Online service will be available (but statements will not be

available). Please bear with us as we carry out this necessary exercise to improve the quality and utility of our delivery channels,” said the sister companies in the joint notice.

EXECUTIVE MANAGEMENT/BOARD CHANGES

- NetOne announced the appointment of a Managing Director for its Mobile Financial Services arm. “NetOne Cellular Private Limited is pleased to announce the appointment of Mr. Nkosinathi Ncube as the Managing Director for the Mobile Financial Services SBU effective 1 April. He has a wealth of experience in banking and mobile financial services spanning over 20 years. Mr. Ncube has spearheaded several innovations in the mobile money space. He has held various leadership positions, some of which include:

Position	Company	Period
Head Applications Lab	Finmark Trust	2016 till recently
Chief Commercial Officer	Telecel Zimbabwe	2014 – 2016
Financial Services Director	Telecel Zimbabwe	2013 – 2014
EcoCash Executive	Econet Wireless Zimbabwe	2010 – 2013
Product Owner	Mobile Banking Services – Absa	2008 - 2010

He is a holder of a Bachelor of Business Hon, Degree (UZ), Certificate Effective Supervisory (SMI), Certificate in Banking (IOB) as well as a Masters’ in Business Administration (MBA) from Zimbabwe Open University (ZOU). He enjoys jogging, playing soccer and basketball as well as reading financial publications on international financial trends as well as motivational and leadership books,” said the Mobile Network Operator (MNO).

- NetOne announced the appointment of its new CEO. “NetOne Cellular Private Limited is pleased to announce the appointment of its new CEO. Mr. Lazarus Muchenje will be joining the company effective 1 April 2018. Lazarus Muchenje is a distinguished leader in the Telecommunications Industry with over 18 years’ experience across the various sections of the Mobile telecommunications value chain. He has held various leadership positions, some of which include:

Position	Company	Period
Group CEO	Intargret Group	2014 till recently
Group CEO	FirstRand Bank Delpay International BV	2005 – 2013
Executive Head of Sales	Vodacom RSA	2004 – 2005
Executive Head of Wireless Application Services and VAS	Vodacom RSA	2004 – 2005
Sales and Marketing Director	Vodacom DRC	2003 – 2004
Founding Finance Director	Vodacom DRC	2003 – 2004

He is a holder of a Bachelor of Accounting Sciences (UNISA), a Chartered Accountant with ICAZ, Chartered Accountant South African Institute of Chartered Accountants, PostGrad Certificate in Accounting Theory (UNISA), Postgrad Diploma in Applied Accounting (ICAZ), Advanced Executive Program (Gordon Business Institute), Chartered Accountant (ICAEWA) as well as a Bachelor of Laws Degree (UNISA). He has won several accolades - key to mention is the 2012 African Personality of the Year for Outstanding promotion of electronic transactions on the African Continent. He was also the recipient of the prestigious Vodacom CEO Award for Outstanding Achievement and Excellence. Mr. Muchenje sits on several boards across the region. He has a passion for mountain hiking, swimming, as well as marathons and walks for charity,’ said NetOne in the public notice.

- The Board of Directors of Imara Capital Zimbabwe (Private) Limited and Imara Corporate Finance Zimbabwe (Private) Limited announced the appointment of Tawanda Masose as an Executive Director of Imara Corporate Finance (Private) Limited. “Tawanda has over ten year experience in investment banking and has been an important member of the corporate finance team, advancing progressively through roles with increasing responsibilities. Since joining Imara in 2010, he had worked on many successful merger, acquisitions, restructuring and financing mandates for our clients which include but are not limited to; Tiger Consumer Brands Limited on

the equalization of its shareholding in [National Foods Holdings Limited](#) with [Innscor Africa Limited](#), [Transerv](#) on the sale of a partial shareholding to [Innscor Africa Limited](#), [Delta Corporation Limited](#) on the acquisition of a controlling shareholding in [National Breweries Plc](#), [TA Holdings](#) on its delisting from the [Zimbabwe Stock Exchange](#), [TSL Limited](#) on the delisting of [Chemco Holdings Limited](#) from the Zimbabwe Stock Exchange, [ED & F Man](#) on the commercial due diligence of [Triangle Sugar Corporation Limited](#), [Schweppes Zimbabwe Limited](#) on various strategic options and [Honde Hydro Power Corporation \(Private\) Limited](#) on the issuance of its Prescribed Asset Status bond. Prior to joining Imara, Tawanda worked for [KPMG Chartered Accountants \(Zimbabwe\)](#) in their Corporate Finance and Transaction Services team. Tawanda graduated from [Murdoch University](#) (Australia) where he obtained a Bachelor of Commerce with majors in Finance and Banking. He has passed the first level of the CFA charter exam. We wish Tawanda every success in his new role," said the directors in a board announcement published on the 16th of March 2018.

- The [National Social Security Authority \(NSSA\)](#) chairperson [Robin Vela](#) was on 28th March 2018 relieved of his duties for allegedly not being ordinarily resident in Zimbabwe and a series of other claims which he dismissed as "false and libelous." Labour and Social Welfare Minister [Petronella Kagonye](#) fired Vela through a letter written to him on the 28th of March 2018. "Acting in terms of the NSSA Act Chapter 17:04 Section 8(a), I wish to advise you that you have been withdrawn as a member of the NSSA board with immediate effect," read part of the letter. Section 8 of the NSSA Act which was used to fire Vela deals with disqualification for appointment as a member and states: "A person shall not be appointed as a member and no person shall be qualified to hold office as a member who – (a) is not ordinarily resident in Zimbabwe."

REBRANDING & STRATEGIC REALIGNMENT INITIATIVES

- [MBCA Bank](#) announced that its transformation to [Nedbank Zimbabwe](#) had commenced. "The transformation has begun. As of today, we have entered a new level of banking. Banking that recognises Zimbabwe for the potential she has, the future we can all build. MBCA Bank, the Money Experts and one of Zimbabwe's oldest banks, has begun the journey to rebrand to Nedbank Zimbabwe. Join us on our journey of transformation," said the bank in a full page advertisement published on the 12th March 2018. "MBCA is now Nedbank Zimbabwe from today (Monday, 12 March 2018). We are now wholly-owned by [Old Mutual Plc](#). What you are going to see is that all products in South Africa, we are also going to offer here. What you see when you enter South Africa, is exactly what you are going to see here," said [Nedbank Zimbabwe](#) business manager [Wellington Ncube](#) said on the sidelines of a tobacco farmers meeting held in the capital.
- [Zimre Holdings Limited](#) completed consolidation and rebranding of its reinsurance operations with [Baobab Reinsurance](#), the largest reinsurance company in Zimbabwe being rebranded to [Emeritus Reinsurance](#). "We are looking at strengthening our capital position to match top regional reinsurers. The company had lost ground to local and regional reinsurers but going forward we are looking at regaining that market share. The company had lost market share due to sanctions and what is critical is that there will be innovation and excellence going forward," said managing director [Leo Huvaya](#) speaking in late March during the official launch of [Emeritus Reinsurance](#). In a speech read on his behalf by Ministry of industry and Enterprise Development director [Constance Zhanje](#), Minister [Dr Mike Bimha](#) said Government acknowledged the contribution of the insurance industry in mobilizing savings and other resources for national development. "This rebranding of [Baobab Reinsurance](#) to [Emeritus Insurance](#) is a notable attempt to rejuvenate and position the business for further growth," he said.

