



ZIMBABWE

TECHNICAL ASSISTANCE REPORT—REPORT ON THE MONETARY AND FINANCIAL STATISTICS MISSION

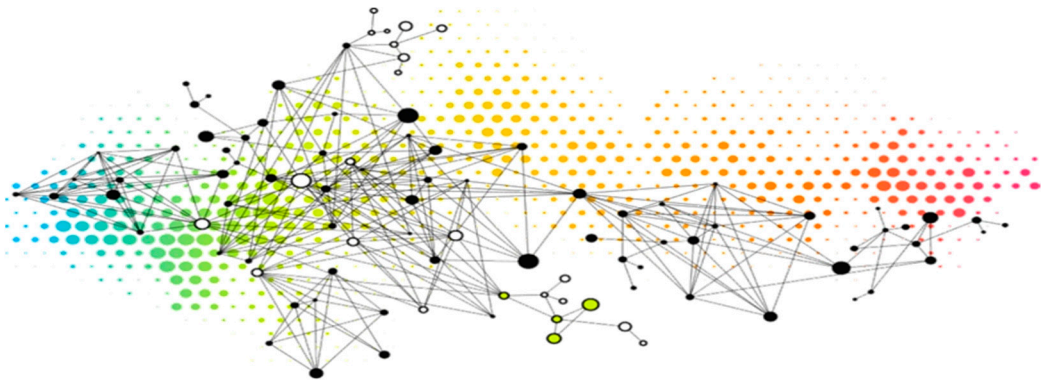
March 2019

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ZIMBABWE

JULY 2018

REPORT ON THE MONETARY AND FINANCIAL STATISTICS MISSION (OCTOBER 16–27, 2017)

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Acronyms

1SR	Report form for Balance Sheet of the Reserve Bank of Zimbabwe
2SR	Report form for Balance Sheet of Other Depository Corporations
5SR	Report form for Monetary Aggregates
6SR	Report form for Interest rates and Share Prices
AD	Accounts Division of the Reserve Bank of Zimbabwe
AFR	IMF's African Department
AFRITAC South	Africa Regional Technical Assistant Center South
BSD	Banking Supervision Division of the Reserve Bank of Zimbabwe
DCS	Depository Corporations Survey
DSAD	Domestic Statistics and Analysis Department, Economic Research Division, RBZ
FIN	Finance Department of the IMF
FPD	Finance and Procurement Department of the Reserve Bank of Zimbabwe
FSI	Financial Soundness Indicators
ICS	Integrated Collection System
IFRS	International Financial Reporting Standards
<i>IFS</i>	<i>International Financial Statistics</i>
IMD	Integrated Monetary Database
IPEC	Insurance and Pensions Commission
MFS	Monetary and Financial Statistics
MFS Team	Monetary and Financial Statistics Team
<i>MFSM</i>	<i>Monetary and Financial Statistics Manual, 2000</i>
<i>MFSMCG</i>	<i>Monetary and Financial Statistics Manual and Compilation Guide</i>
NFCs	Nonfinancial Corporations
ODCs	Other Depository Corporations
OFCs	Other Financial Corporations
RBZ	Reserve Bank of Zimbabwe
RBZTB	Reserve Bank of Zimbabwe Trial Balance
SECZ	Securities and Exchange Commission of Zimbabwe
SRFs	Standardized Report Forms
STA	IMF's Statistics Department
TA	Technical Assistance
ZAMCO	Zimbabwe Asset Management Company

SUMMARY OF MISSION OUTCOMES AND PRIORITY RECOMMENDATIONS¹

- 1. In response to a request from the Reserve Bank of Zimbabwe (RBZ), and with the support of the International Monetary Fund's (IMF's) African Department (AFR), a monetary and financial statistics (MFS) technical assistance mission visited Harare, Zimbabwe, during October 16–27, 2017.** The mission's main objective was to assist the RBZ in finalizing its work of compiling MFS of the Central Bank (CB) and Other Depository Corporations (ODCs) in accordance with the *Monetary and Financial Statistics Manual and Compilation Guide (MFSMCG)*. Compilation of these data will lead to the regular reporting of improved monetary data for publication in *International Financial Statistics (IFS)* and provide MFS data for use by the IMF African Department (AFR) and the Reserve Bank of Zimbabwe in their research and publications.
- 2. RBZ management and staff are keen to begin reporting MFS to STA.** Compilation of quality MFS will not only contribute to international comparability of RBZ's data but will also provide the necessary underlying information used for monetary policy and macroprudential analysis.
- 3. Together with the staff of the RBZ's Domestic Statistics and Analysis Department (DSAD), the mission finalized the bridge tables that automatically generate SRFs 1SR and 2SR from the RBZ's trial balance and the source data reported to the RBZ by (ODCs).** The source data for the RBZ and ODCs are sufficient for the compilation of the SRFs. Given Zimbabwe's multi-currency payments system, the mission recommended reclassification of the banking system's US dollar denominated claims and liabilities with resident sectors as positions in national currency. After addressing the issues raised by the mission, the RBZ could start regular reporting of SRF-based monetary data to STA for publication in *IFS*, with monthly time series beginning in 2012.
- 4. The size of the Other Financial Corporations (OFC) sector makes a priority for the RBZ to compile and disseminate a OFC survey.** The insurance companies and investment funds have a strong presence in Zimbabwe with around 25 percent of total financial sector assets. The mission urged the RBZ to fully commit to the project by allocating appropriate resources to review and revise the call report forms for OFCs. Additional training of RBZ staff will be important to ensure success of the project. As the larger institutions are not supervised by the RBZ, there is a need to develop a firm data sharing agreement. The RBZ should aim to compile an OFC survey with full coverage of the sector.

¹ The mission wishes to thank the staff of the RBZ, particularly the staff of the Domestic Statistics and Analysis Department (DSAD) for their excellent support and cooperation.

- 5. The RBZ compiles Financial Soundness Indicators (FSIs) in line with the 2006 FSI Compilation Guide for internal purposes, but does not yet report them to STA for publication.** FSIs are indicators of the current health of the financial institutions in a country and their corporate and household counterparts. They provide an input to assess the strengths and weaknesses of a financial system, and as such are being included in all IMF Article IV staff consultations. The RBZ should begin to compile and disseminate, at least on a quarterly basis, data and metadata for all core and encouraged FSIs for Deposit-Takers for publication on the IMF's website.
- 6. To facilitate the IMF's surveillance activity, the mission also covered topics of importance to surveillance in coordination with the AFR team,** including identification of RBZ financing of the central government deficit and implications of the Other Depository Corporations' (ODCs) adoption of International Financial Reporting Standards (IFRS) for the data. For the first several days, the mission was assisted by Mr. Vimal Thakoor, the IMF Desk Officer for Zimbabwe.
- 7. To support progress in the above work areas, the mission recommended a detailed action plan with the following priority recommendations.** Further details on the priority recommendations and the related actions/milestones can be found in the section *Detailed Technical Assessment and Recommendations*.

Table 1. Zimbabwe: Priority Recommendations

Target Date	Priority Recommendation	Responsible Institutions
August 2018	Finalize compilation and report SRFs for the central bank (1SR), ODCs (2SR), monetary aggregates (5SR), and interest rates (6SR) for dissemination on the RBZ's website and the IMF's <i>IFS</i> .	RBZ's DSAD
August 2018	Begin using the Integrated Collection System (ICS) to report SRFs 1SR, 2SR, 5SR, and 6SR to the IMF STA.	RBZ's DSAD
October 2018	Investigate available data for OFCs and propose call report form revisions to OFC supervisors.	RBZ's DSAD

THE FINANCIAL SYSTEM IN ZIMBABWE

- 8. The Reserve Bank of Zimbabwe performs the traditional functions of a central bank, including the licensing and supervision of most financial institutions.** The RBZ supervises commercial banks, building societies, merchant banks, the People's Own Savings Bank

(POSB), the Infrastructure Development Bank of Zimbabwe (IDBZ), and microfinance institutions as well as the Small to Medium Enterprises Development Corporations (SMEDCO). The Insurance and Pensions Commission (IPEC), established in 2005, has authority over insurance companies, stand-alone funds, insurer administered funds, and fund administrators. The RBZ and IPEC have a Memorandum of Understanding in place to facilitate regular exchanges of information. Table 2 shows the total assets of Zimbabwe's financial system at end-2016. For a listing of most of Zimbabwe's financial corporations see Appendix II.

