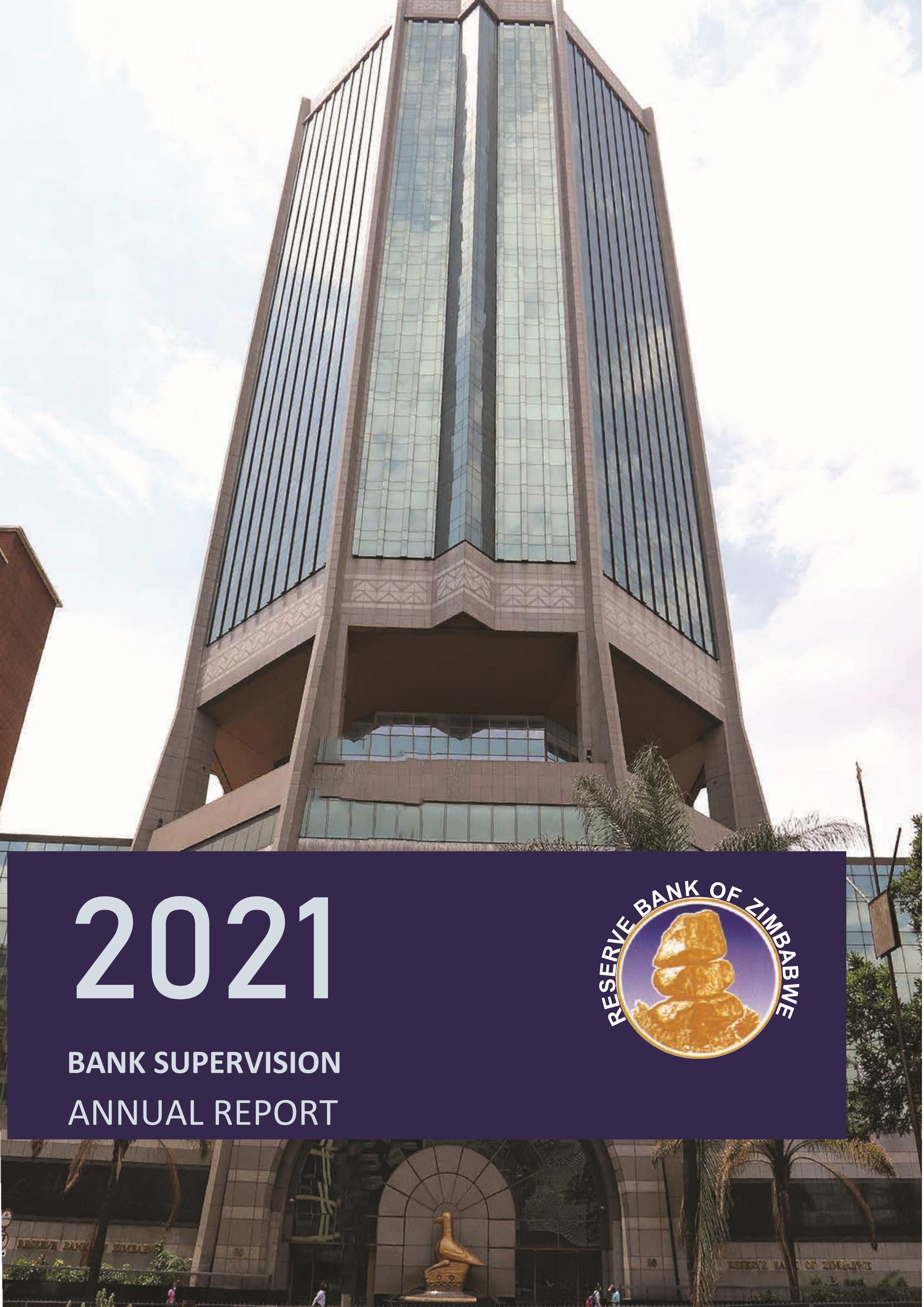

2021

BANK SUPERVISION

ANNUAL REPORT

RESERVE BANK OF ZIMBABWE

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GOVERNOR'S FOREWORD

The Zimbabwean financial system remained strong and well placed to support the productive sectors of the economy. The banking sector's solvency and capital position improved notably, reflecting the sector's capacity to absorb and withstand losses and shocks from expected and unexpected risks.

Global financial stability risks were largely contained in 2021. Against the background of expansionary monetary policies and fiscal support the global economy was estimated to have grown by 5.9 percent. Global financial service landscapes continue to be shaped and influenced by rising inflationary pressures due to, *inter-alia,* disruptions in global supply chains amid the COVID-19 pandemic, geopolitical tensions in Eastern Europe and rising oil prices, causing volatility in financial markets.

Financial risks arising from climate change and associated natural disasters are emerging as some of the major risks threatening the global economy. The central banking and regulatory community are committed and well placed to tackle the challenge as evidenced by policy initiatives toward green and sustainable economies.

On the domestic front, the Bank and Government came up with coordinated responses to the COVID-19 crisis. The authorities came up with targeted fiscal and monetary policy measures designed to stabilise the macroeconomic environment, and reinforce financial stability and promote continued orderly functioning of financial markets and payments systems which moderated potential disruptive effects of the pandemic.

The banking sector transitioned smoothly to the remote working approach and reconfigured their business models to align with the changing operating environment. During the period under review, the financial sector witnessed an acceleration and deepening in the use of financial technologies. On its part, the Bank also reconfigured its supervisory techniques and methodologies in view of constraints imposed on traditional approaches by COVID-19 restrictions.

The Bank is pleased to note that the sector continued to depict resilience grounded on adequate capitalisation, strong asset quality and liquidity, sustainable profitability, and appropriately reconfigured bank business models. The Bank also noted the significant role of the Foreign Exchange Auction System, introduced in June 2020, towards supporting the productive sectors of the economy with more than 70% of foreign exchange allotted going towards these critical sectors and contributing to economic activities. The Bank will continue to implement proactive measures to reduce scope of exposure to systemic risks and continue to support economic recovery and growth.

Going forward the Bank will continue to implement measures to mitigate risks associated with inflationary pressures, COVID-19 exit strategies, accelerating digitalisation and climate change in an endeavour to promote price and financial stability.

I take this opportunity to express my appreciation to the Government, Ministry of Finance and Economic Development, the Zimbabwean banking community, financial sector regulatory agencies and other stakeholders for their unwavering support towards safeguarding the stability of the financial sector and growth of the economy. I have no doubt that collaborative efforts shall continue to reinforce financial stability and inclusive economic growth.

Dr. J. P. Mangudya
Governor

DIRECTOR'S FOREWORD

The domestic financial services landscape continued to be impacted by, *inter-alia,* global economic developments, uncertainties associated with COVID–19 pandemic, technological and digital transformations as well as emergence and amplification of some risk categories.

In response, the Bank adjusted its supervisory methodology through adoption of a virtual operating model, which is underpinned by the following three reinforcing pillars, namely; tailored reporting templates, virtual prudential meetings with the board, as well as detailed ongoing discussions with management on various thematic areas; and conduct of remote examinations.

The Bank also continued to refine its supervisory techniques and methodologies in line with international best practice. These included development of frameworks for Basel III Liquidity Standards, designation of domestic systemically important banking institutions as well as achieving positive steps towards operationalisation of the Contingency Planning and Systemic Risk Management Framework under the auspices of the Multidisciplinary Financial Stability Committee.

Cognisant of the risks posed by climate change, as well increasing importance of the sustainability agenda, the Bank is working with banking institutions to promote integration of sustainability principles (environment, social and governance) in the banks' risk management frameworks.

Against the background of a wide range of financial stability enhancements the banking sector recorded satisfactory positions with respect to capital adequacy, asset quality, earnings and liquidity & funds management.

Capitalisation has largely been spurred by core income from loans and advances as well as fees and commission. The Bank continues to monitor banking institutions' capitalisation levels to ensure the sector has capacity to support the financing needs of the economy and to meet regulatory minimum capital requirements.

Satisfactory asset quality was mainly a reflection of strengthened credit risk management systems at banking institutions against the background of COVID-19 induced vulnerabilities. Increased reliance on the online Credit Registry System also contributed to credit risk mitigation.

In view of heightened operational risks arising from increasing digitalisation, the Bank issued a Cyber Security Management Framework in 2021 while the **Data Protection Act [*Chapter 11:12*]** was pronounced at national level. The sector also responded by enhancing cyber risk management systems.

Financial inclusion, a key enabler to the achievement of the Sustainable Development Goals, remained a key focus area for the Bank. The financial sector continued to drive the National Financial Inclusion Strategy thus playing a significant role in reaching out to the underserved communities.

In the outlook, the Bank will continue to enhance its supervisory tools (including SupTech and RegTech) in line with international best practice and the dynamic operating environment. The Bank will also play a pivotal role in speeding up the transition and much-needed actions to mitigate risks associated with climate change as well as the fintech revolution.

Finally, I extend my appreciation for the cordial relationship with all our stakeholders and the cooperation and commitment shown, primarily during the turbulent times experienced in 2021. I also take this opportunity to thank fellow regulators with whom we continue to enhance financial stability, as well as acknowledge Bank Supervision staff who acted as change agents during the period under review.