CORPORATE SOCIAL INVESTMENT (CSI) & SPONSORSHIP INITIATIVES

- [First Mutual Holdings Limited](#) sponsored the [National Association of Secondary Heads \(NASH\)](#) Athletics competition held at [Eaglesvale School](#) on the 9th of March 2018. "Join us at the 2018 Harare Provincial NASH athletics competition proudly sponsored by First Mutual, as Harare's finest High School athletes battle it out for the top spot," said the group which has interests in life, health, insurance, reinsurance, savings and property.

- The women of [Stanbic Bank Zimbabwe Limited](#) took International Women's Day celebrations as an opportunity to support disadvantaged women and girls in rural areas through the provision of sanitary products. "We have requested all the ladies of Stanbic Bank Zimbabwe to bring in a packet (or a few packets) of sanitary pads, cotton wool or maternity pads during the week March 5-9, 2018. We will centralise the Harare office and branch donations, but decentralize the rest of the out of Harare branch donations to allow all the communities in which we are present to benefit from this initiative," said Human Capital head [Nyasha Mutsai](#). The bankers wore pink golf shirts as part of their celebrations.
- Castle Lager [Premier Soccer League](#) returnees [Mutare City Rovers](#) received two sets of playing kit from [Cell Med Health](#) on 16th March 2018. "This sponsorship came at the right time and we will make sure we win our fixture so that we give a good thank you message to our partner. As a council-owned side, our budget is limited and we thank corporates like [Cell Insurance](#) who have come on board to support us," said Club chairman [Kudakwashe Chisango](#). Cell Insurance chief executive officer [Ish Makuzwa](#) said they were happy with the partnership and would continue to support the team in any way they could. "We are delighted with the partnership and the side as our ambassador and we hope they will do well this season. We will continue to support them and hope they will have silverware this year," said Makuzwa.
- [ZB Bank](#), [Stanbic Bank](#) and [CBZ Holdings](#) were amongst the sponsors of the Diplomat of the Year Awards held at Sango Conference Centre – Cresta Lodge on Friday 16th March 2018.
- [Old Mutual](#) sponsored the Schools Quiz provincial finals held over the weekend of 16-18 March 2018, with schools from eight provinces sailing through to the national finals scheduled for May 25, 2018 in Harare. Old Mutual Schools Quiz spokesperson [Takudzwa Tsikwa](#) said the remaining two provinces could still be allowed to host their provincial finals at a later date. "We had eight provinces that took part in the Old Mutual Schools Quiz provincial finals held at the weekend. And only the top three schools from each province would go through to the national finals set for May 25. So before May 25 we should have winners from the other two provinces," Tsikwa said. The winning school from each province walked away with a laptop for the quiz club to enable further research, courtesy of Old Mutual. A record 200 schools from across the country participated in the new season of the Old Mutual Schools Quiz. Since 1983 when the integrated financial services group launched the quiz programme, focus was always on high schools however, primary schools now participate as a measure of empowerment and recognition of their ability.
- Speaking at a press conference on 21 March 2018, [HIFA](#) executive director [Maria Wilson](#) announced their partnership with [CABS](#). CABS deputy managing director [Mehluli Mpofo](#) said it was an honour and privilege to partner with HIFA. "As CABS, we are proud to be associated with this festival of art and culture that has continued to transform lives in Zimbabwe and across the continent. We are delighted to once again host the opera gala night which has become an integral part of the festival. The CABS opera gala showcases an evening of internationally renowned opera stars, mixing humour with theatrical drama and exquisite singing," he said.
- [FBC Bank](#) on 23 March 2018 unveiled a \$19 000 sponsorship package to [Zimbabwe Golf Association](#) towards the organisation's hosting of the Region 5 tournament slated for April 8 to 13, 2018. The announcement was made at a function held at Chapman Golf Club in Harare. Zimbabwe Golf Association secretary-general, [Lazarus Clever](#), expressed gratitude to the financial institution for the sponsorship. "We want to thank FBC for coming to our aid, as you know we are set to host the Region 5 Games. They have not only helped us, but also the nation at large. We will use \$10 000 towards accommodation of the athletes, \$5 000 for the prizes and the rest will be used to meet the officials' fees," he said. The participating teams would be coming from South Africa, Botswana, Malawi, Mozambique, Swaziland, Namibia, Uganda, Mauritius and the hosts Zimbabwe. FBC head of marketing, [Priscilla Sadomba](#), said the country should promote sport tourism as it contributes to improving the country's economy. "Sport adds value to community and the nation at large, so as a country we should embrace sport tourism and support all sporting disciplines," she said.
- [NetOne](#) donated One-Fi devices to rural district councils to enhance payment to traditional leaders through its Mobile Financial Service platform, [OneMoney](#). Many Rural District Councils are paying village heads their salaries

through [OneMoney](#). [NetOne](#) has started the programme with Mashonaland West, Mashonaland Central and Mashonaland East provinces. Hurungwe, Kotwa, Mudzi, Bindura, Mazowe and Rushinga rural councils have since benefitted. NetOne acting chief executive officer [Brian Mutandiro](#) said they resolved to give One-Fi devices to RDCs after noticing that district administrators were not connected to the internet. "District administrators have been facing challenges to make payments from their respective centres and as a result had to travel to the nearest town where banking facilities are available," said Mutandiro.