9. The financial system in Zimbabwe is quite diverse. Commercial banks account for around 40 percent of the financial system's total assets, which is equivalent to around 40 percent of GDP, at end-2016. The RBZ accounts for an additional 18 percent of total assets while building societies account for 9 percent. The OFC sector comprises around 32 percent of total financial assets, split between insurance providers, administered and stand alone funds, and the Zimbabwe Asset Management Company (ZAMCO). Coverage of ODCs in MFS is good, as the only data not included refer to deposit-taking microfinance companies (less than 1 percent of total ODC assets), credit unions, and housing cooperatives. Institutions reporting to the RBZ provide financial statements and other supervisory data on a monthly basis, except for microfinance institutions which report them on a quarterly basis. In the OFC sector, about 42 percent of the assets are owned by investment funds (stand alone funds, insurer administered funds, and fund administrators), while 38 percent of the assets belong to insurance companies.

10. Other financial intermediaries except insurance companies and pension funds also operate in Zimbabwe. These institutions intermediate in financial assets, but do not issue liabilities included in the definition of broad money. The Securities and Exchange Commission of Zimbabwe (SECZ) licenses and regulates securities exchanges, securities dealers, securities trustees, securities custodians, investment advisors, and the central securities depository.

Table 2: Financial System of Zimbabwe

	Total Assets Millions of US\$ December 2016	Percent of Total	Supervisor
Financial Corporations	17,673.58	100.0	
Depository Corporations	12,073.76	68.3	
Central Bank	3,188.74	18.0	
Reserve Bank of Zimbabwe	3,188.74	18.0	
Other Depository Corporations	8,885.01	50.3	
Commercial Banks	7,053.81	39.9	RBZ
Building Societies	1,505.10	8.5	RBZ
Merchant Banks	91.56	0.5	RBZ
Savings Banks	164.33	0.9	RBZ
Deposit taking MFIs (Not yet in MFS)	70.20	0.4	RBZ
Other Financial Corporations (Not yet in MFS)	5,599.83	31.7	
Development Institutions	177.54	1.0	RBZ
Credit Only MFIs	197.10	1.1	RBZ
Life Insurers	1,639.22	9.3	IPEC
Life ReAssures	35.67	0.2	IPEC
Non-Life Insurance	197.43	1.1	IPEC
Non-Life Reinsurance	132.85	0.8	IPEC
Non-Life Insurance Brokers	25.82	0.1	IPEC
Non-Life Reinsurance Brokers	21.32	0.1	IPEC
Funeral Assurers	61.80	0.3	IPEC
StandAlone Funds	1,392.22	7.9	IPEC
Insurer Administered Funds	365.85	2.1	IPEC
Fund Administrators	568.37	3.2	IPEC
ZAMCO	784.66	4.4	RBZ

Source: Reserve Bank of Zimbabwe.

DETAILED TECHNICAL ASSESSMENT AND RECOMMENDATIONS

Priority	Recommendation/Milestone	Risk Assumptions/ Verifiable Indicators	Target Completion Date	Actual Completion Date	Implementation Status
Outcome 1: Data are compiled and disseminated using the <u>concepts and definitions</u> of the Monetary and Financial Statistics Manual and Compilation Guide (MFSMCG) (Standardized Report Forms – 1SR, 2SR, 5SR, and 6SR)					
H	Convene a meeting between the Accounts Division of the RBZ and the Treasury to fully ensure the appropriate institution reports the Fund Accounts on their balance sheets and inform STA of the final decision. Amend SRF-1SR and the Central Bank Survey (1SG) to correctly reflect the IMF accounts.	Revised 1SR and 1SG correctly reflecting IMF accounts.	August 2018		Work in progress.
H	Finalize compilation and disseminate SRFs for the central bank (1SR), ODCs (2SR), monetary aggregates (5SR), and interest rates (6SR) on the RBZ's website and the IMF's <i>IFS</i> .	SRFs 1SR, 2SR, 5SR, and 6SR completed and submitted to IMF STA. Additional interest rates back data in 6SR to the extent possible.	August 2018 - Benchmark		1SR, 2SR, and 5SR advanced, 6SR was partially populated with interest rates data during the mission. There is scope to improve the coverage of share prices and interest rates in the 6SR.
H	Begin regular reporting SRFs 1SR, 2SR, 5SR, and 6SR to STA via the Integrated Collection System (ICS).	Assumes MFS correspondents are nominated and become familiar with the ICS.	August 2018 - Benchmark		RBZ Director of Economic Research is the MFS coordinator for ICS.
Outcome 2: Data are compiled and disseminated using the <u>coverage and scope</u> of the MFSMCG					
M	Expand the coverage of SRF 2SR to include deposit taking Microfinance Institutions.	SRF 2SR including data from deposit-	December 2018		Work in progress.

Priority	Recommendation/Milestone	Risk Assumptions/ Verifiable Indicators	Target Completion Date	Actual Completion Date	Implementation Status
		taking Microfinance Institutions.			
M	Arrange for MFS compilers to visit nearby central banks that have already successfully completed OFCs work and study how they did it.	Agreement of host Central Banks. South Africa, Namibia, Uganda and Zambia would be good choices as they already report data for OFCs.	September 2018		Work in progress.
M	Nominate MFS compilers staff to take the MFS Advanced Course in Africa or Washington, DC	Nomination and acceptance in course. Depends on course schedules.	Will nominate for available 2018 course.		RBZ is considering nominating two officials.
H	The MFS team should prepare a complete institutional list of OFCs operating in Zimbabwe and arrange it to show institutions by type of OFC, guided by the MFSMCG.	Complete institutional list of OFCs operating in Zimbabwe.	October 2018		Work has not yet started.
H	Obtain copies of current call report forms that supervisors use to collect OFCs balance sheet data.	Set of balance sheet report forms currently in use by supervisors.	October 2018		Work has not yet started.
H	Evaluate available data for OFCs from current call report forms.	Data analyzed for adequacy to update SRF 4SR.	December 2018		
H	Propose call report form revisions to the OFC supervisors.	STA should be consulted to review proposals before they are	October 2018 - Benchmark		Work has not yet started.

Priority	Recommendation/Milestone	Risk Assumptions/ Verifiable Indicators	Target Completion Date	Actual Completion Date	Implementation Status
		given to OFC supervisors.			
Outcome 3: Data are compiled and disseminated using the <u>sectorization</u> of the MFSMCG					
H	In consultation with STA, review the quality of the data received in the new CRFs and begin to map the data into report form 4SR.	The time required to collect the new CRFs, evaluate data quality, and begin mapping the data makes the target date tenuous.	March 2019		Work has not yet started.

11. The mission reviewed the outcomes of the previous MFS TA mission of March 2015 and found that considerable progress was achieved in the compilation of SRFs for the central bank (1SR), and the other depository corporations (2SR). The MFS team in the RBZ's DSAD implemented most of the 2015 TA recommendations and started reporting SRFs 1SR, 2SR, and 5SR via email to STA for review. However, the recommendations relating to the reporting of interest rates on SRF 6SR were only completed during the present mission. The completion of the institutional list of other financial corporations (OFCs), and the evaluation of data presently reported to OFC supervisors, were not achieved. For a complete review of the status of the 2015 TA recommendations see Appendix I.

A. Compilation of Depository Corporations Statistics Using Standardized Report Forms

Central Bank (SRF 1SR)

12. With the help of the RBZ monetary and financial statistics team (MFS Team), the mission reviewed the central bank source data and their mapping into SRF 1SR. For the most part, the data mappings appeared to have been made correctly, including those relating to the issuance of Bond Notes by the RBZ beginning November 2016 and the counterpart Export Subsidy Account on behalf of the government.