P. T. Madamombe
Director, Bank Supervision

1. GLOBAL ECONOMIC DEVELOPMENTS

1.1 The IMF estimates global economic growth to have increased to 6.1% in 2021 (World Economic Outlook, April 2022) from a contraction of 3.1% in 2020. The recovery was largely underpinned by the rollout of the COVID-19 vaccine, monetary and fiscal policy support.

1.2 In emerging markets and developing economies, economic growth remained markedly low due to lower vaccination rates. The emergence of the Omicron COVID-19 variant and structural economic challenges weighed down on economic growth. The figure below shows the global economic growth rates for 2021 and projections for 2022 and 2023.

Figure 1: Global Economic Growth (%)

Source: World Economic Outlook (April 2022)

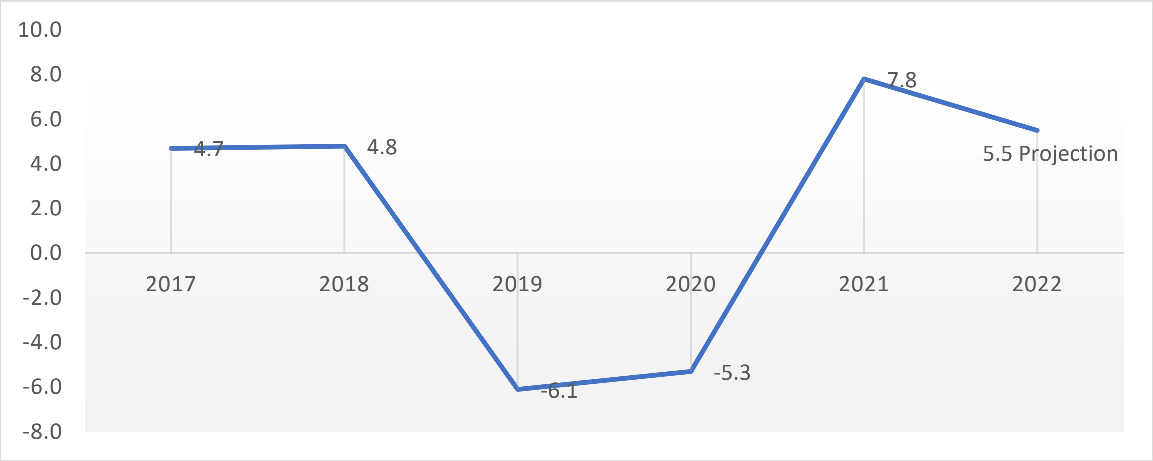
1.3 In 2021, there was an increase in inflation in Sub-Saharan Africa due to price increases in food and energy. High inflation tends to increase operating costs of the banking sector and may impact the sector's profitability.

Domestic Economy

1.4 The local economy is estimated to have grown by 7.8% supported by effective COVID -19 management measures and strong sectoral performances. The year saw gradual lowering of the COVID-19 restrictions and reopening of the economy.

1.5 In 2022, the economy is projected to grow by 5.5%, underpinned by higher output in mining, manufacturing, agriculture, construction, as well as the tourism sectors. The growth projection is, however, subject to risks relating to the future path of the pandemic and its impact on key sectors of the economy.

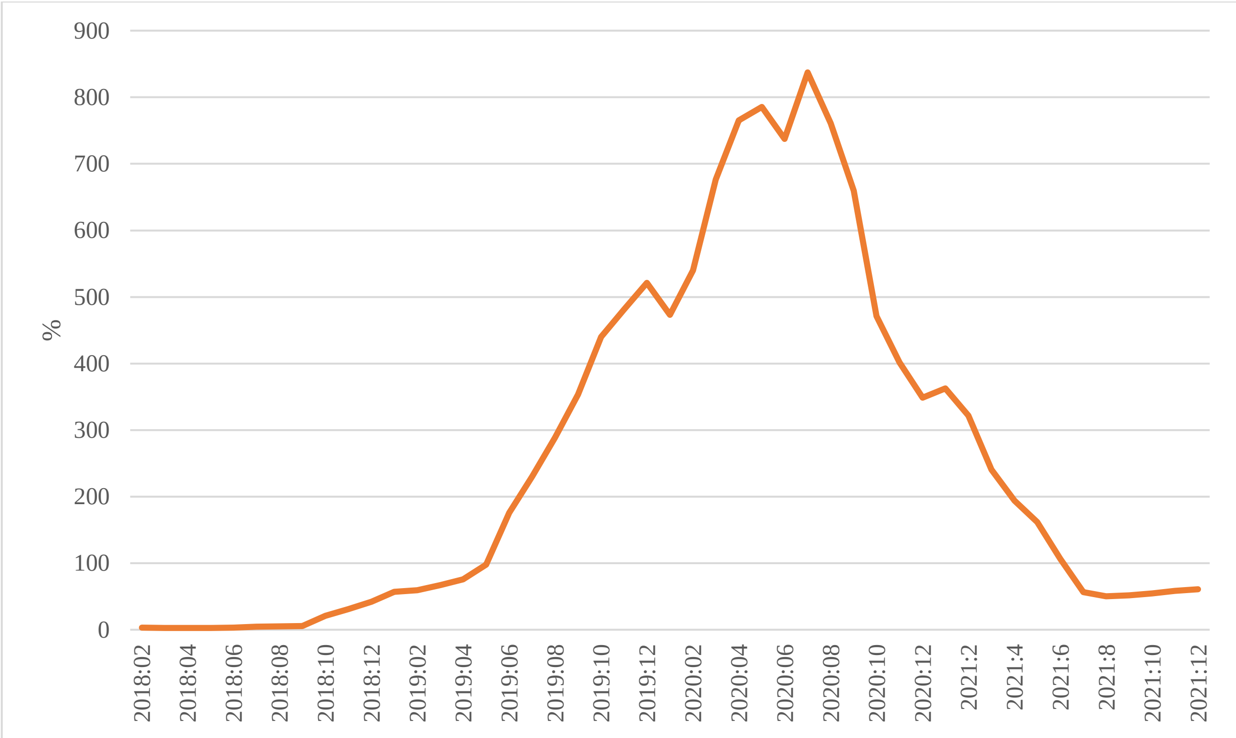
Figure 2:GDP Growth (%)



Inflation Developments

1.6 Annual inflation was on a downward path during the greater part of the year to 60.74% as at December 2021 compared to 379.26% recorded during the same period in 2020, supported by fiscal consolidation and the implementation of monetary targeting framework by the Bank. In the outlook period, transitory shocks arising from increases in oil prices due to the war in Ukraine may, however, contribute to inflation dynamics in the local economy.

Figure 3: Annual Inflation (%)



Source: ZIMSTAT (2022)

Monetary Developments

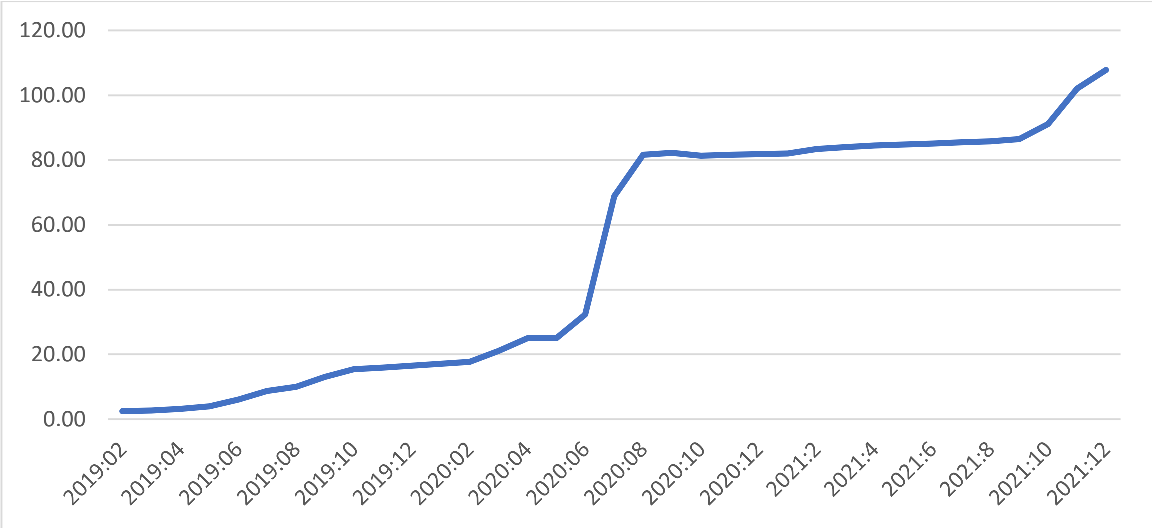
1.7 The quarter-on-quarter reserve money growth target for 2021 was progressively reduced from 22.5% during the first two quarters of 2021 to 20% in the third quarter, and further down to 10% in the fourth quarter of the year. The downward revision arose from the need to further tighten monetary policy in response to the resurgence of inflationary and exchange rate pressures in the economy.

1.8 The revisions in the reserve money growth target reduced reserve money to ZW$25.49 billion as at 31 December 2021, compared to the fourth quarter target of ZW$28.9 billion. The quarter-on-quarter reserve money growth rate fell by 1.14%, against a target of 10%.