CORPORATE ACTIONS

- ZB Financial Holdings issued a sixth cautionary announcement concerning a material transaction it was engaged in. "Further to the Cautionary Statements issued by the Board on 15 November 2017, 7 December 2017, 29 December 2017, 19 January 2018, and 9 February 2018, shareholders and members of the public are advised that [ZB Financial Holdings Limited \(ZBFH\)](#) is still engaged in negotiations concerning a material transaction, which, if concluded, may have an effect on the price of the company's shares. Accordingly, shareholders and members of the public are advised to exercise caution and consult their professional advisors when dealing in the Company's shares until a full announcement is made or this cautionary is withdrawn," said company secretary, [H.R. Nharingo](#) on 02 March 2018.
- ZB Financial Holdings issued a seventh cautionary announcement concerning a material transaction it was engaged in. "Further to the Cautionary Statements issued by the Board on 15 November 2017, 7 December 2017, 29 December 2017, 19 January 2018, and 9 February 2018 and 2 March 2018, shareholders and members of the public are advised that [ZB Financial Holdings Limited \(ZBFH\)](#) is still engaged in negotiations concerning a material transaction, which, if concluded, may have an effect on the price of the company's shares. Accordingly, shareholders and members of the public are advised to exercise caution and consult their professional advisors when dealing in the Company's shares until a full announcement is made or this cautionary is withdrawn," said company secretary, [H.R. Nharingo](#) on 23 March 2018.
- [NMBZ Holdings Limited](#) issued a dividend declaration notice dated 23 March 2018. "Notice is hereby given that the board declared a scrip dividend alternative to the cash dividend of 0.36 cents per share for the year ended 31 December 2017 payable in respect of all the ordinary shares of the Company. This dividend will be payable in full to all Shareholders of the Company registered at the close of business on 6 April 2018. The payment of the dividend will take place on or about 9 May 2018. The applicable shareholders' tax will be deducted from the Gross Dividends. The shares of the Company will be traded cum-dividend on the [Zimbabwe Stock Exchange](#) up to the market day of 3 April 2018 and ex-dividend as from 4 April 2018. The forms of election with the full details and terms of the scrip/ cash dividend offer will be mailed to shareholders on 13 April 2018 and the last date of receiving the forms is 4 May 2018. Shareholders are requested to submit/update their mailing and banking details to the Transfer Secretaries [[First Transfer Secretaries \(Pvt\) Ltd](#)] and also immediately contact the Transfer Secretary should they not have received their dividend and election forms by 20 April 2018," said Company Secretary [Shumirai Pashapa](#) in the notice.
- [CBZ Holdings Limited](#) issued its eleventh cautionary statement dated 28 March 2018 in respect of one of its subsidiaries. "Further to the Cautionary Statements Issued by the Board on 28 February 2018, the Directors of CBZ Holdings Limited ("the Company") advise shareholders, and other stakeholders that the regulatory matter which one of the company's subsidiary is involved in, is still under discussion and may, on finalization have an impact on the value of the company's shares. The Directors of CBZ Holdings Limited advise the company's shareholders and members of the public to exercise caution and to consult their professional advisors when dealing in the shares of the Company until a further announcement is made. The company's shareholders and members of the public will be updated on the matter in accordance with the [Zimbabwe Stock Exchange](#) Listing Rules," said group legal corporate secretary, [Rumbidzayi Jakanani](#), on behalf of the board.
- [FBC Holdings Limited](#) issued a Dividend Announcement dated 28th March 2018 in respect of the financial year ended 31 December 2017. "Notice is hereby given that the Board of Directors of FBC Holdings Limited has declared a final dividend of 0.8417 US cents per share on 671 949 927 ordinary shares in issue on 28 March 2018. The

dividend is in respect of the financial year ended 31 December 2017. The dividend is payable to shareholders registered in the books of the company at close of business on Friday, the 20th of April 2018. The payment of dividend will take place on or about 24 April 2018. The shares of the Company will be traded cum-dividend on the Stock Exchange up to the market day of 16 April 2018 and ex-dividend as from 17 April 2018. Shareholders are requested to submit their bank details to our transfer secretaries who are [First Transfer Secretaries](#) situated at No. 1 Armagh Avenue Eastlea," said Group Company Secretary [Tichaona Mabeza](#).

EXTERNAL FINANCING: LINES OF CREDIT AND GRANT FINANCE/AID

- The Ministry of Finance and Economic Development issued a press statement in respect of the signing of a US\$ 15 million loan agreement between Zimbabwe and the OPEC Fund for International Development for the smallholder irrigation revitalization project. "The Minister of Finance and Economic Development, [Hon. Patrick Anthony Chinamasa](#) and the Director General of the [OPEC Fund for International Development](#), [Mr. Suleiman J. Al-Herbish](#), on 08 March 2018, signed a US\$ 15 million Co-funding Loan Agreement for Smallholder Irrigation Revitalisation Project (SIRP) at a ceremony in Vienna, Austria. The project will directly benefit at least 15, 000 households in existing irrigation schemes and 12 400 households in adjacent rain-fed areas covering a total of 8,000 hectares. Further, employment opportunities for 2,000 youths and 500 Extension and Technical Service Providers will be created. The project will support sustainable development in Masvingo, Manicaland, Midlands and Matabeleland South Provinces. The total project cost is estimated at US\$51.68 million. The OFID Loan Facility of US\$ 15 million is over and above the US\$25.5 million Grant that has since been availed by the [International Fund for Agricultural Development \(IFAD\)](#). The Government of Zimbabwe and beneficiaries will contribute US\$7.9 million and US\$3.28 million respectively towards the project. The US\$ 15 million loan facility is, therefore, a top-up to meet the project cost of US\$51.68 million. The Government of Zimbabwe is grateful to the OPEC Fund for International Development (OFID) for the Loan Facility and looks forward to increased cooperation," said the Ministry in the statement signed by Chinamasa.
- The [African Development Bank \(AfDB\)](#) extended a three and half year \$25 million loan facility to the local private sector, to be administered by [CABS](#). The facility was expected to help small to medium private players improve on their working capital, address liquidity constraints, cover the growing gap in foreign currency needs as well as import the much needed raw materials. Speaking at the signing ceremony in Harare on 14th March 2018, which was also attended by Reserve Bank of Zimbabwe Governor [Dr John Mangudya](#), AfDB Country Manager [Damoni Kitabire](#) noted Zimbabwe's potential to recover from its economic doldrums, given the framework being laid by the "new political and institutional dispensation." "The agreement for signature for a Trade Finance Line of Credit worth \$25 million with a tenure of 3.5 years is a testament to the African Development Bank's strong commitment to Zimbabwe. It marks the beginning of a new relationship not only between the African Development Bank and CABS, but also one that we believe will potentially extend to the broader commercial banking sector in the country. In a nutshell, this facility will be used to provide medium term foreign currency liquidity specifically for trade finance purposes. The AfDB is aware of the fact that Zimbabwean financial institutions are struggling to secure trade finance lines from the international market, especially those with tenure in excess of 270 days. The facility, therefore partly mitigates this challenge by allowing CABS to on lend over a longer tenor especially in sectors where longer term trade finance funding is required, such as agriculture, infrastructure and manufacturing," said Kitabire. CABS managing director [Simon Hammond](#) thanked AfDB for choosing Zimbabwe and channeling the fund through CABS. "This facility will no doubt go a long way in supporting our local industry including manufacturing and exporting companies as a whole. These companies will in turn generate foreign currency and this will obviously contribute to the economic revival of Zimbabwe, something, I am sure we all want dearly," he said, noting that due to the economic challenges that the country had been facing, long-term deposits were becoming thin as the banking sector had to contend with just short term and transitory deposits.
- Zimbabwe's economic revival is being held back by lack of trade finance, [African Development Bank \(AfDB\)](#) divisional manager for trade finance, [Yaw Adu Kuffour](#) said, speaking after the AfDB signed a line of credit for \$25 million at a tenor of 3.5 years with [CABS](#) in Harare. "The AfDB believes that trade is a fundamental driver of economic growth and, therefore, development. Unfortunately, many African countries in general, and Zimbabwe in particular, are confronted with dire lack of trade finance which presents a clear risk to the economic performance

of the country. The supply side constraints come from the inability of the traditional suppliers of trade finance to continue to supply the credit needed. These are the new developments in the international banking regulations in terms of the stringent capital requirements and also the requirements to do with anti-money laundering and KYC (know your customer) issues. You have to know your customer and not just your customer, but your customer's customer," Kuffour said, adding that demand side constraints included poor ratings. "They are considered high risk," he said, referring to many African countries. "We also have the issue of the small capital bases of domestic banks. So that limits the absorption capacity and also the weak financial systems across Africa which is also a factor that inhibits the availability of trade finance. All these factors have acted in concert to make the deployment of capital by these banks to serve the trade finance needs of Africa difficult," Kuffour said.