Zimbabwe's IMF Accounts

13. There are several significant discrepancies between the IMF accounts reported in the RBZ's Trial Balance and the IMF's Finance Department (FIN) Records. The mission

advised the authorities to regularly review the Fund Accounts Consolidation Adjustment section of the Central Bank Survey (Table 1SG), which indicates how closely member country data on IMF positions track the official data maintained by FIN.

14. The authorities offered multiple opinions regarding the proper allocation of IMF accounts within Zimbabwe’s national balance sheet. According to IMF records, the Treasury is the Fund’s fiscal agent². Coupled with the fact that the RBZ does not appear to maintain all the IMF accounts in its own trial balance, the mission believes there is enough evidence to recommend not reporting IMF accounts in the RBZ balance sheet. Doing so would lead to a double counting of IMF positions with Zimbabwe when viewed in the context of preparing a national set of balance sheets, including the Treasury’s balance sheet. Discussions with representatives from multiple RBZ departments did not provide a clear answer as to which agency is responsible for maintaining the accounts related to Zimbabwe’s IMF quota and Reserve Position in the Fund.

15. To fully resolve the issue of how the IMF accounts should be reflected in Zimbabwe’s national balance sheets, the mission recommends a cross-agency meeting. The DSAD’s MFS team should convene a meeting with the principal players associated with Zimbabwe’s IMF relations—the Treasury and the RBZ Accounts Division. By having everyone together at the same table it would be possible not only to learn each party’s understanding of their role in membership and transaction responsibilities with the IMF, but also ensure that they are on the same page as to how IMF accounts should be reflected in their respective institutional balance sheets.

16. In setting up the meeting, the MFS team should ask the representatives from both Treasury and Accounts to bring all relevant information and documents for the discussion. These include copies of agreements or memoranda of understanding they have between each other that set out which accounts (or portions of accounts) belong to each institution, who owns the asset positions and who is responsible for the liability positions vi-a-vis the IMF, and how financial transactions with the IMF are conducted. They should also be asked to be able to describe how they keep track of the IMF accounts in their records and should bring printouts showing their recordkeeping for the latest six-month period.

17. In their discussions with Treasury and RBZ Accounts representatives, the MFS team should be guided by the *MFSMCG*. It details the recommended treatment of IMF accounts in MFS on pages 93–100 in Annex 4.2 (Accounts With the IMF) of Chapter 4 (Classification of Financial Assets and Liabilities).

² Data from the Secretary’s Department indicate that the Fiscal Agency is the Ministry of Finance and Economic Development and that Zimbabwe’s Governor is the Minister of Finance and Economic Development.

18. Following the meeting, the MFS team should have a clear idea of how to present IMF accounts in the MFS and how to modify the RBZ Trial Balance. This will be a crucial step because it must be accomplished before the final structure of the RBZ Trial Balance can be fully realized.

19. After the joint meeting, the MFS will need to share the information they obtained with the MFS experts in STA at IMF headquarters. In that way, they can be assured that they will be pursuing the correct approach as they work to make sure that Zimbabwe's IMF accounts are properly treated in the MFS. This is a critical step to ensure consistency between the RBZ's records and what is published in *International Financial Statistics (IFS)*. In the compilation of MFS, STA replaces the country's reported IMF accounts with data from FIN. This is because STA considers FIN's data to be the "data of record". STA has created dummy series to control if these accounts are input into the central bank's analytical accounts (1SG) or not, depending on the central bank's fiscal relationship with the Fund.

20. Recommendation: *The MFS team set up a meeting between the Accounts Division of the RBZ and the Treasury to fully ensure the appropriate institution reports the Fund Accounts on their balance sheets. Subsequently, the MFS team informs STA of the final disposition of the Fund Accounts. Deadline: August 2018.*

21. Recommendation: *Once the proper location for reporting IMF accounts has been identified, amend the 1SR and the Central Bank Survey (1SG) to correctly reflect the IMF accounts. Deadline: August 2018.*

Reserve Bank of Zimbabwe Trial Balance

22. The source data for the RBZ balance sheet broadly contains the information needed for MFS compilation in accordance with the *Monetary and Financial Statistics Manual and Compilation Guide (MFSMCG)*. The basis for any institutional group in the MFS compilation system is a complete balance sheet containing adequate details for making classifications by residency, sector, liquidity, and currency as recommended in the *MFSMCG*. The mission found that the source data for the RBZ balance sheet contains sufficient information to properly classify and sectorize all financial assets and liabilities. However, the mission found that the existing currency classification scheme was incorrect and that there is insufficient information to properly identify foreign currency positions.

23. The source data for SRF 1SR for the central bank was found to be based on a source file named Reserve Bank of Zimbabwe Trial Balance (RBZTB). Upon review, the mission realized that the RBZTB had not been initially provided as a complete balance sheet, but rather an assemblage of selected RBZ assets and liabilities. Any residual vertical check was labeled *Surplus (Loss) Check* and was recorded in the profit/loss accounts of the RBZ in the 1SR. This value was normally close to zero. However, the mission reviewed historical data and found a large discrepancy of US\$20.4 million in December 2013. The mission assisted the authorities to

resolve the discrepancy and provided RBZ staff with guidance on how to spot similar issues in the future.

24. RBZ staff assured the mission that the current set of RBZTB accounts are based on the complete balance sheet. The authorities had already recognized the risks in their earlier compilation procedures and had made the necessary changes to obtain all the information needed, based on a complete balance sheet.

Central Bank Data Classification in a Dollarized Economy

25. Given Zimbabwe’s multicurrency setting, care must be taken when classifying accounts in the sectoral balance sheets 1SR and 2SR. In Zimbabwe, foreign currencies, including the South African rand, Botswana pula, pound sterling, Indian rupee, euro, Japanese yen, Australian dollar, Chinese yuan, and US dollar, are considered legal tender. The US dollar is the most prevalent currency used in financial transactions and is the national unit of account.

26. The RBZ’s MFS team updated the currency classification scheme during the mission to ensure that US dollar positions are correctly reflected in the 1SR. Because the US dollar is the national unit of account, all resident sector accounts with the RBZ (and the ODCs) in US dollars should be classified as domestic currency positions in the sectoral balance sheets 1SR and 2SR. In contrast, all positions with nonresidents in US dollars should be classified as foreign currency positions. This distinction is important for the adherence to the definition of official international reserves, which includes only foreign-currency assets. All positions with residents and nonresidents in currencies other than US dollars should be classified as foreign currency positions. At present, breakdowns by currency of other foreign currency positions are not available.

27. Over the past few years, the RBZ has issued “bond coins” and “bond notes” to alleviate the shortage of cash in small transactions and incentivize exporters. Bond coins were issued beginning in December 2014, and provided additional cash for small transactions. Bond notes, issued in US\$2 and US\$5 denominations were issued beginning in December 2016 as part of an export incentive scheme. Both bond coins and bond notes are issued at parity with the US Dollar. The RBZ is correctly recording the issuance of bond notes and coins as currency in circulation on the RBZ balance sheet and as holdings of national currency on the balance sheets of ODCs. It thus properly feeds through into the definition of broad money and Zimbabwe’s nationally defined monetary aggregates. The issuance of these notes and the use of other quasi-fiscal instruments to finance budget deficits could represent the first steps toward the reintroduction of a national currency in Zimbabwe. A move away from the multi-currency regime would have an impact on the compilation of MFS in the SRFs.

28. If Zimbabwe moves away from the multi-currency regime, the MFS team will need to stand ready to alter the mapping scheme from the source data to the SRFs. In this case, the new currency would become the national unit of account, and all positions in the new

currency would have to be classified as “national currency” in the SRFs 1SR and 2SR. At the same time, all positions in US Dollars or any of the other currencies used in the multi-currency regime would have to be reclassified in the SRFs under the headings of “foreign currency”.

Other Depository Corporations (SRF 2SR)

29. With the help of the RBZ MFS team, the mission reviewed ODCs source data and their mapping into SRF 2SR. The mission found that the source data for ODCs balance sheet contains sufficient information to properly classify and sectorize all financial assets and liabilities in accordance with the recommendations of the *MFSMCG*. Most data mappings appeared to have been made correctly by the MFS team prior to the mission. The only exception noted was in the mapping of foreign currency accounts of residents.