1.9 In an effort to curb speculative borrowing and reduce inflation, the Bank increased the overnight accommodation rate from 35% at the beginning of 2021, to 60% by year end.

1.10 During the year under review, exchange rate volatility remained generally low largely due to the well-functioning foreign exchange auction system. The figure below shows exchange rate developments.

Figure 4: Exchange Rate Developments (ZW$/US$)



Source: RBZ (2022)

2. SUPERVISORY ACTIVITIES & MAJOR DEVELOPMENTS IN THE BANKING SECTOR

Licensing of Banking & Microfinance Institutions

2.1 The number of banking institutions remained unchanged at 19, while the number of microfinance institutions decreased from 209 to 168 during the year ended 31 December 2021. There were four (4) development financial institutions under the purview of the Reserve Bank.

2.2 The number of registered banking, microfinance institutions and development institutions as at 31 December 2021 is shown below.

Table 1: Architecture of the Banking and Microfinance Industry

Type of Institution	31 Dec 20	31 Dec 21
Commercial Banks	13	13
Building Societies	5	5
Savings Bank	1	1
Total Banking Institutions	**19**	**19**
Credit-only Microfinance Institutions	209	168
Deposit-taking Microfinance Institutions	8	8
Development Finance Institutions (SMEDCO, IDBZ, AFC Land & Development Bank & IDCZ)	3	4
Total	**239**	**199**

2.3 The number of development financial institutions under purview of the Bank increased to following the commencement of operations by AFC Land & Development Bank of Zimbabwe Limited. The institution was granted authority to commence operations on 18 October 2021.

2.4 CashBox Financial Services, a deposit taking MFI, was still putting in place structures and systems to facilitate commencement of operations in December 2022 while Ndoro Microfinance Bank Limited was authorized to commence deposit-taking microfinance business operations on 11 March 2022.

2.5 As at 31 December 2021, the banking sector was less concentrated as shown by a Herfindahl-Hirschman index (HHI) of 1115.09 which means that the Zimbabwean banking sector is highly competitive market. The HHI increased marginally from 1,106.12 in December 2020 meaning that the degree of competition in the banking sector remained relatively the same between the two comparative periods.

2.6 Commercial banks continued to dominate the banking sector in terms of total assets, total deposits and total loans in the year ended 31 December 2021, accounting for 89.92% (2020:90.03%), 88.58% (2020:90.86%) and 83.50% (2020:87.48%), respectively.

Supervisory Measures in the Wake of COVID-19 Pandemic

2.7 During the year 2021, the Bank continued with a number of supervisory measures introduced in 2020, aimed at promoting financial sector stability, bolster the flow of credit and to ensure that banking institutions continued to offer banking services and support the real economy,while minimizing impact of the COVID-19 pandemic on the sector.

2.8 The COVID-19 pandemic remained a key driver of vulnerabilities in the banking sector. The sector, however, demonstrated resilience in the face of the disruptive effects of the pandemic, and continued to play a critical role in supporting the economy during the growth and recovery phase in 2021.

2.9 The sector has adapted to the "new normal", adopting a hybrid approach of remote and physical service delivery. Automation of banking systems became embedded more widely to reduce human interactions and also cater for machine executable repetitive cognitive tasks.

2.10 All banking institutions continued to operate as guided by their activated business continuity arrangements and instituted mitigation measures such as, enhancing and adopting sound credit risk management systems and internal controls, moving to a paperless banking system, increasing credit card limits, reducing branch operating hours and reducing bank charges.

2.11 The increasing need to innovate and digitise by banking institutions, will, however, be accompanied by heightened cyber risk as the top risk on risk registers.

2.12 In line with the easing of COVID-19 induced restrictions and international developments, the Bank considered the gradual unwinding of some of the COVID-19 measures as follows:

Restructuring of facilities

2.13 Cognisant of the potential adverse impact of the COVID-19 pandemic on the performance of certain segments of the real sector and the related effect on repayment capacity of borrowing clients, banking institutions and microfinance institutions were encouraged to review their portfolios and engage eligible clients with a view to institute strategic measures to restructure the existing facilities with effect from 1 April 2020 for a period of 12 months.

2.14 The relief that may be provided to clients was only applicable to facilities that were performing prior to the challenges associated with the COVID-19 pandemic.

2.15 A review of restructured facilities during the year ended 31 December 2021, revealed a low level of restructured loans indicating that banking sector loan quality was not substantially affected by credit stress associated with COVID-19 as initially envisaged. Some loans that were restructured as a result of the disruptive effects of COVID-19 have either been paid off or are now performing. As a result, this measure was no longer necessary.

Minimum Capital Requirements

2.16 As at 31 December 2021, out of the 18 operating banking institutions (excluding POSB with no statutory minimum capital requirement), 13 banking institutions complied with the new minimum capital requirements effective 31 December 2021, for their chosen capital tier segment. The deadline for five non-compliant institutions was extended to 31 December 2022 taking into account the constraints presented by COVID-19 pandemic. A total of 28 credit-only microfinance institutions and all the six (6) operating deposit-taking microfinance institutions were non-compliant with the new minimum capital requirements. Meanwhile, non-compliant institutions are not permitted to pay dividends without prior approval of the Bank until such a time that the institutions have met the new minimum capital requirement.

Single Obligor Limit

2.17 The single obligor limit was increased from 25% to 35% of capital base, subject to a banking institution meeting regulatory requirements. The measure was designed to enable banking institutions to provide meaningful support through credit to productive sectors.

Although the cases of single obligor limit being in excess of 25% are not prevalent, the relief measure will remain applicable during 2022.

Deferment of Payment of Dividends

2.18 ***Circular No. 03-2020/BSD: Relief Measures in the Wake of COVID-19 Pandemic*** was issued directing banking institutions to defer payment of dividends is in line with section 33 of the Banking Act [Chapter 24:20], which restricts payment of dividend by banking institutions unless institutions have complied with capital requirements and adequate provision against losses on loans have been made. Only three (3) institutions requested and were granted regulatory approval to pay dividends during 2021. Banking institutions that failed to comply with new minimum capital requirement effective 31 December 2021 were directed not to pay dividends without prior approval of the Reserve Bank until such a time that they become compliant.

Supervisory Colleges

2.19 As part of on-going supervision of cross border banking groups and international best practice, the Bank participated in supervisory colleges for Ecobank Transnational Incorporated (Ecobank Zimbabwe Limited) and Standard Bank Group (Stanbic Zimbabwe Limited), in October 2021.

2.20 In general, recommendations were made on the need to strengthen the banking groups' risk management systems to ensure adequate management of all risks faced by the banking groups' subsidiaries in view of the impact of COVID-19 pandemic on subsidiary operations.

2.21 The colleges further recommended harmonization of banking laws to facilitate adoption of seamless banking platforms by subsidiaries across jurisdictions.

2.22 As part of efforts to harmonise regulatory and supervisory standards among member countries, the SADC Committee of Central Bank Governors (CCBG) Subcommittee on Banking Supervision developed a Framework for Cross Border Supervision of Banking Groups, taking into account the Basel Core Principles and other international standards.

2.23 The Framework was approved by the Governors at the September 2021 CCBG meeting. The Framework sets out the following:

a) legislative requirements for effective cross-border banking supervision;

b) minimum standards for consolidated supervision and cross-border banking supervision; and
c) minimum standards for home-host arrangements.

Business Continuity Plans and Cyber Security Policies

2.24 The Bank continued to require that banking institutions develop and maintain adequate business continuity arrangements and sound cyber security policies to ensure operational resilience on an on - going basis.

2.25 Business Continuity Plans (BCP) and Cyber Security Policies submitted by banking institutions were in line with the Bank's minimum requirements.

2.26 In an endeavour to assess the resilience of banking institutions' ICT systems to cyber-attacks, the Bank conducted a survey covering the period March 2020 to June 2021 to establish the frequency and financial impact of the cyber- attacks. The survey revealed that generally banking institutions' ICT systems were resilient to cyber-attacks. The survey also revealed that cyber-attacks declined from a peak of 99,000 in March 2020 to 15,000 per quarter in June 2021, respectively, indicating strengthening of ICT network perimeters by banks.