CAPITAL MARKET DEVELOPMENTS

- **Untu Capital Limited** published results of Tranche 2 of its Notes Issue. "The Untu Capital Limited Note Issuance for Tranche 2 ISIN Number ZW FSE 0000202 opened on 31 January 2018 and closed on 28 February 2018. This Notes Issuance is for US\$2 million with a tenure of 24 months and fixed interest rate of 9.5% per annum. We are pleased to announce that the Notes Issuance was a tremendous success and the company raised the target amount with the issuance being fully subscribed. The notes were listed on the Fixed Income Board of the [Financial Securities Exchange \(Finsec\)](#) on 6 March 2018. The Listing Date is also the Interest Commencement Date and the Fixed Interest Payment Dates will be as follows: 5 September 2018, 5 March 2019, 5 September 2019 and 5 March 2020 respectively. The Maturity Date of the Notes is 5 March 2020," said [Marko Mahuni](#), the Company Secretary in the public notice dated 6 March 2018.

BOND/TB ISSUE OUTLOOK

- The [Zimbabwe National Roads Authority \(ZINARA\)](#) announced that its \$100 million infrastructure bond had been oversubscribed by \$5 million. CEO [Nancy Masiyiwa-Chamisa](#) made the disclosure at the Zimbabwe Investment Conference, whose aim was to provide a platform for potential investors, business and government to come up with ways to increase investment and improve infrastructure. In 2017, [ZB Bank](#) floated \$60 million bond on behalf of ZINARA to spruce up the country's road network. Following its success, another \$40 million bond was subsequently issued, bringing the total resource envelope to \$100 million. "We floated a \$100 million infrastructure bond. We collected \$105 million during this exercise, the money is to pre-fund road projects," said Masiyiwa – Chamisa. The road fund administrator said it could have requested for a much higher bond, but wanted to be realistic. "We took an approach to float what we would pay back without defaulting. We needed to be realistic with our loan," she said, adding that ZINARA could have opted to enter into public-private partnerships, but was taking a cautious approach.

FISCAL, PUBLIC DEBT & INVESTMENT ISSUES

- The [African Development Bank \(AfDB\)](#) on Tuesday, 13 March said Zimbabwe could this year (2018) achieve higher than projected growth on the back of positive sentiment following the takeover by a new administration in the country, aided by support from the country's creditors. The continental bank had earlier projected a growth rate of 1 percent for the economy in 2018 and 1.2 percent in 2019. "The budget presented to Parliament offered glimmers of hope to investors on prospects of new reforms, especially on minimal investment thresholds for external investors. But the economy is still experiencing financial constraints, and debt remains high, with accumulated arrears. So, real GDP (Gross Domestic Product) growth is projected to remain weak at one percent in 2018, with a marginal gain of 0.2 percentage points the following year. This projection could be reversed however, depending on the outcome of the budget pronouncements and the country's re-engagement with the international community, especially its creditors." The Zimbabwean government has forecast economic growth projection for 2018 at 4.5 percent.

- [Reserve Bank of Zimbabwe](#) deputy governor [Khupukile Mlambo](#) on Friday 16 March 2018 said Zimbabwe expected to make up for all its debt arrears to major international lenders by September 2018 and could return to international capital markets thereafter. “The ball is in our court, it is not with the [IMF](#) or the [World Bank](#) or the [African Development Bank \(AfDB\)](#). We are on course for September for sure to repay,” he said, speaking on the sidelines of a London investment summit.

TROUBLED INSTITUTIONS RESOLUTION INITIATIVES

- [Knowledge Hofisi](#), the final liquidator of [Altfin Insurance Company Limited](#) issued a notice to creditors and contributories of Altfin Insurance Company Limited, which is in final liquidation. “Notice is hereby given that the second meeting of creditors and contributories of Altfin Insurance Company Limited will be held at 8:30am on Wednesday, 28 March 2018 at the Master’s House, Corner Herbert Chitepo Avenue & Sam Nujoma Street, Harare for the purpose of transacting the following business: 1) Proof of claims. 2) Consideration of the statutory report,” said Hofisi of [Aurifin Capital](#) in the notice on 22 March 2018.
- The [Deposit Protection Corporation \(DPC\)](#) revealed that it had disbursed more than US\$3 million to depositors of six failed banks to date, which is approximately half of the insured amount. “To date, US\$3.23 million has been disbursed to the depositors of the six failed banking institutions, namely [Royal Bank](#), [Trust Bank](#), [Genesis Investment Bank](#), [Allied Bank](#), [Interfin Bank](#) and [AfrAsia Bank](#) out of the Deposit Protection Fund (DPF) paid against an exposure of US\$6.4 million at a cover level of US\$500 per delegate. The said payment represents slightly more than 50% compensation of the insured amount. Payment for depositors of these institutions, except Genesis, are still ongoing and we urge those who have not claimed their money from DPC to do so,” said DPC public relations manager [Allen Musadziruma](#) said on 22 March 2018. He added that on the liquidation front, about US\$8.57 million had been paid out as dividends to creditors of the six failed contributory institutions under liquidation.