30. The report form for ODCs was amended in January 2015. The data from 2009 through 2014 are based on an earlier survey of ODCs that has less conformity with the *MFSMCG* methodology and are therefore not strictly comparable with data for later periods.

31. The new report form for ODCs has improved breakdowns. On the asset side, there is now a breakdown between transferable and other deposits, improved sectorization of securities other than shares, and separate identification and sectorization of shares and other equity. On the liabilities side, there are improved data available on positions with nonresidents by instrument, separate identification of provisions, and more detailed capital accounts.

ODCs Data Classification in a Dollarized Economy

32. As detailed above, all resident sector foreign currency accounts with the ODCs should be classified as domestic currency positions in sectoral balance sheet 2SR. All nonresident foreign currency accounts with the banks should be classified as foreign currency positions in the sectoral balance sheets. The MFS team reclassified all resident foreign currency accounts as domestic currency accounts during the mission. At this point banks are unable to distinguish between US dollar and other foreign currency positions, meaning that the ODC data lack the proper currency breakdown in the SRFs.

Coverage of the Other Depository Corporations Subsector

33. The ODCs institutional group currently comprises 13 commercial banks, 5 building societies, one savings bank, and one merchant bank. The mission recommended broadening the institutional coverage of the ODCs by including the accounts of five recently established deposit-taking microfinance institutions. As the RBZ supervises the deposit-taking microfinance institutions, the MFS team has easy access to quarterly balance sheet data.

34. The MFS team will need to identify a method to produce monthly series based on the quarterly data for the deposit-taking microfinance institutions. The MFS team will have to take steps to aggregate the quarterly data of the deposit-taking microfinance institutions with

the monthly data produced by other ODCs. The small size of the sector relative to total ODC assets permits the MFS team to use simple estimation techniques, such as carrying forward the previous quarterly observation through to the next quarter. The MFS team will have to regularly monitor the size of these institutions and periodically review its estimation practices.

35. Recommendation: *The MFS team regularly obtains from Banking Supervision the quarterly balance sheet data for deposit-taking microfinance institutions and includes them in the coverage of the 2SR report form. Monthly data can be estimated using various interpolation and extrapolation methods, or by simply carrying forward the latest observation into the new months until a new observation is obtained. Deadline: December 2018.*

Compilation of Monetary Aggregates (SRF 5SR) and Interest Rates (SRF 6SR)

36. The RBZ's MFS team worked on the compilation of the national definition of monetary aggregates during the mission. The resulting aggregates are derived from the same data used in the SRFs and are therefore compatible.

37. For internal purposes, the authorities produce measures of M1, M2, and M3. M1 comprises currency in circulation plus transferable deposits of money holding sectors with depository corporations. M2 comprises M1 plus other deposits of money holding sectors with depository corporations. M3 comprises M2 plus negotiable certificates of deposit issued by depository corporations and owned by money holding sectors. Money holding sectors are defined as other financial corporations, state and local governments, public nonfinancial corporations, other nonfinancial corporations, and other resident sectors.

38. The MFS team updated the 6SR report form for interest rates and share prices during the mission. Because of the multicurrency system in effect since February 2009, the RBZ does not have an independent monetary policy rate. The MFS team provided an assortment of weighted average lending and deposit rates, and gave further information on the published series in the draft *IFS* country notes metadata (Appendix III).

39. Recommendation: *Finalize compilation and disseminate SRFs for the central bank (1SR), ODCs (2SR), monetary aggregates (5SR), and interest rates (6SR) on the RBZ's website and in IFS. Deadline: August 2018.*

Work on Depository Corporations Data After Mission's Departure

40. The MFS team and the mission maintained dialogue beyond the mission period as both encountered a continuing stream of issues that needed to be addressed in the MFS of the DCs. Because of this interaction, the MFS team introduced several improvements in the compilation of DCs data. Some of the many issues addressed were:

In the RBZ (1SR) accounts:

- Incorporation of equations to automatically reroute negative settlement account and other asset balances to the liabilities side of the balance sheet (and vice versa).
- Reclassification of “sundry debtors” from settlement accounts to miscellaneous assets.
- Reclassification of provisions for doubtful debts from “provisions for other losses” to provisions for loan losses.”
- Reclassification of several Misc. liabilities items (residents) into their appropriate instrument/counterpart lines.
- Reclassification of minimum reciprocal foreign balances from “miscellaneous” to “transferrable deposits, foreign currency.”
- Reclassification of gold advances to Fidelity Refineries from “Monetary Gold” to “loans and advances, subsidiaries, public non-financial corporations.”
- Reclassification of outstanding export incentives from “Miscellaneous Liabilities” to “Trade Credit Advances, Other Depository Corporations.”
- Reclassification of claims on Chemplex, ZFC, Windmill, and Cottco from “other nonfinancial corporations” to “public nonfinancial corporations.”

In the Other Depository Corporations (2SR) Accounts

- Funds advanced to the Aftrades Facility, which were treated differently by ODCs, were reclassified as “Claims on Central Bank.” These amounts already were classified as liabilities to ODCs in 1SR.
- Funds accessed from the Aftrades Facility by ODCs were reclassified as “Claims on the Central Bank.”

These two reclassifications harmonized the accounting of Aftrades Facility operations. Before the reclassification, four out of the six banks that invested in Aftrades were treating their investments as credit to Government. The other two banks had reported their investments as claims on OFCs and balances with ODCs.

The updated bridge table containing the mapping of source data to the SRFs 1SR and 2SR is included as Appendix IV. The draft IMD file is included as Appendix V.

Data Reporting via the Integrated Collection System

41. The IMF Statistics Department maintains a secure online data collection system that allows data compilers to upload standardized report forms directly to a dedicated STA website. It is known as the Integrated Collection System (ICS). The mission recommends that the MFS team use the ICS to regularly report SRFs 1SR, 2SR, 5SR, and 6SR to STA. To access the system, a person must be known by the ICS Administrator as a country coordinator or a country correspondent. The Director of the RBZ’s Economic Research Division, is currently the MFS Coordinator for Zimbabwe. The MFS Coordinator will need to appoint staff in the MFS team as ICS Correspondents. The mission recommends that at least two people will need be assigned to

be ICS Correspondents so that there is no communication breakdown due to the absence of a sole Correspondent.

42. Recommendation: *Begin reporting SRFs 1SR, 2SR, 5SR, and 6SR on a regular, monthly basis to the STA via the Integrated Collection System. Deadline: August 2018.*

B. Compilation of Other Financial Corporations Statistics Using a Standardized Report Form

43. Considering their size and importance, the MFS team expressed their interest in beginning to lay the groundwork for compiling data on other financial corporations (OFCs). The mission discussed with them an action plan to identify the total population of Zimbabwe's OFCs, inform the OFC supervisory agencies of the RBZ's interest in compiling MFS on OFCs, and begin establishing a framework for data collection, compilation, and sharing across institutions. The work program discussed and recommended by the mission has the following elements.

Training

44. As no one on the MFS team has experience working with the data of OFCs, in particular the data of insurance corporations and pension funds, the RBZ should seek training on two fronts: (1) staff should be nominated for the Monetary and Financial Statistics-Advanced (MFS-A) course offered by the IMF Institute for Capacity Development; and (2) the RBZ would like to send some MFS compilers to other regional central banks to learn about their experiences in developing OFCs data for compilation in SRFs.

45. The MFS Advanced course would provide an excellent foundation for work on OFCs since the compilation of OFCs data is the course's focus. During the course, RBZ staff would be introduced to the balance sheet structures of insurance corporations, pension funds, and other nonbank financial institutions. Most of the MFS team have taken the prerequisite MFS Introductory course.

46. Recommendation: *Nominate MFS staff compilers to take the MFS-Advanced course in Africa or Washington, DC.*

47. The RBZ recently drafted a training and development plan, titled "Technical Assistance Requirements for 2018." Included in the plan is further work developing staff capacity to compile OFC data. The plan documents DSAD intentions to explore the possibility of sending staff to one or more neighboring countries for onsite training with compilers who already report data for OFCs.