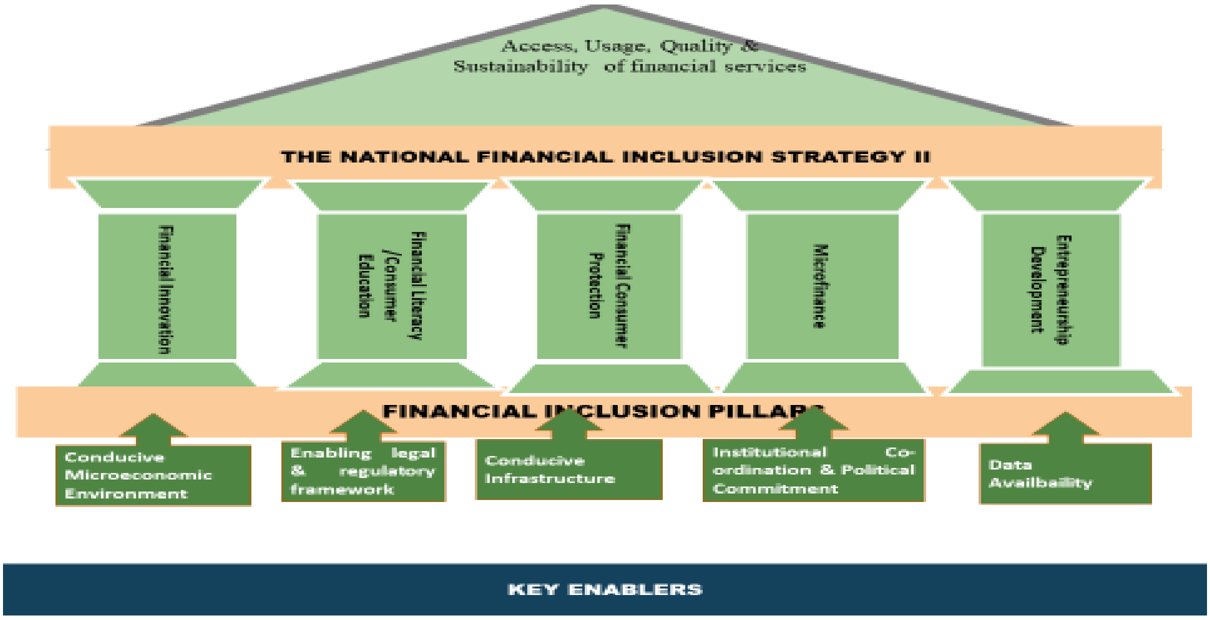
2.27 The Bank is in the process of enhancing the Risk Based Guideline on Cyber Security issued in April 2021.

FINANCIAL INCLUSION

2.28 The Bank remained focused in fostering an inclusive and sustainable financial system. The National Financial Inclusion Strategy Phase I ran its course from March 2016 to December 2020 and thus the drafting of the National Financial Inclusion Strategy II 2021-202 (NFIS II) commenced in 2021.

2.29 The new NFIS will revolve around five (5) pillars, Financial Innovation, Financial Literacy and Consumer Education, Financial Consumer Protection, Microfinance, and Entrepreneurship Development as shown in the diagram below.

Figure 5: National Financial Inclusion Strategy II



2.30 Finalisation of the draft NFIS II awaits the results from two FinScope Surveys namely the MSME and the Consumer FinScope Surveys that expected to be completed by the end of July 2022.

2.31 The FinScope MSME Survey was funded by the World Bank, while the FinScope Consumer survey was largely funded by the Alliance for Financial Inclusion.

Financial Inclusion Indicators

2.32 Progress continued to be made in improving access to finance by the target groups under the financial inclusion drive.

2.33 Notable increases were recorded in the nominal value of loans availed by banking and deposit-taking microfinance institutions to MSMEs, Women and the Youth, which increased from $2.01 billion, $3.28 billion and $1.95 billion as at 31 December 2020 to $10.28 billion, $14.67 billion and $6.25 billion as at 31 December 2021, respectively.

2.34 Proportion of loans to MSMEs marginally increased from 3.66% as at 31 December 2020, to 3.90% of total banking sector loans as at 31 December 2021, while average loans to women increased from 3.98% as at 31 December 2020 to 5.57% of total banking sector loans as at 31 December 2021.

2.35 However, the proportion of loans to target segments to total banking sector loans shows that usage of financial services remains low underscoring the need for robust strategies to increase lending to these segments.

2.36 The table below shows the trend in the movement of the financial inclusion indicators during the review period.

Table 2: Financial Inclusion Indicators

Indicator	Dec 2020	Mar 2021	Jun 2021	Sept 2021	Dec 2021
Value of loans to MSMEs (ZW$ Million)	3,013.85	3,967	5,511.15	7,164.95	10,280.92
Average loans to MSMEs as % of total bank loans	3.66	3.79	3.85	3.89	3.90
Number of MSMEs with bank accounts	139,902	152,504	162,742	167,250	168,917
Number of Women with Bank Accounts	2,570,835	2,758,922	2,159,470	2,411,060	2,391,136
Value of Loans to Women (ZW$ Million)	3,280.61	5,039	6,716.62	11,905.96	14,666.06
Average loans to women as a % of total bank loans	3.98	4.82	4.69	6.47	5.57
Number of Loans to Youth	71,832	68,452	72,924	77,446	75,188
Value of Loans to Youth (ZW$ Million)	1,947.52	2,719	3,825.46	5,488.16	6,249.97
Average loans to the youth as a % of total bank loans	2.36	2.60	2.67	2.98	2.37
Total number of Active Bank Accounts (Million)	8.64	9.06	7.17	6.69	8.18
Number of Low-Cost Bank Accounts (Million)	5.85	5.82	4.41	4.45	4.78

2.37 Digitization of financial services played a key role in driving access and usage of financial services as it has broken geographical barriers to access to financial services and products especially in the face of the COVID-19 pandemic.

MSME Medium Term Facility

2.38 The COVID-19 pandemic had a debilitating effect particularly on the micro, small and medium enterprises. The lockdown restrictions adversely impacted on the mobility and functioning of the majority of MSMEs, most of which rely heavily on the face-to-face business model.

2.39 Due to the lockdown restrictions, the greater part of the year witnessed a decline in demand and supply of products which in turn impacted negatively on the cash flows of the majority of MSMEs.

2.40 Following the devastating impact of the COVID-19 pandemic on the micro, small and medium enterprises, the Bank introduced a ZW$500 million facility through banks and microfinance institutions, to cater for the funding requirements of MSMEs and enhance productivity across all sectors of the economy.

Foreign Exchange Auction System for Small and Medium Enterprises (SMEs)

2.41 The Bank introduced the second Foreign Exchange Auction for SMEs to cater for foreign currency needs of the Small and Medium Enterprises. The crowding out of SMEs by big players in the foreign exchange system necessitated the need for the auction system primarily meant for the SMEs.

2.42 As at 31 December 2021, the Reserve Bank had conducted a total of 71 SMEs Auctions, in addition to the 77 Main Auctions. A total of $1.97 billion was allotted during the year, with the SMEs Auctions accounting for 19% of the total auctions during the review period.

FINANCIAL STABILITY DEVELOPMENTS

Basel III Liquidity Standards

2.43 In 2021, the Bank developed a framework for the implementation of Basel III Liquidity Standards, covering the Liquidity Coverage Ratio (LCR). The Bank conducted a Quantitative Impact Study (QIS) to ascertain the impact of adoption of the Guideline as well as to determine banking institutions' preparedness to meet the minimum LCR ratio of 100%.

2.44 The main objective of the Standards is to promote the resilience of the liquidity risk profile of banks by ensuring that they have an adequate stock of unencumbered high-quality liquid assets in stress situations, as well as the ability to support long term funding. Further, implementation of these standards facilitates a more accurate market liquidity position as well as determining medium to long term funding requirements of the regulated banks.

2.45 Preliminary analysis of the LCR Quantitative Impact Study shows that LCRs for all banks are well above the required minimum ratio of 100%. Processes are underway to ensure data integrity ahead of implementation.

SUSTAINABLE FINANCE

2.46 Globally, sustainable banking practices are becoming the future in banking. The Bank is cognizant of the critical role those financial institutions play in supporting sustainable and resilient growth by integrating environmentally and socially responsible business decisions into their corporate strategies.

2.47 As part of measures to build an inclusive, resilient, socially responsible and environmentally friendly financial sector, the Bank continued to work closely with financial institutions in the implementation of the Sustainability Standards & Certification Initiative (SSCI) being driven by the European Organization for Sustainable Development (EOSD).

2.48 As at 31 December 2021, nine (9) banking institutions were participating under the central bank led Sustainability Standards and Certification Initiative, while three (3) microfinance institutions were accepted into SSCI. The participating institutions have made commendable progress in implementing the key pillars of SSCI.

2.49 Banking institutions that are prepared to take meaningful action early and integrate sustainability practices into their business strategies will have an advantage over peers as the sustainable finance market matures. Additionally, such banking practices will contribute meaningfully to sustainable economic development and attainment of Sustainable Development Goals (SDGs) by 2030.

BUSINESS CONDITIONS

Bank Charges

2.50 The banking institutions are guided by the Consumer Protection Framework No. 01-2017/BSD to promote adherence to fair business practices and reasonable pricing.

2.51 During the year ended 31 December 2021, banking institutions increased a number of bank charges citing COVID-19 pandemic induced high cost of doing business mainly due to increased information technology infrastructure costs to facilitate remote working arrangements.

2.52 In addition, inflationary pressures induced by the exchange rate increased costs related to ICT upgrades, maintenance of digital channels, software and licensing fees and human capital costs motivating for a review of bank charges.

2.53 Further, in recognition of the role played by savings and deposits in the economy and the need to support financial inclusion and development, Statutory Instrument 65A of 2020 on the payment of interest on savings accounts was issued. Consequently, banking institutions scrapped bank charges on savings accounts and fixed term deposits, effective 1st July 2021.

Lending Rates

2.54 During the year under review, average minimum lending rates ranged from 36% to 67% per annum for individuals, and 37% to 67% for productive sector.