POLICY/REGULATORY/LEGAL DEVELOPMENTS

- President [Emmerson Mnangagwa](#) on 2 March 2018 said \$250 million of the expected \$1.3 billion had been repatriated to Zimbabwe in the last three months, with Government having extended by a further two weeks the moratorium for those who were still to return externalised funds and assets. The recovered money was only from 105 out of the 1166 reported cases. In a statement read on his behalf by Acting Information, Media and Broadcasting Services Minister Ambassador [Simon Khaya Moyo](#), President Mnangagwa said 30 cases valued at \$50 million of immovable properties in various countries were reported to the [Reserve Bank of Zimbabwe](#), while 210 cases valued at \$287 million related to externalised funds that were used to procure imports. Cases that had been processed so far, President Mnangagwa said, gave a success rate of 45 percent by value. “The Presidential Powers (Temporary) Measures (Amendment of Exchange Control Act) regulations, Statutory Instrument 145 of 2017 gazetted on December 1, 2017 gave an amnesty in respect of the repatriation of foreign currency and assets that were externalised by commission or omission under the liberalised Exchange Control Framework. The amnesty expired on the 28th of February 2018. Government is pleased to advise the public that out of 1166 valued at \$1, 3 billion cases of externalisation known by Government, a total of 105 cases valued at \$250 million were processed by the Reserve Bank of Zimbabwe in respect of externalised foreign currency. In order to facilitate the above, the bank has sought my authority to extend the amnesty period by a two-week period. Accordingly, I have granted the authority for the extension of the amnesty by a period of two weeks to 16 March 2018 after which the outstanding cases will be publicized on 19 March 2018,” he said. After the two-week extension period, Government said it would both name and shame, and prosecute non-compliant individuals and companies. “The bulk of the 771 cases or 55 percent by value that did not take heed of the amnesty pertain to non-remittance of export proceeds (328 cases valued at \$215, 8 million),” added President Mnangagwa.
- The United States extended restrictive measures imposed on senior ruling [Zanu PF](#) officials and companies, which were set to expire this month (March 2018). The extension was made in a notice signed by President [Donald Trump](#) on Friday, 3 March 2018 which stressed that the situation in Zimbabwe had not yet transformed following the removal of [Robert Mugabe](#) from power. “In November 2017, dynamics within the factionalised ruling party of

Zimbabwe, the Zimbabwe African National Union-Patriotic Front party, reached a head. Facing impeachment, Robert Mugabe resigned. The subsequent change in government has offered an extraordinary opportunity for Zimbabwe to set itself on a new path toward implementing reforms that could allow the United States to re-engage in ways not previously possible. Concrete actions must follow President [Emmerson] Mnangagwa's stated intentions to carry out political and economic reforms. The actions and policies of certain members of the government of Zimbabwe and other persons, however, continue to pose an unusual and extraordinary threat to the foreign policy of the United States. Therefore, to respond to this persisting threat, I have determined that it is necessary to continue this national emergency and to maintain in force the sanctions," said the notice. Trump issued this order stating that the national emergency declared in Executive Order 13288 of March 6 2003, with respect to the actions and policies of certain members of the government of Zimbabwe and other persons to undermine Zimbabwe's democratic processes or institutions is to continue in effect beyond March 6, 2018. The renewal of the sanctions would deal a major blow to the Zanu PF leader's efforts to engineer a quick economic turnaround, which is anchored on an aggressive strategy to woo foreign investors.

- Government reduced the price of Diesel 50 from US\$1.30 to US\$1.22 per litre as part of efforts to peg a realistic price of the eco-friendly fuel. The new price came at a time Government banned the importation of Diesel 500 by 1 May 2018, citing damage to vehicle engines due to high Sulphur content. In a notice published on 3 March 2018, the [Zimbabwe Energy Regulatory Authority \(ZERA\)](#) said the transition from D500 to D50 was progressing well since the importation of D500 was banned through General Notice 669 of 2017. "The retail price for the week starting March 5, 2018 should not exceed US\$1.22 for all diesel. The reduction of D50 prices in the market is a result of use of cheaper pipeline transportation of D50 into the country as opposed to road and rail. The convergence in prices of D50 and D500 that is being witnessed shows compliance with the Government directive to ban retail of D500 by 1 May 2018. However, subsequent prices will change in line with movement in international crude oil prices and the application of the fuel pricing regulations by ZERA," said the notice.
- The [Reserve Bank of Zimbabwe](#) issued a press statement on the 2018 Tobacco Season Payment Modalities to Tobacco Growers. "The Reserve Bank of Zimbabwe (the bank) wishes to advise the tobacco sector of the following operational modalities to guide the 2017/2018 marketing season. Already, the Reserve Bank has increased the Tobacco Finance Facility from US\$28 million in 2017 to US\$70 million for the 2018 planting season in an effort to ensure that inputs get to the farmer at affordable prices. In addition, the Export Incentive for the tobacco growers was increased from 5% to 12.5% and this amount shall continue to be paid through the respective growers' bank accounts or mobile money services on a monthly basis. In order to ensure a smooth payment system that is consistent with international best practice on daily cash withdrawal limits, growers shall be paid a maximum of \$300 per day through banks stationed at the Auction Floors. This shall be disbursed at all banks stationed at the auction floors upon presentation of the respective sales statements by the growers. The balance shall be transferred into the grower's bank account or mobile money wallet," said RBZ Governor [Dr John P. Mangudya](#).
- Special Advisor to the President [Christopher Mutsvangwa](#) said the [Reserve Bank of Zimbabwe](#) needed to concentrate on its role as regulator and not interfere in the allocation of foreign currency under a priority list as this gave the impression of a distorted economy. He said the solution to the shortages of foreign currency lay in growing exports while the RBZ needed to concentrate on its role as a regulator and not the current situation where it was focused on hard currency allocation and its utilisation as if that was its principal role. Mutsvangwa was speaking at the Manicaland is Open for Business Conference in Mutare on Friday, 3 March 2018. "Allocation of foreign currency by the RBZ is a sign of a distorted economy, and this must stop. The focus must be on increasing exports, we need to produce quality goods for the global market to earn foreign currency rather than a situation where companies rely on allocations from the central bank. The role of the central bank is to regulate the financial services sector and also creating an environment good for business. Foreign currency allocation is a signal of a kwashiorkor economy and President [\(Emmerson\) Mnangagwa](#) is working on making sure this is corrected," said Mutsvangwa.
- Government gazetted the Money Laundering and Proceeds of Crime (Amendment) Bill which seeks to strengthen the [Financial Intelligence Unit](#) of the [Reserve Bank of Zimbabwe \(RBZ\)](#) by giving it autonomous powers to effectively combat crime. The bill is also meant to ensure Zimbabwe complies with 40 recommendations by the

[Eastern and Southern African Anti Money Laundering Group](#) in which Harare was found wanting. Clause Four of the Bill set up the Financial Intelligence Unit formerly under the Bank Use Promotion and Suppression of Money Laundering Unit under the Bank Use Promotion Act will continue in operation, but elevate its head to director general from a director. “The Unit shall be deemed to be in the administrative establishment of the RBZ having the following special features, namely that, (a) it shall be headed by a Director General appointed by the Governor of the RBZ in consultation with the Minister of Finance (b) it shall consist of such other members of staff as may be necessary for the performance of its functions, who shall be appointed by the Director General,” reads the Bill.