48. Recommendation: Arrange for MFS compilers to visit regional central banks that have already successfully completed work to compile data for OFCs and study how it was implemented. Deadline: September 2018.

Evaluation of Available OFCs Data

49. As a preliminary step to data evaluation, the mission recommends that the MFS team prepares a complete institutional list of OFCs operating in Zimbabwe with institutions grouped by business type. While making the list, the team should be guided by Chapter 3 of the *MFSMCG*, Institutional Units and Sectors.

50. Recommendation: The MFS team should prepare a complete institutional list of all OFCs operating in Zimbabwe. Deadline: October 2018.

51. The completed OFCs institutional list will serve as a census of all OFCs currently operating. This will be important, later, when it becomes clear how many of the OFC subgroups can be counted on to reliably report data for use in compiling the SRF-based accounts of the OFCs.

52. While preparing the institutional list of OFCs, the MFS team should ask the OFCs supervisory agencies to provide some basic information. Such request should include copies of the call report forms (CRFs) that supervisory agencies use to collect balance sheet data from the institutions that they oversee, as well as copies of aggregated data for the latest few quarters. Most OFCs are supervised by the RBZ and the Insurance and Pensions Commission (IPEC).

53. Recommendation: Obtain copies of current call report forms (CRFs) used by supervisors to collect balance sheet data from the institutions that they oversee. Deadline: October 2018.

54. The MFS team should then evaluate the collected data to determine if they provide adequate currency, instrument, and sectorization details required for SRF 4SR. They then should prepare modified CRFs in which they insert proposed additional data that will be required for MFS purposes. Once this exercise is completed, the mission recommends that the MFS team share their proposed modified CRF with STA staff at the IMF, before making their proposals to the supervisors. By seeking STA review, they may be able to avoid having to ask for yet more information too soon after their initial revision requests.

55. After obtaining additional guidance from STA, the MFS team will need to work with supervisory agencies to implement the new/revised CRFs. Close cooperation between the RBZ and other supervisory agencies will be needed. The RBZ should plan to include a few preliminary survey runs before the compilers are trained and able to supply high quality data.

56. Recommendation: In consultation with STA, evaluate current CRF data adequacy for MFS and prepare modified CRFs to address data shortcomings. Propose adoption of the modified CRFs to the OFC supervisors. Deadline: December 2018.

57. When supervisory agencies revise call report forms, they typically issue the new forms together with revised reporting instructions. As many of the data series the RBZ will be requesting may not relate to concepts familiar to the supervisory agencies, the MFS team could offer to assist in drafting the reporting instructions or even joining the supervisors in a meeting hall or auditorium to conduct a workshop for OFCs accounting staff on reporting the new series.

58. After obtaining the initial balance sheet results in the new CRFs, the MFS team should contact STA for assistance reviewing the quality of the data. Close collaboration between STA and the RBZ will help identify and resolve issues related to data quality. Assistance may be needed for the initial mapping of OFCs data into SRF 4SR and for compiling the financial corporations survey.

59. Recommendation: *In consultation with STA, review the quality of the data received in the new CRFs and begin to map the data into report form 4SR. Deadline: March 2019.*

C. Training and Technical Assistance

60. The mission discussed future STA technical assistance and training needs with the MFS team. It was agreed that, once the team has done most of the groundwork for compiling OFCs data within the SRF framework, further technical assistance may be provided to finalize the development of SRF 4SR, the associated analytical survey table 4SG, and the financial corporations survey 5SG.

61. Although both human and other resources at the time of the mission appeared adequate for compiling MFS, the MFS team would benefit by receiving the training indicated above, which would fill important knowledge and experience gaps.

62. The RBZ compiles Financial Soundness Indicators (FSIs) in line with the 2006 FSI Compilation Guide for internal purposes, but does not yet report them to STA for publication. Banking Supervision Division (BSD) currently compiles the core set of FSI indicators. However, the BSD does not currently compile the full set of encouraged indicators, notably household debt, market liquidity, and real estate indicators. The RBZ indicated that it is developing a work plan and timeline to begin the compilation and dissemination of the core set of FSIs on the IMF website and indicated that the RBZ would be seeking additional technical assistance in 2018 to help with developing the BSD's capacity to compile some of the more complex FSIs recommended in the *FSI Compilation Guide*.

63. At the request of the IMF's AFR team, the mission also introduced STA's Financial Soundness Indicators data reporting templates with the RBZ's Banking Supervision staff. AFR would like to receive regular submissions of FSI data and the aim was to urge Banking Supervision to update the STA forms and report them to the IMF via the Integrated Collection System. It was agreed that the RBZ shall begin reporting FSIs via the Integrated Collection System after adequate training is provided.

64. The authorities indicated their desire for future technical assistance to compile the FSIs. They additionally indicated that they would like guidance on how to best use the FSI data to improve financial stability analysis and support macroprudential analysis. The Banking Supervision Department indicated its intention to submit a formal request for the technical assistance and provide a detailed description of the training required to STA.

D. Officials Met During the Mission³

Name	Reserve Bank of Zimbabwe
Simon Nyarota	Director, Economic Research Division (ERD)
William Kavila	Deputy Director, ERD
Samuel Tarinda	Deputy Director, Domestic Statistics and Analysis Department (DSAD), ERD
Addmore Jaya	Principal Economist, DSAD, ERD
Isiah Gowera	Senior Economist, DSAD, ERD
Nicholas Ropi	Senior Economist, DSAD, ERD
Method Vudzijena	Economist, DSAD, ERD
Patrick Zambara	Economist, DSAD, ERD
Thandiwe Mutengwa	Personal Assistant to the Deputy Director, DSAD, ERD
Tafadzwa Dhiwayo	Intern, DSAD, ERD
Tsitsi Hungwe	Director, Finance and Procurement Department, Accounts Division
Absalom Majaha-Gumbo	Deputy Director, Finance and Procurement, Accounts Division
Felix Shavano	Chief, Treasury Operations, Accounts Division
Marco Gurura	Head, Treasury Operations, Accounts Division

³ The mission wishes to thank staff of the RBZ for their kind cooperation and hospitality, especially the MFS Group in the Domestic Statistics and Analysis Department of the Economic Research Division, whose collaboration and support during the mission's stay helped the mission achieve its goals.

Gwisai Muramwi	Manager, Treasury Operations, Accounts Division
Tawanda Mubvuma	Principal Economist, International Economics, DSAD
Onia Chitsike	Economist, International Economics, DSAD
Jeremiah Borerwe	Principal Bank Examiner, Banking Supervision
Samuel Mwale	Senior Bank Examiner, Banking Supervision
David Zahwe	Senior Bank Examiner, Banking Supervision
Prince Hita	Bank Examiner, Banking Supervision
Wellington Kaseke	Chief Dealer, Financial Markets Division
Dishoni Limbikani	Senior Analyst, Financial Markets Division
Name	Ministry of Finance
Itayi Bangidza	Principal Accountant
Name	Standard Chartered Bank Zimbabwe Ltd.
Ralph Watungwa	Chief Executive Officer
Allan Mutenda	CCRO & Head Operational Risk
Name	IMF Zimbabwe Resident Representative's Office
Christian Beddies	IMF Resident Representative
Petronella Chishawa	Economist, IMF Zimbabwe
Name	AFRITAC South
Kenneth Head	Resident Customs Administration Advisor
John Gillan	Post Clearance Audit Advisor

Appendix I: Implementation Status of 2015 MFS Mission Recommendations

DQAF	Outcomes Description	Verifiable Indicators	Expected Completion	Completion Status	Completion Date
2.3.1.	Classify RBZ account 401 "Bond Coins" under 1SR line 230 "Currency in Circulation."	Mapping of the RBZ account 401 in line with the mission recommendation.	July 31, 2015	Completed.	July 2015
2.3.1.	Record government securities issued by the Zimbabwean government for recapitalization of the RBZ in lines 60 (Securities Central Government FC) and 561 (General & Special Reserves).	Mapping of government securities issues for recapitalization of the RBZ in line with mission recommendation.	July 31, 2015	Completed.	May 2015
2.3.1.	Reclassify "Amounts owing to Other Financial Corporations" in 2SR from line 468 to line 385 "Other Loans from Other Financial Corporations FC".	Mapping of "Amounts owing to OFCs" improved in line with the mission recommendation.	July 31, 2015	Completed.	May 2015