2.55 The Bank's overnight accommodation of 40% and the medium-term lending rate for productive sector of 30% were maintained in the short term

2.56 The Bank policy rate and the Medium-term Bank Accommodation (MBA) Facility rate were maintained at 40%-60% and 30%-40%, respectively, in order to control money supply and curb speculative activities. In addition, the increase in the rate compared to 2020 levels was expected to result in positive real interest rates which is critical to foster savings in the economy.

Bank Branches

2.57 Banking institutions closed 52 branches over the five (5) year period from 2017 to 2021. Branch closures were largely attributed to changes in business models which culminated in the restructuring of operations as well as increased automation of internal processes due to digitisation.

2.58 In some few cases, banking institutions closed or merged branches on account of non-viability of banks in remote areas as well as duplication of functions within the same locality.

Staff Retrenchments

2.59 Over the period 2017 to 2021, banking institutions retrenched (850) staff members of which 312 staff members were retrenched in 2021. The major reasons cited by banking institutions for the retrenchments largely relate to digitisation of products and services, automation of transactions and processes, high staffing costs, and the need to maintain business sustainability.

Fintech

2.60 The COVID-19 pandemic put the banking industry under significant stress and elevated the importance of Fintech innovations particularly in reducing risks associated with exchanging cash and supporting financial inclusion.

2.61 The industry's response in observing the measures laid down to curb the pandemic expedited remote working arrangements and other upcoming Fintech innovations such as cardless cash withdrawals and easier e-commerce solutions.

2.62 The Data Protection Act [*Chapter 11:12*] and current supervisory standards issued by the Bank will provide guidance for banking institutions on technology governance, risk management, as well as development, validation and operation of artificial intelligence (AI) models.

2.63 The Bank launched the Fintech Regulatory Sandbox (the Sandbox) in March 2021 which provides a controlled environment where financial innovations can be tested, and this is expected to engender financial innovation in the financial sector.

2.64 In line with the Government's announcement in November 2021 on the country's preference to introduce the central bank digital currency (CBDC) as opposed to cryptocurrencies, the Bank will be undertaking feasibility assessments including specific design considerations, opportunities and risks to the monetary and financial system.

New Products

2.65 In response to the changing customer needs and in line with the digitization drive, banking institutions launched various new products such as pin and chip cards, cardless withdrawal solutions, virtual VISA cards, online payments, zero rated mobile phone banking platforms and various internet based and digital platforms.

2.66 The above new products and banking solutions bring in convenience, better customer experience, increased access to services and reduction in the Bank's cost structures.

Capacity Building Initiatives

2.67 Cognisant of the developments in the financial space, digitisation, green-finance, constant changes in risk universe, fin-tech revolution, the Bank Supervision Division participates in various capacity building and training to foster skills development and enhance productivity within the division and to ensure staff keep abreast with developments in supervisory and regulatory matters.

2.68 The staff in Bank Supervision have been participating in a number of webinars conducted by the World Bank, International Monetary Fund (IMF), Macro-economic and Financial Management Institute of Eastern and Southern Africa (MEFMI), Making Finance Work for

Africa, the Toronto Centre and other standard setting bodies tailored to address possible national and regional policy responses to promote stable financial systems.

2.69 During the year, Bank Supervision benefitted from Technical Assistance training provided by IMF experts on Virtual Off-site examination and a practical training on Off-site Analysis.

2.70 The Division strives to continuously ensure skills development through training of its staff on an ongoing basis safeguarding effective discharge of duties in the evolving bank supervision and regulation discipline.

2.71 Some of the training areas covered are Cyber Risk Regulation and Off-site Financial Analysis.

CREDIT REGISTRY

2.72 The online Credit Registry system continues to complement and facilitate provision of digital financial services, such as automated lending, and effective management of credit risks by the banking sector.

2.73 The number of subscribers increased from 204 as at 31 December 2020 to 209 as at 31 December 2021, with the additional subscribers being microfinance institutions.

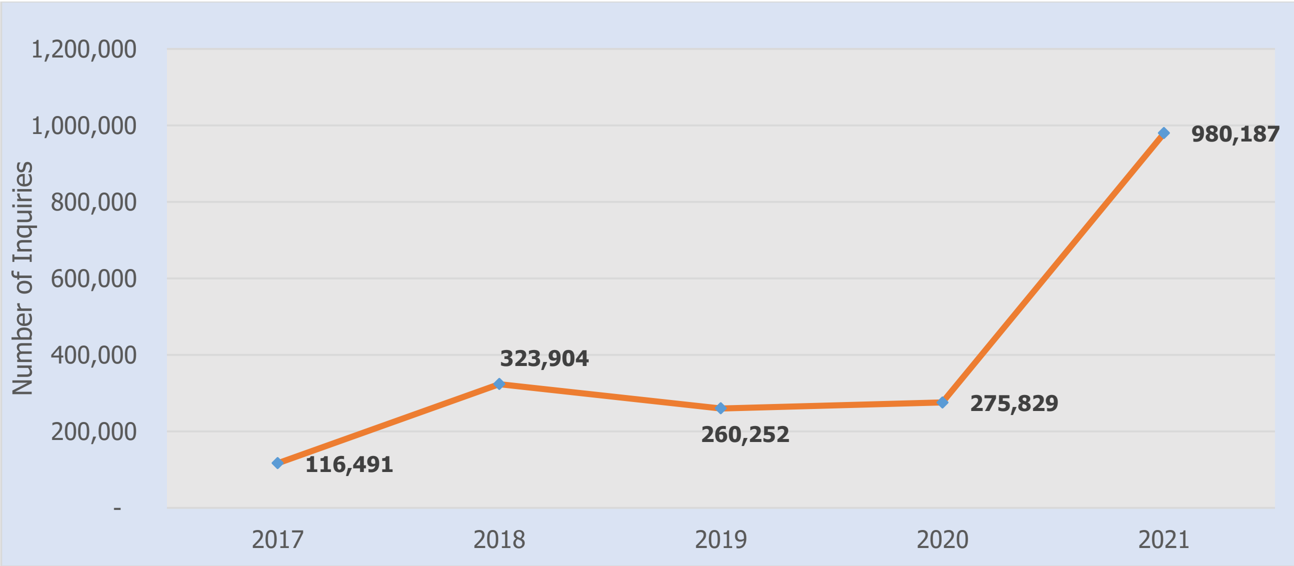
2.74 As the levels of business activity began to normalise in the economy during the year, credit registry utilisation sharply increased, receiving a total of 980,187 enquiries in 2021, up from 275,829 in 2020.

2.75 All banking institutions and microfinance institutions are required to consult the Credit Registry before granting a loan or a facility to their clients. Further, banks are required to submit to the Registry, information on the credit-worthiness of their clients as part of dealing with issues of information asymmetry.

2.76 Use of data from the Credit Registry is critical in building "reputational collateral" through accumulation of repayment data and making the data available to lenders thereby facilitating access to formal financial services and products by the previously underserved and marginalised. The Credit Registry system is also key in preventing over-indebtedness on the part of the borrower.

2.77 The Credit Registry system received a total of 980,187 enquiries in 2021, up from 275,829 in 2020 reflecting increased usage of the as the credit registry system matures over time. The trend in inquiries from 2017 to 2021 is shown in the table below.

Figure 6: Trend of Inquiries for 2017-2021

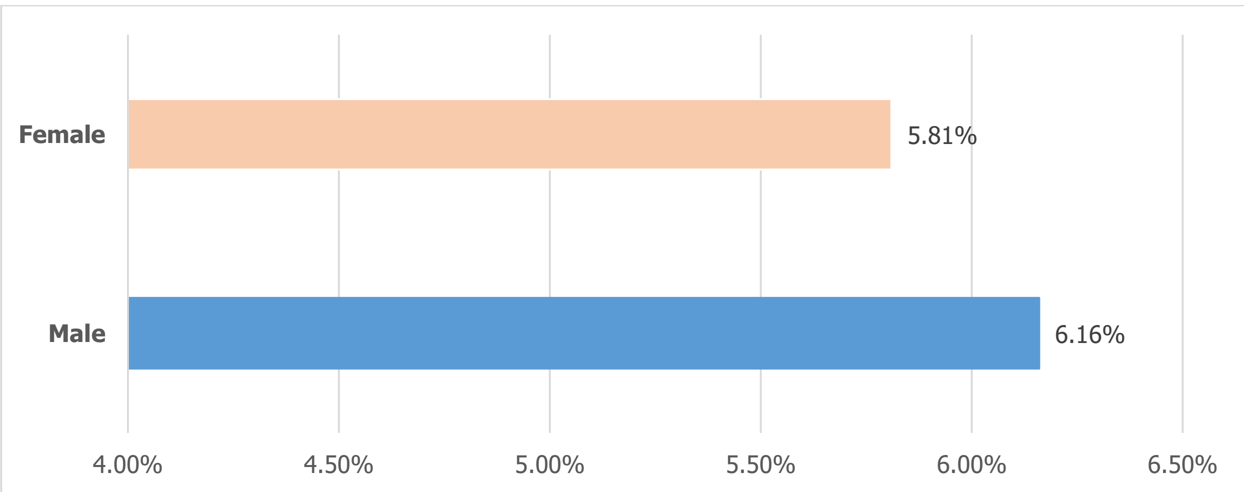


2.78 As at 31 December 2021, the Credit Registry had 558,272 active loan contracts, with individuals' records accounting for 98.29% of the records in the Credit Registry.