- The commission set up to investigate the changeover from the local currency to the foreign currency regime recommended that Insurance policyholders and pensioners should be compensated for loss of value suffered as a result of hyperinflation in 2007-8 and the country’s adoption of the multi-currency regime. Also the [National Social Security Authority \(NSSA\)](#) and other corporates should stop paying a flat pension benefit to retired contributors regardless of their salary level or years participation in the fund, while funeral policyholders should be compensated for alteration of benefits or cancellation of policies following dollarisation. The recommendations are contained in the long-awaited report on pensions and insurance, which was compiled by the Commission of Inquiry into the Conversion of Insurance and Pension Values from the Zimbabwe dollar to the United States dollar appointed by former president [Robert Mugabe](#) in August 2015 to investigate the sector and quantify possible prejudice to policyholders. The report, now before Cabinet, was made public on Friday 9 March 2018 through a Government Gazette. The commission, whose investigation covered the period 1996 to 2014, looked into the operations of life insurance companies, pension funds, funeral assurance companies, the Guardians Fund, Government’s pension system and NSSA.
- Government said it was in the process of compensating farmers who lost their investments through the land redistribution programme, but would not pay for land since it belonged to the State. Minister of State, Lands, Agriculture and Rural Resettlement Air Chief Marshal [Perrance Shiri](#) (Retired) was briefing the [United Nations Development Programme \(UNDP\)](#) administrator and UN Development Group Vice Chairman [Achim Steiner](#), who paid a courtesy call on him at his Ngungunyana Offices. “As Government, we are saying for any development which has been done on land, those farmers should be compensated. What we are not going to pay compensation for is the land itself because it belongs to the State. The minister also discussed the meeting which he had with the [World Bank](#), where the bank is looking into assisting in the facilitation of finance for compensation of our farmers,” said Deputy Agriculture Minister [Davis Marapira](#) said after the meeting.
- The deadline of the moratorium to bring back externalised money ended on 16 March 2018, with names of those who defied the order set to be published on Monday, 19 March 2018. “We have 1166 cases of externalisation, now we have three categories. One category has returned the money and with thank them and we will not publish their names. They have returned \$300 million back to the country. The second category we are still negotiating how they will return the money, with others saying it’s tied up in properties and other investments and those again we will not publish their names. The value of the money held up in those circumstances is around \$680 million,” said President [Emmerson Mnangagwa](#), adding the last category concerned those that had not heeded his calls to return the money. “Those ones have remained quiet, but we are saying come and we negotiate how you will return the money, but they have not responded positively to our calls. We will publish their names on the 19th this month and also indicate how much they have externalised. So, this is part of my last warning to those who have externalised, big or small,’ he said, addressing party supporters on 16th March 2018.
- Finance Act, 2018 (No. 1 of 2018) and Appropriation (2018) Act. 2018 (No. 2 of 2018) were gazetted in a Government Gazette Extraordinary on Wednesday, 14th March [General Notice 158A/2018], becoming the first Acts of 2018. Both came into force immediately. Section 42 of the Finance Act contained the Government’s promised amendments to the Indigenisation and Economic Empowerment Act.
- President [Emmerson Mnangagwa](#) on 21 March 2018 joined 44 (out of 55) other African leaders in assenting to three major economic agreements during the [African Union \(AU\)](#) Extraordinary Session of Heads of State and Government in Kigali, Rwanda. The President signed the Agreement establishing the [African Continental Free](#)

[Trade Area \(AfCFTA\)](#), the protocol establishing the [African Economic Community](#) relating to free movement of persons, right of residence and right of establishment; and the Kigali Declaration for the launch of the AfCFTA.

- Government gazetted two Statutory Instruments allowing the [Insurance and Pensions Commission \(IPEC\)](#) to register micro-insurance companies and effectively peg their minimum capital at \$300 000 while setting levels of fees and levies for the sector. This was done through amendments to the Insurance Regulations and the IPEC Act and came years after Zimbabwe started working on a framework to regulate and formalise operations of micro-insurers, targeting low income earners. The instruments, cited as the Insurance (Amendment) Regulations and Insurance and Pension Commission (Levy) Regulations also sets levels of registration fees and levies. “According to the Insurance and Pension (Levy) Regulations (SI 40 /2018), the Minister of Finance and Economic Development has in terms of sections 33 of the IPEC Act made amendments to the IPEC (levy) Regulations of 2016 by inserting provisions to the effect that micro insurance companies pay a fixed levy of \$300 000 per company quarterly plus a rate of 0.005 by estimated net written premiums for the quarter. Provided that where an insurer, in additions to micro insurance business, carries on any other insurance business, paragraphs (a) to (m) shall be applied in the calculation of the levy in respect of those insurance businesses,” reads part of the Statutory Instrument.
- The Government of Zimbabwe on Thursday **27 March 2018** launched a five-year Trade Facilitation Roadmap which seeks to simplify, harmonise and modernise export and import processes, among other things. The roadmap, which will be implemented from 2018 to 2022, was produced in collaboration with the [United Nations Conference on Trade and Development](#), the UK’s Her Majesty’s Revenue and Customs Service and the [European Union](#). The roadmap will also help Zimbabwe implement the landmark Trade Facilitation Agreement (TFA), which came into force in February 2017 following ratification by two thirds of [World Trade Organisation \(WTO\)](#) members. Zimbabwe is a member of the WTO and is taking steps to ratify the TFA. According to the trade facilitation roadmap, Zimbabwe aims to reduce Import documents from eleven to six and export documents from nine to five. The country is also targeting to reduce the time it takes to comply with border requirements from nine days and 12 hours, to four days and 18 hours for imports and time to export from three days to 36 hours by the year 2022. “It costs \$562 to comply with import requirements but we want to reduce this to \$450 and cost to import we want to reduce from \$285 to \$222 by the year 2022,” reads the roadmap.
- Thousands of workers whose contracts were arbitrarily terminated on notices pursuant to the infamous [Zuva Petroleum](#) judgement of July 2015 will now be paid damages for loss of employment after the highest court in the land on 28 March 2018 ruled that amendments to the Labour Act compelling employers to pay damages to fired workers by taking into account the number of years served apply in retrospect. [Chief Justice Malaba](#), with concurrence of eight other judges of the Constitutional Court, ruled that employers must compensate workers fired in terms of Section 12C of the Labour Act. Section 12C outlines the retrenchment procedure. The Constitutional Court issued the judgement in a case in which [Greatermans Stores](#) and [Meikles](#) were challenging the constitutionality of the retrospective application of the law. They argued that since the workers were fired before the amendment to the law, as employers they should not be bound by a law that came into effect well after the workers were fired. However, the Constitutional Court ruled that the retrospective application of the law was legal. “The court holds, on the main ground on which the constitutionality of the transitional provision which prohibits the use by the legislature of the method of retrospectivity to implement civil legislation. On alternative ground of the challenge to the constitutionality of the transitional provision, the court holds that the applicants failed to prove the alleged infringement of any of the fundamental rights they relied on. The retrospective imposition of new financial obligations of the applicants to pay compensation to the employees whose employment they terminated on notice for loss of employment, respects their rights enshrined in Section 56(1), 65(1) and 71(3) of the Constitution,” reads part of the judgement. Chief Justice Malaba said retrospective application of the law was meant to achieve fairness and justice, considering that the workers who had to serve for years were now wallowing in poverty after being sent packing empty-handed. [Ms Vernanda Munyoro](#) appeared for Government in the challenge, while Advocate [Thabani Mpofu](#) and [Garikai Sithole](#) represented the two companies.