DQAF	Outcomes Description	Verifiable Indicators	Expected Completion	Completion Status	Completion Date
2.3.1.	Record RBZ's issue of small denomination coins called "bond coins" in 2SR under line 11 (Holdings of National Currency).	"Bond coins" recorded in 2SR in line with the mission recommendation.	July 31, 2015	Completed.	May 2015
4.1.1.	Submit 1SR and 2SR for November 2014 through May 2015 to STA.	SRFs 1SR and 2SR sent to STA for review via STAMFSDATA@imf.org .	July 31, 2015	Completed.	July 2015
4.1.1.	Continue with monthly compilation and submission of 1SR and 2SR to STA as agreed in 2014.	SRF 1SR and 2SR sent to STA for review to STAMFSDATA@imf.org .	T+30 days after the end of the reference period.	Intermittent reporting while RBZ continues to improve compilation processes.	Work in progress.
3.1.1.	Agree with ODCs on the submission of additional information using adjusted statistical return developed by DSAD and the mission.	ODCs met and submission of the adjusted monthly statistical return agreed.	March 31, 2015	Completed.	During the 2015 mission.

DQAF	Outcomes Description	Verifiable Indicators	Expected Completion	Completion Status	Completion Date
3.1.1.	Incorporate additional information submitted by ODCs onto 2SR.	Additional information mapped into 2SR as recommended.	July 31, 2015	Completed.	June 2015
4.2.1.	Compile and report to STA SRF 5SR for broad money and M1, M2 and M3 national definitions of money beginning with December 2012.	SRF 5SR submitted to STA via STAMFSDATA@imf.org for review.	July 31, 2015	Not completed but no longer required as STA now requests different data on SRF 5SR.	Work on new reporting requirements in progress.
4.2.1.	Compile and report to STA SRF 6SR on monthly basis beginning with December 2012.	SRF 6SR submitted to STA via STAMFSDATA@imf.org for review.	July 31, 2015	In progress as RBZ strives to continue improving compilation processes.	Work in progress.
3.3.1.	Consider compilation of weighted interest rates on selected ODCs deposits where possible.	Documentation available for reference.	February 28, 2016	Not Completed.	
3.3.1.	Insert zeros to all concepts with no values in all SRFs and	Zeros inserted in all places recommended and data reported at	July 31, 2015	Completed.	July 2015

DQAF	Outcomes Description	Verifiable Indicators	Expected Completion	Completion Status	Completion Date
	report the data at the lowest level of aggregation.	lowest level of aggregation.			
2.2.1.	In cooperation with others, finalize the complete list of OFCs operating in Zimbabwe	The list of OFCs finalized.	March 31, 2016	Not Completed.	Work in progress.
3.1.2.	Continue in investigation of the data reported by OFCs to different supervisory institutions.	Information for data sources for OFCs available for review.	April 30, 2016	Not Completed.	Work in progress.
3.4.2.	RBZ consider using ICS for reporting MFS to STA, leading to publication of data in IFS.	DSAD uses ICS for data submission to STA.	March 31, 2016	Not Completed.	Work in progress.

Appendix II: Zimbabwe: List of Financial Corporations ¹

Depository Corporations

Central Bank

Reserve Bank of Zimbabwe

Other Depository Corporations

Commercial Banks

1. African Banking Corporation of Zimbabwe Limited
2. Agricultural Development Bank of Zimbabwe
3. Barclays Bank of Zimbabwe Limited
4. CBZ Bank Limited
5. Ecobank Zimbabwe Limited
6. FBC Bank Limited
7. MBCA Bank Limited
8. Metbank Limited
9. NMB Bank Limited
10. Stanbic Bank Zimbabwe Limited
11. Standard Chartered Bank Zimbabwe Limited
12. Steward Bank Limited
13. ZB Bank Limited

Merchant Bank

1. Tetrad Investment Bank Limited (Under judicial management)

Building Societies

1. CABS
2. FBC Building Society
3. National Building Society
4. ZB Building Society

Savings Bank

1. People's Own Savings Bank

Microfinance Institutions (Deposit-Taking)

1. African Century Limited
2. Success Microfinance Bank Ltd

¹ Prepared by the RBZ MFS Team, January 2018. Institutions as of December 31, 2017.

3. Get Bucks Financial Services (Pvt) Ltd
4. Lion Microfinance Limited
5. Zimbabwe Women's Microfinance Bank Limited

OTHER FINANCIAL CORPORATIONS

Development Institutions

1. Infrastructure Development Bank of Zimbabwe (IBDZ)
2. Small and Medium Enterprises Development Corporation (SMEDCO)

Microfinance Institutions (Credit-Only)

- 1 ABC Easy Loans t/a BancEasy Loans (Private) Ltd
- 2 ABC Moneylenders (Pvt) Ltd
- 3 Airmode Investments (Pvt) Ltd
- 4 Amazing Destinations (Private) Limited
- 5 Amofin Financial Services (Private) Limited
- 6 Anephen Investments (Pvt) Ltd
- 7 Anthill Capital (Pvt) Limited
- 8 Aquapave Investments (Pvt) Ltd
- 9 Ashleen Investments (Private) Limited
- 10 Baardy Micro Capital (Pvt) Ltd
- 11 Bluegrouse Finance (Pvt) Ltd
- 12 Cablefin Finance (Pvt) Ltd
- 13 Cash Connect Finance (Pvt) Ltd
- 14 Cash Direct (Pvt) Ltd
- 15 Cash Twentyfour (Pvt) Ltd
- 16 Citicash Financial Services (Pvt) Ltd
- 17 Clarion Financial Services (Private) Limited
- 18 Club Plus (Private) Limited
- 19 Comoglobe Enterprises (Private) Limited
- 20 Concap Africa (Private) Limited
- 21 Coverlink Finance (Pvt) Ltd
- 22 Credfin (Pvt) Ltd
- 23 Credfund Finance (Private) Limited
- 24 Crediconnect (Pvt) Ltd
- 25 Credit Plus Loans (Pvt) Ltd
- 26 Crossroads Financial Services (Pvt) Ltd
- 27 Cushion Me (Pvt) Ltd

28	Cutec Microfinance (Pvt) Ltd
29	Darnster Finance (Pvt) Ltd
30	Delta Financial Services (Pvt) Ltd
31	Denjo (Private) Limited
32	Denvalene Financial Services (Pvt) Ltd
33	Dotpark Enterprises (Private) Limited
34	Doves Financial Services (Pvt) Ltd
35	DPC Professionals (Pvt) Ltd
36	Easy Credit (Pvt) Ltd
37	Easeworld Financial Services (Private) Limited
38	Educate (Private) Limited
39	Eduloan (Pvt) Ltd
40	Equality Microfinance (Pvt) Ltd
41	Ergoflex Investments (Private) Limited
42	Face Saver Trading (Pvt) Ltd
43	Fastbucks Finance Enterprises (Pvt) Ltd
44	Fidelity Life Financial Services (Pvt) Ltd
45	Finsha Microfinance (Private) Limited
46	First Choice Finance (Private) Limited
47	Firstmoney Microfinance (Private) Limited
48	Flowtrade Investments (Private) Limited
49	FMC Financial Services Limited (First Micro Credit) (Pvt) Ltd
50	Fortmus Financial Services (Pvt) Ltd
51	Fundhouse Finances (Pvt) Ltd
52	Golden Knot Financial Services (Private) Limited
53	Golden Mind Financial Services (Pvt) Ltd
54	GPC Financial Services
55	Great Relief (Pvt) Limited
56	Great Thanks Investments (Pvt) Ltd
57	Green Leaf Finance (Pvt) Ltd
58	Green Masters Investments (Pvt) Ltd
59	Groveston Investments (Pvt) Ltd
60	Gryton Capital (Pvt) Ltd
61	H & H Microfinance (Pvt) Ltd (Litretion Investments P/L
62	Hammer & Tongues Money Lenders (Pvt) Ltd
63	Harmony Hills (Pvt) Ltd
64	Havilah Stream Finance (Pvt) Limited
65	Hayroadic (Pvt) Limited