2.79 In terms of gender distribution, male and female borrowers constituted 68.36% and 31.64% of loan contracts in the Credit Registry respectively.

2.80 Meanwhile, in the Credit Registry database 5.81% of loans granted to female borrowers were delinquent contracts, which were 90 days past due within 12 months from the date of issuance compared to male borrowers who had 6.16% of their loans in arrears as shown below.

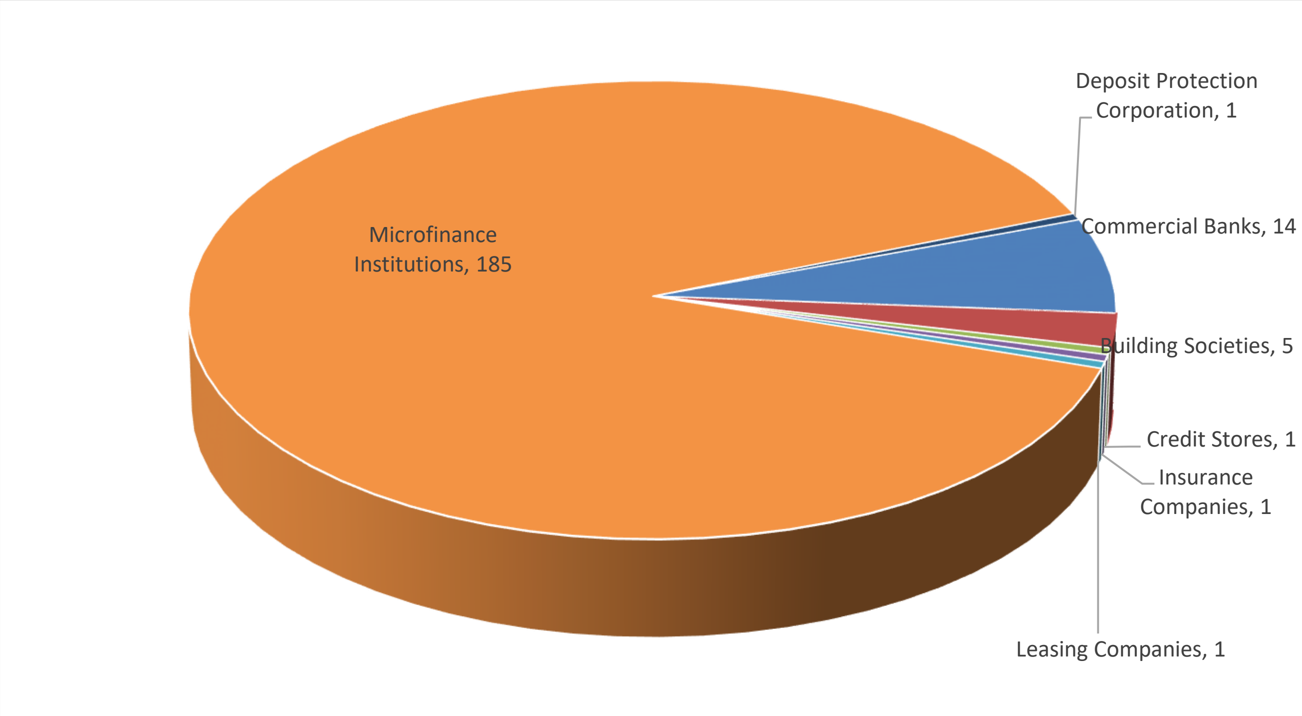
Figure 7: Percentage of Delinquent Loan Contracts by Gender



2.81 Registered subscribers accessing the Credit Registry were 208 as at 31 December 2021.

The figure below shows the profile of data subscribers the Credit Registry.

Figure 8: Credit Registry Data Subscribers



2.82 The Credit Registry continued to engage lenders through virtual training to the extent feasible, in order to widen the subscriber base of the Credit Registry.

COLLATERAL REGISTRY

2.83 Significant progress has been made towards the operationalization of the collateral registry. Following some delays occasioned by the COVID-19 pandemic, the Bank successfully conducted the first User Acceptance Testing (UAT) of the Collateral Registry system in December 2021.

2.84 The second and final testing session will be scheduled once the systems developer finalises the payment gateway to be part of the collateral registry system design.

2.85 The Bank is targeting to go live soon after the second User Acceptance Testing when the vendor has considered stakeholder input on system functionalities.

2.86 The Collateral Registry is expected to promote access to credit by facilitating borrowers such as SMEs and individuals to pledge movable assets as collateral for borrowings, while providing lenders with access to information on any prior pledges on movable assets offered as collateral.

3. CONDITION & PERFORMANCE OF THE BANKING SECTOR

3.1 During the year under review, the banking sector remained safe and sound, notwithstanding the adverse impact of the COVID-19 and other macroeconomic factors on the economy.

BALANCE SHEET STRUCTURE

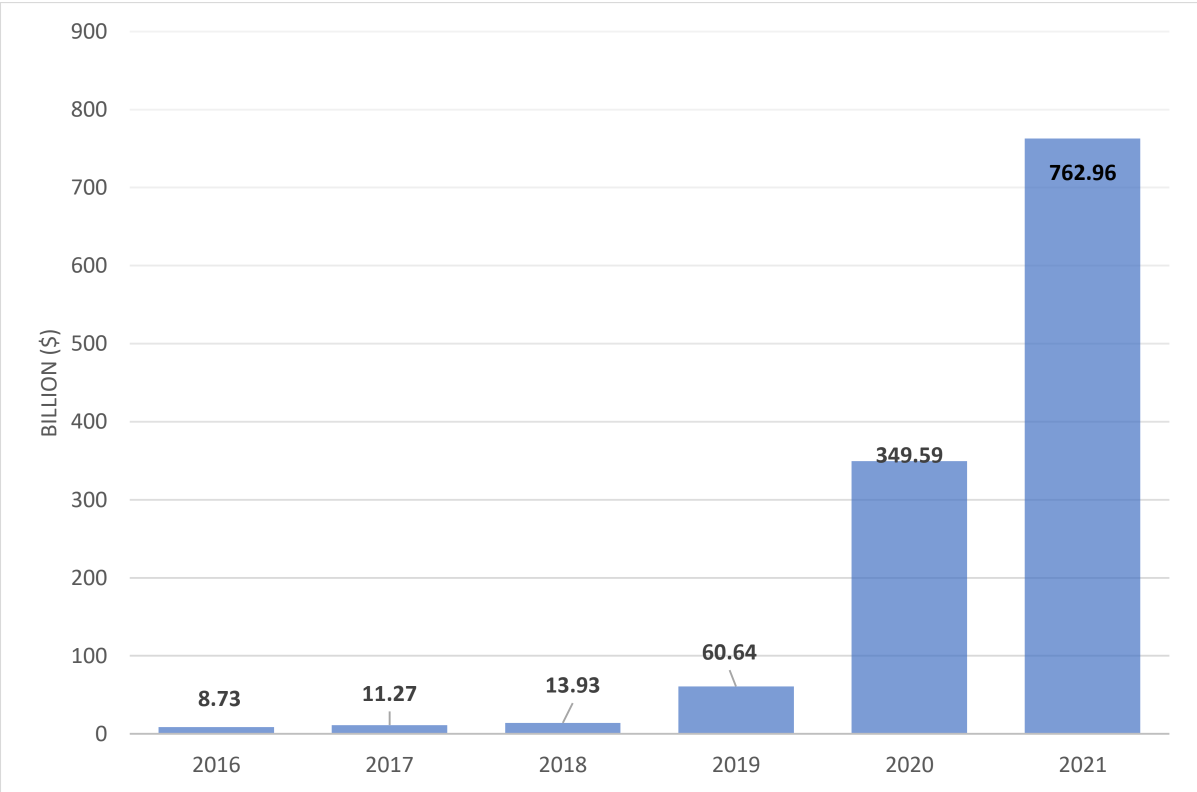
Composition of Assets

3.2 Total assets for the sector increased significantly from $349.59 billion as at 31 December 2020 to $762.96 billion as at 31 December 2021 representing 118.24% growth.

3.3 Banking sector assets largely comprised of loans and advances (27.61%), balances with foreign institutions (16.22%) and securities and investments (12.17%). The securities were largely government securities.