CUSTOMER SERVICE/PUBLIC RELATIONS MANAGEMENT & NETWORKING INITIATIVES

- For the fourth year in a row the [Zimbabwe Stock Exchange Limited \(ZSE\)](#) hosted students from various schools during the Global Money Week (GMW) from 12 to 18 March 2018. Students from six schools namely [Kutama](#), [Nyadire](#), [Girls College](#), [Tynwald](#), [Littlerock International](#) and [Prince Edward](#) visited the ZSE for hands on experience during different days of the GMW. The same number of schools were hosted in 2017, albeit from different institutions. With this year's theme being Money Matters Matter, students were taken through concepts such as wise spending (differentiating between assets and liabilities), raising money through the stock exchange (listing), the roles played by the stock exchange and how to invest. Students also got the opportunity to view trading in real time through the View Only Screen.

CONFERENCES/SYMPOSIA & TRAINING EVENTS

- [Homelink Finance Private Limited](#) hosted a five-day workshop in Gwanda starting from March 19, 2018 under the banner Women Entrepreneurship Development Training and under the theme "Entrepreneurship Mindset for Sustainable Development." The Homelink Group opened a new branch in Gwanda in the last quarter of 2017 and established that there was lack of uptake in SME loans. "We have decided to take the mandate to capacitate the market that is surrounding that branch. We want to ensure that there is finance uptake in terms of economic activities and also for personal development. This training is supposed to capacitate participants and make sure that they are able to carry out future business through programmes that include business plan writing, business ethics, entrepreneur finance, accounting and entrepreneur mindset. This kind of training programme is happening for the second time and the first one was done in Harare in 2017," said Homelink sales and channels manager [Sibusisiwe Mashoko](#).
- [CBZ Holdings](#) hosted the second edition of the CBZ International SME Indaba 2018 from 21-23 March 2018 in Bulawayo under the theme "Enhancing SME growth through smart partnerships."
- A number of business leaders in Bulawayo were said to be planning to come together and form a bank, headquartered in the city, for the benefit of the industry. Speaking at the Bulawayo Investment Conference held in the city on Friday, 23 March 2018 former [Confederation of Zimbabwe Industries \(CZI\)](#) president, [Busisa Moyo](#), said industry in Bulawayo was suffering due to absence of financial services headquartered in the city. "...we must have a vibrant financial services centre. We need financial services that are focused on Bulawayo and in this regard I think it is a time that there was a bank that is headquartered in Bulawayo. We need a bank that is focused on the city and we would be collaborating with a few colleagues to see if we can get a licence so that we can develop it. There is no economy that has ever developed without the support of a vibrant, active, engaged, creative financial services offered and we need that for the city," he said amid applause from delegates. Moyo also said businesses should also explore other forms of investments such as business engine investments, private funding, crowd funding and private equity funding, among others.

INDUSTRY AWARDS AND ACHIEVEMENTS

- [Ropafadzo Zimunya](#) won \$10 000 for his company, a first of its kind in Zimbabwe, at the [CBZ Holdings'](#) Youth Entrepreneurship Programme (YEP) Awards that were held in Harare in early March. Zimunya owns [Greenit Diversified Group](#), a [Standards Association of Zimbabwe](#) licensed manufacturer of banana flour.
- There was pomp and fanfare at [Cresta Lodge](#) on Friday, 9 March 2018 when [Zimnat](#), an associate of the [Sanlam Group](#), gave away trophies and cash prizes to some of its top Life Assurance Agents. The company offers products across the financial and insurance spectrum through four businesses [Zimnat General Insurance](#), [Zimnat Life Assurance](#), [Zimnat Financial Services](#) and [Zimnat Asset Management](#). Some of the awards given were Top Manager, Top Agents and Top Sales Supporter. Zimnat Group CEO [Mustapha Sachak](#) said, "This event is very important because by celebrating and encouraging our agents and staff we want them to be motivated to provide exceptional service to our clients. We want to empower the company and our clients to reach their full potential."

MONTHLY FINANCIAL SECTOR BULLETIN (MFSB): ISSUE NO. 55, MARCH 2018

- The Megafest 2017 National Business Awards were held during the month and the winners from the financial sector emerged as follows:

Award	Winners	Position
Businessman of the Year	Ranga Mavhunga (FMC Finance)	Winner
CEO of the Year	Dr Lance Mambondiani (Steward Bank)	First runner-up
Manager of the Year	Tawanda Matembo (CBZ Bank)	Winner
Young Manager of the Year	Joel Gombera (CBZ Bank)	Winner
Outstanding Insurance Organisation	Champions insurance	Winner
Outstanding Financial Institution	Steward Bank CBZ Bank	Winner Grassroots Penetration Winner SME Development
Brand of the Year	Steward Bank	Winner - Award of Excellence
Outstanding Funeral Assurance	Doves Funeral Assurance Moonlight Funeral Assurance	Winner First runner-up
PA/Secretary of the Year	Maud Madekubveni (FMC Finance)	Winner
Investing in People Awards	CBZ Bank	Winner

- [Steward Bank](#) was the winner of the Banking, Finance & Insurance Award winner at the Enterprise Innovation Awards hosted by [Mtilikwe Financial Services](#).

DOMESTIC LENDING & FINANCING PERSPECTIVES

- The [Infrastructure Development Bank of Zimbabwe \(IDBZ\)](#), in partnership with [Kariba Municipality](#), on Monday 5th March 2018 launched three housing projects that will see the development of 1557 low, medium and high density stands at a cost of \$ 15 million in Baobab Ridge Extension, Batonga Kasese Main and Kasese Extension. "I am happy that IDBZ is making significant strides in executing its mandate of spearheading the development of infrastructure in Zimbabwe. Developing housing infrastructure for our people is a worthwhile investment that will go a long way in transforming their livelihoods. We should all support this important investment. Government stands ready to support projects that will positively contribute to the welfare of Zimbabweans," said Finance and Economic Development Minister [Patrick Chinamasa](#), speaking at the ground-breaking ceremony in the resort town.