66	Heading North Investments (Pvt) Ltd
67	Highone Investments (Pvt) Ltd
68	Hillthru Enterprises (Pvt) Ltd
69	Homelink Finance
70	Impact Financial Services (Pvt) Ltd
71	Inclusive Financial Services (Pvt) Ltd
72	Intelligent Business Consultancy (Pvt) Ltd
73	Intercrest Capital (Pvt) Ltd
74	Invincible Hand (Private) Limited
75	Jakana Africa Microfinance (Pvt) Ltd
76	JHM Investments (Private) Limited (Pvt) Ltd
77	Junior Marima (Pvt) Ltd
78	Kamlish Investments(Pvt) Ltd
79	KCI Management Consultants (Pvt) Ltd
80	Kenlon Financial Services (Pvt) Ltd
81	Kingcash Finance (Pvt) Ltd
82	Kreamon Investments (Pvt) Ltd
83	Kuntem Traders (Private) Limited
84	Lamcent Capital (Private) Limited
85	Lance Financial Services (Pvt) Ltd
86	Landis Investments (Pvt) Ltd
87	Lathbone Enterprises (Pvt) Ltd
88	Leon Business Solutions (Pvt) Ltd
89	Leviticus Investments (Pvt) Ltd
90	Lic Finance (Private) Limited
91	Lien Enterprises (Pvt) Ltd
92	Linkage Finance (Pvt) Ltd
93	Loans for You (Pvt) Ltd
94	Lomabil (Private) Limited
95	Lyno Finance (Pvt) Ltd
96	MCP Microfinance (Pvt) Limited
97	Merit Financial Services (Pvt) Ltd
98	Mewl Investments (Private) Limited
99	Microcred (Pvt) Ltd
100	Microdawn Financial Services (Pvt) Ltd
101	Microhub Financial Services (Pvt) Ltd
102	Microloan Foundation (Pvt) Ltd
103	Microplan Financial Services (Pvt) Ltd

104	Milgree Investments (Private) Limited
105	Milsam Finance Corporation (Pvt) Ltd
106	Missapi Finance (Private) Limited
107	MoB Capital (Pvt) Ltd
108	Moen Credit Guarantee (Pvt) Ltd
109	Money Mart Finance (Pvt) Ltd
110	Mount Camel Investments (Pvt) Ltd
111	Nash Micro Capital (Pvt) Ltd
112	Nelhurst Trading (Pvt) Ltd
113	Newlands Financial Services (Pvt) Ltd
114	Nissi Global (Pvt) Ltd
115	Njere Microfinance (Private) Limited
116	Nurture Finance (Pvt) Ltd
117	Oakfin Finance (Pvt) Ltd
118	Octrev (Private) Limited
119	Old Mutual Finance
120	One Four Nine Financial Services (Pvt) Ltd
121	Osaro Enterprises (Pvt) Ltd
122	Outcome Financial Services (Pvt) Limited
123	Paradyme Financial Services (Pvt) Ltd
124	Portify Investments (Pvt) Ltd
125	Quadfin Financial Services (Pvt) Ltd
126	Quest Financial Services (Pvt) Ltd
127	Reach Sky Loans (Pvt) Ltd
128	Reality Microfinance (Pvt) Ltd
129	Rovdem Investments (Private) Limited
130	Safe Credit (Pvt) Ltd
131	Sedgmerge Investments (Pvt) Ltd
132	Seed Capital (Private) Limited
133	Share Wealth (Private) Limited
134	Shawns Fincon (Pvt) Ltd
135	Sheltersol Finance (Pvt) Ltd
136	Shons Financial Services (Pvt.) Ltd
137	Simukai Financial Services (Pvt) Ltd
138	Sirosang Investments (Pvt) Ltd
139	Skwama Microfinance (Pvt) Ltd
140	Skycredit (Pvt) Ltd
141	Soledd Financial Services (Pvt) Ltd

142	Solten Financial Services (Private) Limited
143	Sport-Talk Investments (Pvt) Ltd
144	Stock Tank Investments (Private) Limited
145	Stone Microfinance (Pvt) Ltd
146	Stratacord Investments (Pvt) Ltd
147	Stratfin Services (Pvt) Ltd
148	Suigeneris Investments (Private) Limited
149	Symdunes Financial Services (Pvt) Ltd
150	Tantieme Finance Company (Pvt) Ltd
151	Taroth Investments (Pvt) Limited
152	Tax Driven Investments (Private) Limited
153	Tazmac (Pvt) Ltd
154	Tinrue Finance (Pvt) Limited
155	ThincBizz Finance (Private) Limited
156	Thrive Microfinance (Pvt) Ltd
157	Tottengram Investments (Pvt) Ltd
158	Transport & Equipment Finance (Pvt) Ltd
159	Tretma Investments (Pvt) Ltd
160	Trukumb Microfinance (Pvt) Ltd
161	Twinstock Capital P/L
162	Umtanashi Finance (Pvt) Limited
163	Untu Microfinance (Pvt) Ltd
164	Valley Finance (Pvt) Ltd
165	Ventures Microfinance (Pvt) Ltd
166	Virl Rural & Social Financial Services (Pvt) Ltd
167	Wedb Financial Services (Pvt) Ltd
168	Westrand Investments (Pvt) Ltd
169	Wintron Financial Services (Pvt) Ltd
170	Wisrod Investments (Pvt) Ltd
171	Yambukai Finance (Pvt) Ltd
172	Yofund Finance (Private) Limited
173	Yonder-Rift Enterprises (Pvt.) Ltd
174	Zambuko Trust (Pvt) Ltd
175	Ziada Capital Microfinance (Pvt) Ltd (Sendoff Trading (Pvt) Ltd)
176	Zibuko Capital (Pvt) Ltd
177	Zimbabwe Microfinance Fund (Private) Limited
178	Zimnat Financial Services (Pvt) Ltd

Insurance Corporations**Life Insurers**

- 1 Altfin Life Assurance Company
- 2 CBZ Life Limited
- 3 Econet Life Private Limited
- 4 Evolution Health & Life Assurance Company
- 5 Fidelity Life Assurance Company
- 6 First Mutual Life Assurance Company
- 7 Getsure Life Assurance Company
- 8 Nyaradzo Life Assurance Company
- 9 Heritage Life Assurance Company
- 10 Old Mutual Life Assurance Company
- 11 ZB Life Assurance Company
- 12 Zimnat Life Assurance Company

Life Reinsurers

- 1 Baobab Life & Health

Funeral Insurers

- 1 Cell Funeral Assurance Company
- 2 Doves Funeral Assurance Company
- 3 First Funeral Assurance Company
- 4 Foundation Mutual Society
- 5 Moonlight Funeral Assurance Company
- 6 Passion Funeral Assurance Company
- 7 Sunset Funeral Assurance Company
- 8 Ruvimbo Funeral Assurance Company
- 9 Vineyard Funeral Assurance Company

Short-Term Insurers

- 1 Allied Insurance Company
- 2 Alliance Insurance Company
- 3 CBZ Insurance Company
- 4 Cell Insurance Company
- 5 Champions Insurance Company
- 6 Clarion Insurance Company
- 7 Credit Insurance Zimbabwe Limited

- 8 Eagle Insurance Company
- 9 Evolution Insurance Company
- 10 Export Credit Guarantee Company of Zimbabwe (Pvt) Ltd
- 11 Hamilton Insurance Company
- 12 Nicoz Diamond Insurance Company
- 13 Old Mutual Insurance Company
- 14 Quality Insurance Company
- 15 Regal Insurance Company
- 16 Safel Insurance Company (Pvt) Ltd
- 17 Sanctuary Insurance Company
- 18 THl Insurance Company
- 19 Tristar Insurance Company
- 20 Zimnat Lion Insurance Company