3.4 Trend in the banking sector assets is presented in the figure below.

Figure 9: Trend in the Banking Sector Assets 2016 to 2021

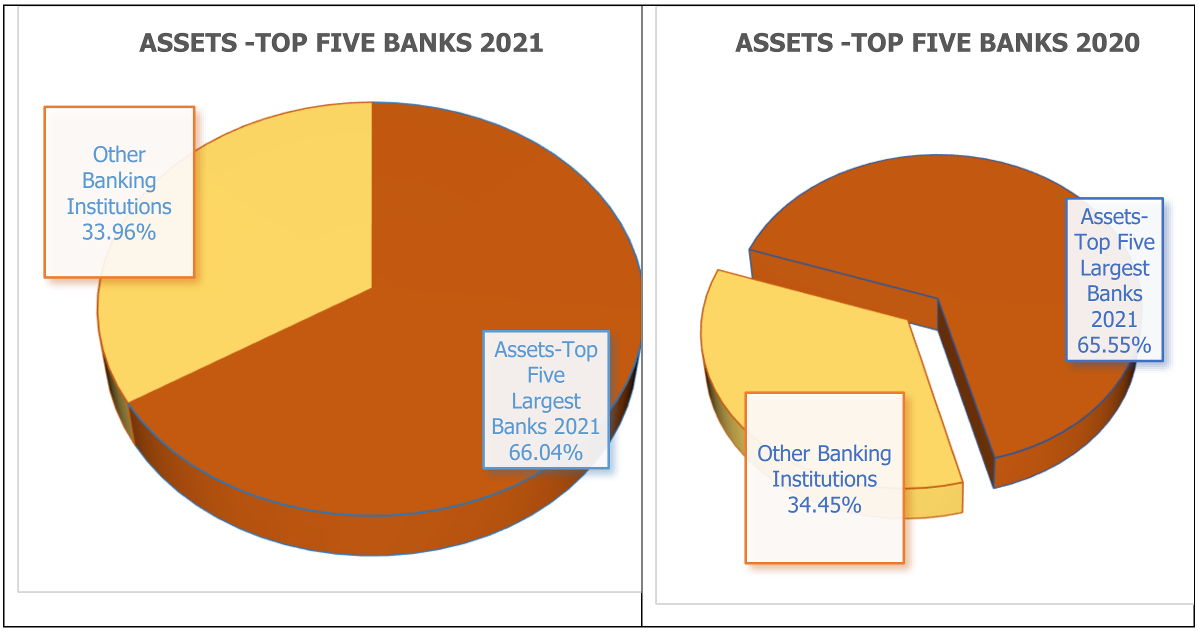


3.5 Total loans and advances for the sector increased from $82.41 billion to $229.94 billion as at 31 December 2020 and 31 December 2021, respectively.

3.6 As at 31 December 2021, five banking institutions accounted for 66.04% of assets against 65.55% in the same period in 2020. Additionally, five banking institutions constituted, 69.70% (2020:71.57%) of total deposits and 70.83% (2020: 75.23%) of total loans and advances.

3.7 The figure below shows the assets for the top five banks, also designated as D-SIBs as at 31 December 2021.

Figure 10: Concentration of Banking Sector Assets 2020 and 2021



Composition of Liabilities

3.8 As at 31 December 2021, total deposits for the sector were $476.35 billion, an increase from $204.13 billion reported as at 31 December 2020, up from $34.50 billion as at 31 December 2019.

3.9 Banking sector liabilities grew from $294.66 billion as at 31 December 2020 to $707.19 billion as at 31 December 2021.

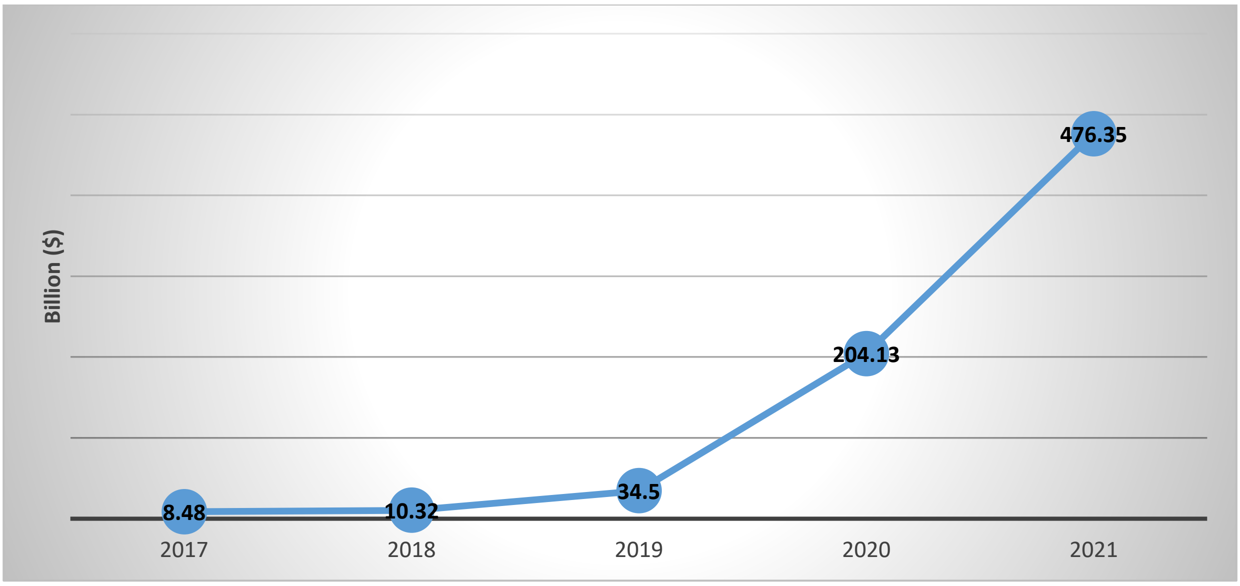
3.10 The banking sector's main sources of funding as at 31 December 2021 were foreign currency deposits (46.19%) and demand deposits (45.84%).

Banking Sector Deposits, Liquidity and Financial Intermediation

Trend in Banking Sector Deposits

3.11 The trend in banking sector deposits over the period 31 December 2015 to 31 December 2021 is shown in the figure below.

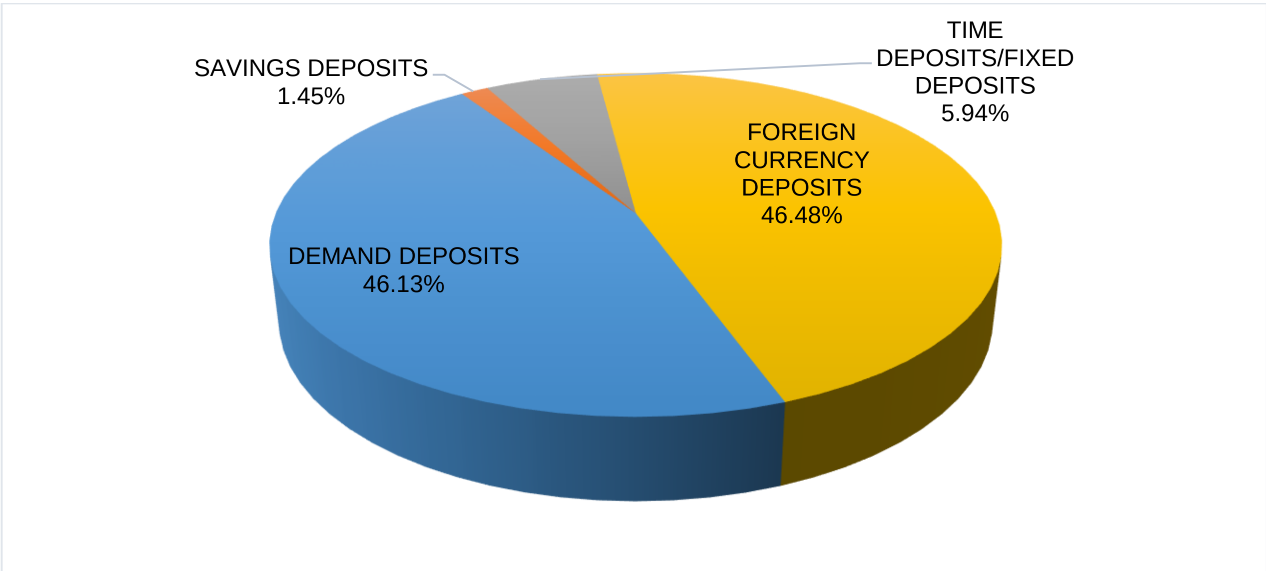
Figure 11: Trend in Banking Sector Deposits (billions)



3.12 Total banking sector deposits were largely made up of foreign currency deposits and demand deposits as at 31 December 2021 constituting 46.48% and 46.13%, respectively.

3.13 Banking sector composition of deposits is as shown in the figure below.

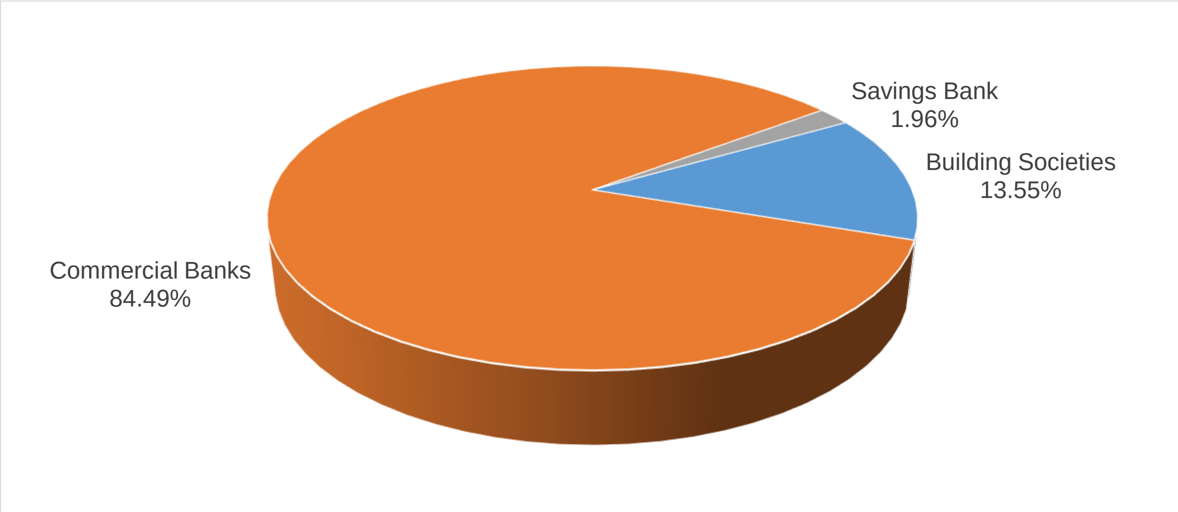
Figure 12: Composition of Deposits as at 31 December 2021



3.14 As at 31 December 2021, the commercial banking sub-sector had the largest share of deposits constituting 90.53% of the total banking sector deposit which was however a marginal decrease from 91.02% as at 31 December 2020.