CURRENCY, PRICING & LIQUIDITY PERSPECTIVES(CP & LP)

- The [Tobacco Industry Marketing Board \(TIMB\)](#) announced the dates for commencement of the 2018 tobacco marketing season. "All stakeholders' are advised that the 2018 Auction Tobacco Marketing Season starts on Wednesday 21st March 2018. Contract Tobacco Sales will start on Thursday 22nd March 2018. Sales bookings will open on Wednesday 7th March 2018 and deliveries accepted as from Monday 12th March 2018," said the board, which touts itself as the "Icon of excellence in the production and marketing of Zimbabwe flavour tobacco.
- [Reserve Bank of Zimbabwe \(RBZ\)](#) governor [Dr John Mangudya](#) said withdrawals were now averaging \$5, 5 million a day, showing that more depositors found it harder to access money from banks. The \$5,5m worth of withdrawals was from the 19 banking institutions in the country that include commercial banks, building societies and a savings bank. But Mangudya claimed, before the Parliamentary Portfolio Committee on Finance and Economic Development on Monday, 12 March 2018 that queues at banks were going down, with some of the committee members firing back that the central bank boss was "not living in reality". "Right now, our current deposits per day stand at around \$6m for the whole banking sector against withdrawals of around \$5,5m, so we can say our deposits and withdrawals are between \$5m and \$6m on a daily basis," he said. RBZ statistics showed that in February, \$138m worth of deposits were received by the banking sector against withdrawals of \$135m and January had \$146m worth of deposits received against withdrawals of \$140m.

- **Reserve Bank of Zimbabwe (RBZ)** Governor **Dr John Mangudya** said bond notes had been successful since they had helped companies to increase both production and exports. Mangudya said this when he appeared before the Parliamentary Committee on Finance and Economic Development on 12 March 2018. The introduction of bond notes in 2016, he said, was not meant to deal with cash shortages. "I said when bond notes fail to support export incentives in this country, I would resign and you know we have many companies that have been resuscitated, and I can mention them. What the people were ascribing to, which I do pray to honourable MPs not to do, is to say that it has failed to remove queues in the banks. Once you do that, you are saying print more. But what we are saying is our bond notes are governed as a proportion of exports, so when I say bond notes, I celebrate because I see the image of exports, it is a brilliant mechanism. I haven't resigned because the bond notes have succeeded in helping the companies in Zimbabwe to be resuscitated," he said, noting that bond notes had materially impacted on the fortunes of companies such as **Tregers**, **Paramount Garments**, **Lobels**, **Mega Pak**, **Arenel** and **Zimplow**. He added that bond notes, of which there were currently more than \$290 million in circulation, would be in use until Government introduced a new local currency.
- Zimbabwe's leading cryptocurrency exchange, **Golix** announced a series of security improvements to its protocols following a breach to 23 of its user accounts. In the three weeks ending March 12, 2018, a team from Golix realised that there had been unsolicited access on user accounts. During this period, a third party took advantage of email password vulnerabilities on 23 Golix accounts to facilitate transactions without the users' consent. Affected users noticed some changes to their accounts such as the conversion of their cryptocurrencies and the acquisition of additional cryptocurrencies through already held US dollar balances. Following the discovery of this information, Golix sent out an email on Monday, 12 March 2018 notifying users of the breach and on Tuesday, 13 March, the exchange issued a press statement giving details of the breach. This was followed by an internal investigation to evaluate the full extent of the breach and to identify areas that needed to be addressed immediately. **N. Ngwenya**, the company's director of communications said they had established that "no cryptocurrencies or funds were lost from the exchange as a result of this breach." "Contrary to information that has been miscommunicated in relation to this issue, the Golix exchange has not been hacked. Golix's efforts to date, from the time the issue was first identified, has been working tirelessly to safeguard customers' funds and to double up on existing security measures. Its efforts have been centred on improving account security for both Golix and users' email accounts, especially through an awareness of best practices for account security. All customers have been advised to immediately start using Two Factor Authentication (2FA) for their Golix login and for their user emails as well," said Ngwenya.
- The **Reserve Bank of Zimbabwe (RBZ)** said Diaspora Remittances now averaged US\$60 million per month. "Off the cuff, we are now receiving US\$60 million on a monthly basis from diaspora remittances, so for January and February it stood at US\$120 million. Of the total amount 30% is attributable to the diaspora remittance incentive scheme," said RBZ Governor **Dr John Mangudya** on Wednesday 14 March 2018. He added that more was expected in terms of remittances as the country opened up for business. The central banks introduced the Diaspora Remittances Incentive Scheme (DRIS) in 2017 to benefit both the money transfer agents and the receiver of the funds on the basis of a 2% and 3% split to reduce the cost of receiving and sending remittances.
- The year-on-year inflation rate for the month of February stood at 2.98%, after shedding 0, 54 percentage points on the January figure of 3.52%, the country's statistical agency has said. This means that prices as measured by the all items Consumer Price Index increased by an average of 2,98% between February 2017 and February 2018, the **Zimbabwe National Statistics Agency (Zimstat)** said. In December 2017, annual inflation was 3, 4% up from the 2, 97% registered in November. Economist, **Persistence Gwanyanya** weighed in saying the inflation rate in Zimbabwe was dependent on the cost of acquiring forex. "But official data are not reflective of what's happening in the broader economy. There are a lot of things happening in the informal economy that are not captured by Zimstat. There are two different economies in the country that is the informal and formal economy. It will be good if official data capture what's happening in the parallel economy," Gwanyanya said. The country has been experiencing high commodity prices on the back of costly forex acquired from the black market. However, there has been a marginal decrease of prices of certain goods partly because of a reduction in fuel prices. The month-on-month inflation rate in February 2018 was 0, 08 % shedding 0, 22 percentage points on the January 2018 rate of 0, 30%.

- The 2018 tobacco marketing season officially opened on 21 March 2018 at the Tobacco Sales Floor, with a starting price of \$4.90 per kilogramme, up from 2017's \$4.60 per kg. Although the opening price was a disappointment to farmers who expected it to breach the ceiling auction price of \$4.99 per kg to hit \$5, expectations were still high that prices would firm as the selling season progressed on the back of a quality crop and good rains received during the second half of the agricultural season. Currently 98 percent of the crop is exported, earning Zimbabwe over \$600 million in foreign currency. Production output for 2018, at 210 million kg, is 10 percent higher than last season's 189 million kg. The grower base increased by 43% to reach 118 549 producers from 84 221 in 2017.

PAN-AFRICAN DEVELOPMENTS

- **Standard Chartered Bank** announced that former **Chelsea FC** and Ivorian icon, **Didier Drogba**, would be endorsing the bank's first digital bank in Africa as its "Digital Bank Ambassador." Launched in Abidjan, Cote d'Ivoire on March 14, 2018, Standard Chartered's first and fully digital retail bank in West Africa marks an important milestone in the bank's path towards innovation and has been designed with continuous feedback from its clients. Drogba will be promoting the digital bank in Cote d'Ivoire, set to disrupt traditional banking. He will lend his voice and image rights through a series of marketing and community engagement activities over a period of 12 months.
- **Nedbank** launched South Africa's first humanoid robot, **Pepper**, at its digital branch at the Sandton Gautrain station in Johannesburg. The robot can be programmed to recognise voice, principal human emotions, chat with customers and answer questions. "Meet Pepper! South Africa's first client-friendly humanoid robot, unveiled today (28 February 2018) at Nedbank's digital branch, the NZone, at the Gautrain station in Sandton. Pepper will become Nedbank's newest client service champion and form part of our journey to explore innovative technologies that will enrich the client experience," said the bank in a YouTube post.



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