Short-Term Reinsurers

- 1 Baobab Reinsurance Company
- 2 Colonnade Reinsurance Company
- 3 FBC Reinsurance Company
- 4 Tropical Reinsurance Company
- 5 ZB Reinsurance Company
- 6 Zep-Re (PTA) Reinsurance Company

Composite Reinsurers

- 1 First Mutual Reinsurance Company
- 2 Grand Reinsurance Company

Insurance Brokers

- 1 Ambassador Insurance Brokers
- 2 Amour Khan Insurance Brokers (Pvt) Ltd
- 3 Auto & General Insurance Brokers (Pvt) Ltd
- 4 Broksure Insurance Brokers (Private) Limited
- 5 Capitol Insurance Brokers (Private) Limited
- 6 Care Insurance Brokers (Private) Limited
- 7 CBZ Risk Advisors and Services (Pvt) Ltd
- 8 Cover Link Insurance Brokers (Private) Limited
- 9 Eaton & Youngs (Pvt) Ltd
- 10 Entwide Insurance Brokers (Pvt) Ltd
- 11 Eureka Insurance Brokers (Pvt) Ltd

- 12 Glenrand MIB (Zimbabwe) (Pvt) Limited
- 13 Goldstick Insurance Brokers
- 14 Hostcare Insurance Brokers (Pvt) Limited
- 15 HRIB (Pvt) Ltd
- 16 Hunt Adams & Associates (Pvt) Ltd
- 17 Insuraserve (Private) Limited
- 18 L.A. Guard Insurance Brokers (Private) Limited
- 19 Marsh Insurance Brokers (Zimbabwe) (Private) Limited
- 20 Minerva Risk Solutions (Pvt) Ltd
- 21 Momentum Insurance Brokers (Pvt) Ltd
- 22 Nation Wide Insurance Brokers (Pvt) Ltd
- 23 Paul Mkondo Insurance Brokers (Pvt) Ltd
- 24 Perpro Insurance Brokers (Pvt) Ltd
- 25 Progressive Insurance Brokers (Pvt) Ltd
- 26 Rainbow Insurance Brokers (Pvt) Ltd
- 27 Revival Insurance Brokers (Pvt) Ltd
- 28 Satib Insurance Brokers
- 29 TIB Insurance Brokers
- 30 Victory Insurance Brokers (Pvt) Ltd
- 31 WFDR Risk Services (Pvt) Ltd
- 32 Zimbabwe Insurance Brokers Limited

Pension Funds (Type of fund by number, not individually listed by name)

Type of Fund	Number of Funds
Insured Funds	1,106
Self-Administered Funds	175
Stand Alone Self-Admin. Funds	16
Total Funds	1,297

Appendix III: Country Notes for IFS

Date of Fund Membership:

September 29, 1980

Standard Sources:

Reserve Bank of Zimbabwe (RBZ)

Central Statistical Office

Exchange Rates – Multi-currency System:

The official rate was pegged to a trade-weighted basket of currencies. As of June 30, 2001, the official rate is pegged to the US Dollar. On August 1, 2006, the new dollar (ZWN), equivalent to 1,000 of the old dollar (ZWD) was introduced. Due to adoptability issues by the Reserve Bank of Zimbabwe, the ZWN code was expired and ZWD remained as the valid currency code. In September 2007 the Zimbabwe dollar (ZWD) was devalued against the US Dollar. The official rate was adjusted from the previous rate of 250 ZWD per US Dollar to the new rate of 30,000 ZWD per US Dollar. On August 1, 2008, the third Zimbabwe dollar (ZWR), equivalent to 10,000,000,000 of the second Zimbabwe dollar (ZWN), was introduced. On February 2, 2009, the fourth Zimbabwe dollar (ZWI), equivalent to 1,000,000,000,000 of the third Zimbabwe dollar (ZWR), was introduced. The third dollar (ZWR) circulated alongside the fourth dollar (ZWI) and remained legal tender until June 30, 2009.

The Zimbabwean dollar was in use until February 2009, when the country adopted a multi-currency system. A basket of foreign currencies is used as legal tender. Transactions are largely dominated by United States dollar, South African Rand, Botswana Pula, Euro and the British Pound. The multi-currency system was adopted without formal arrangements with the authorities whose currencies are used. The US Dollar is used as the settlement currency, not necessarily implying that the US dollar became the proxy for local currency.

Small denomination coins called “Bond Coins” were introduced in December 2014 to circulate with currencies in the multi-currency basket to facilitate making change in small value transactions. The denominations are 1c, 5c, 10c, 25c and 50c. In addition, \$2 and \$5 bond notes and \$1 bond coins were issued in November 2016.

The bond notes and coins are legal tender issued in terms of Section 44 of the Reserve Bank of Zimbabwe Act [Chapter 22:15]. They are called bond notes and coins to reflect the USD facility that is maintaining the one-to-one parity with the US Dollar.

International Liquidity:

Gold holdings are valued on the first of each month at 50 percent of the daily average price of the Zurich closing quotation for the three-month period ended on the last day of the preceding month.

Central Bank:

Comprises the Reserve Bank of Zimbabwe (RBZ) only.

Beginning in December 2012, data are based on a standardized report form (SRF 1SR) for the central bank, which accords with the concepts and definitions of the IMF's *Monetary and Financial Statistics Manual and Compilation Guide (MFSMCG)*, 2016.

Central Bank claims on government includes legacy debt incurred before the multicurrency monetary regime. The enactment of the RBZ Debt Assumption Bill in 2015, culminated in the debt takeover by Government, with gradual repayments being made contributing to RBZ's profitability.

Shares and other equity are revalued on an annual basis.

Other Depository Corporations:

Comprises of commercial banks, a merchant bank, building societies and a savings bank. Data exclude deposit taking microfinance institutions. Beginning in December 2012, data are based on the standardized report form for other depository corporations (SRF 2SR), which accords with the concepts and definitions of the *Monetary and Financial Statistics Manual and Compilation Guide (MFSMCG)*, 2016. Financial assets and liabilities for which financial instrument breakdown is unavailable are allocated to the financial instrument having the largest volume of transactions in the category.

Financial assets and liabilities for which economic sectorization is unavailable are allocated to the economic sector having the largest volume of transactions in the category.

Shares and other equity are not consistently revalued on a regular basis. Some accounts receivable and payable are included in *Other Items (Net)* rather than in the outstanding amounts of financial assets and liabilities.

*Beginning January 2015, the data are based on an improved return with more detailed information from reporting institutions.

Bond notes and coins are treated as national currency (notes and coins) and recorded under national currency.

Financial assets and liabilities for which economic sectorization is unavailable are allocated to the economic sector having the largest volume of transactions in the category.

Shares and other equity are not consistently revalued on a regular basis. Beginning January 2018, shares are revalued monthly.

Some accounts receivable and payable are included in *Other Items (Net)* rather than in the outstanding amounts of financial assets and liabilities.

Depository Corporations:

*See notes on central bank and other depository corporations.

Monetary Aggregates:**Broad Money:**

Broad Money is calculated from the liability side of the consolidated balance sheets of the central bank and other depository corporations in accordance with the *Monetary and Financial Statistics Manual and Compilation Guide (MFSMCG)* of 2016.

Interest Rates:*Discount Rate (End of Period):*

Rate charged by the Reserve Bank of Zimbabwe on loans to banks. + Beginning in December 1998, rate charged on rediscounted loans and repurchase agreements. Due to the multicurrency system adopted in Zimbabwe, from February 2009 onward, there is no independent monetary policy rate set.

Money Market Rate:

Rate charged by discount houses to buy three-month bankers' acceptances.

Treasury Bill Rate:

Yield on 91-day treasury bills.

Lending Rate:

Rate charged by commercial banks on loans.

*Beginning January 2015, weighted average rate charged by ODCs on loans granted to nonfinancial corporations.

Deposit Rate:

Rate offered by commercial banks on three-month deposits.

*Beginning January 2015, minimum rates offered by ODCs on 90-day deposits.

Prices, Production, Labor:*Industrial Share Prices:*

Capital weighted share price index covering industrial shares quoted on the Zimbabwe Stock Exchange (ZSE), base 1967.