3.15 The figure below shows the distribution of deposits for the entire banking sector.

Figure 13: Distribution of Deposits



3.16 Commercial banks continue to dominate the sector in terms of deposits.

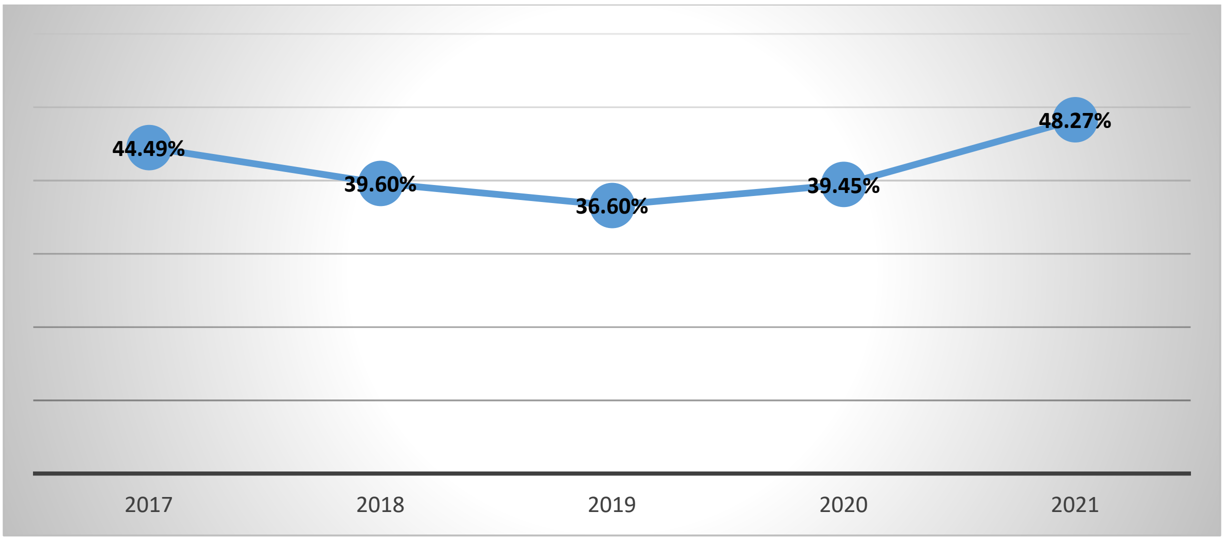
3.17 The banking sector's average prudential liquidity ratio as at 31 December 2021 was 64.37% % against the minimum regulatory ratio of 30%.

3.18 Meanwhile the loans to deposit ratio increased from 39.45% as at 31 December 2020 to 48.27% as at 31 December 2021 reflecting an improvement in the level of financial intermediation.

3.19 The level of financial intermediation in the sector was also upheaved by lines of credit for the sector which summed at $21.69 billion as at 31 December 2021, which were channeled towards productive sectors of the economy.

3.20 The figure below shows that the loans to deposits ratio trend has largely remained stable.

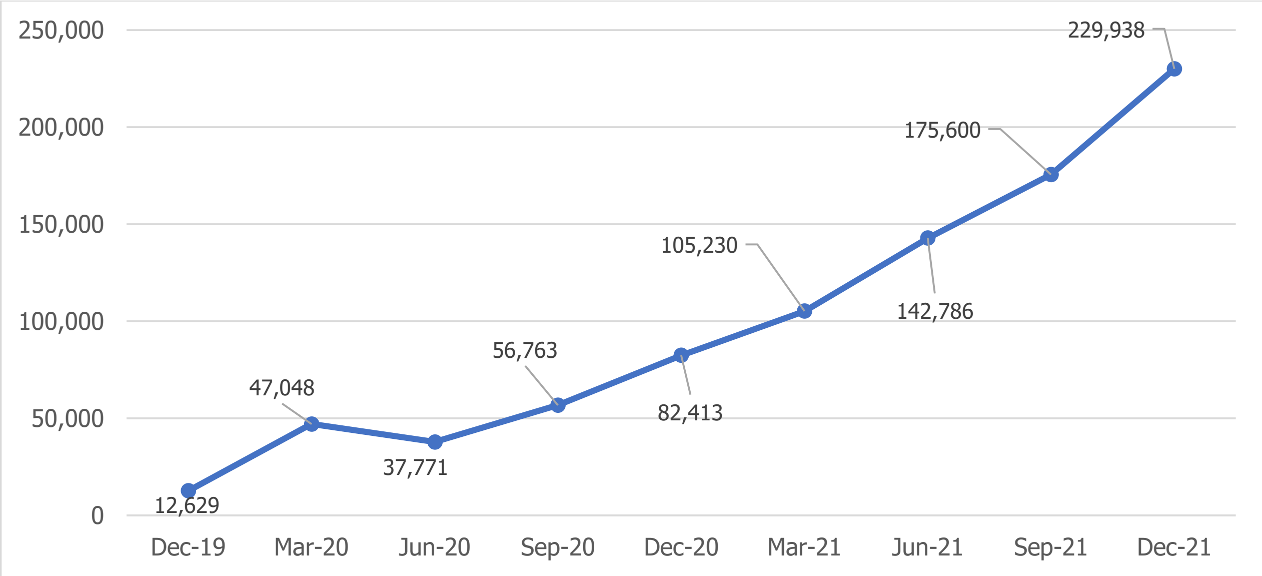
Figure 14: Loans to Deposits Ratio Trend Dec 2017 to Dec 2021



Loans and advances

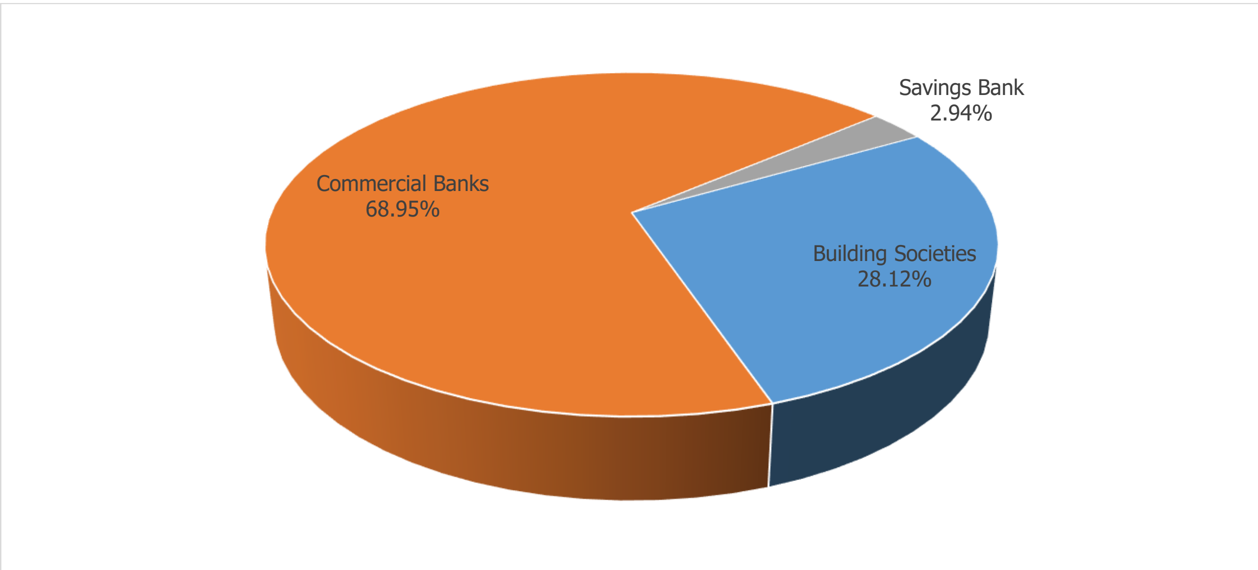
3.21 As at 31 December 2021, the total banking sector loans and advances were $229.94 billion an increase from $82.41 billion as at 31 December 2020, as further shown in the diagram.

Figure 15: Trend in Banking Sector Loans and Advances



3.22 The commercial banking sub-sector accounted for 68.95% of the total banking sector loans and advances as shown in the diagram below.

Figure 16: Total Banking Sector Loans & Advances – 31 December 2021

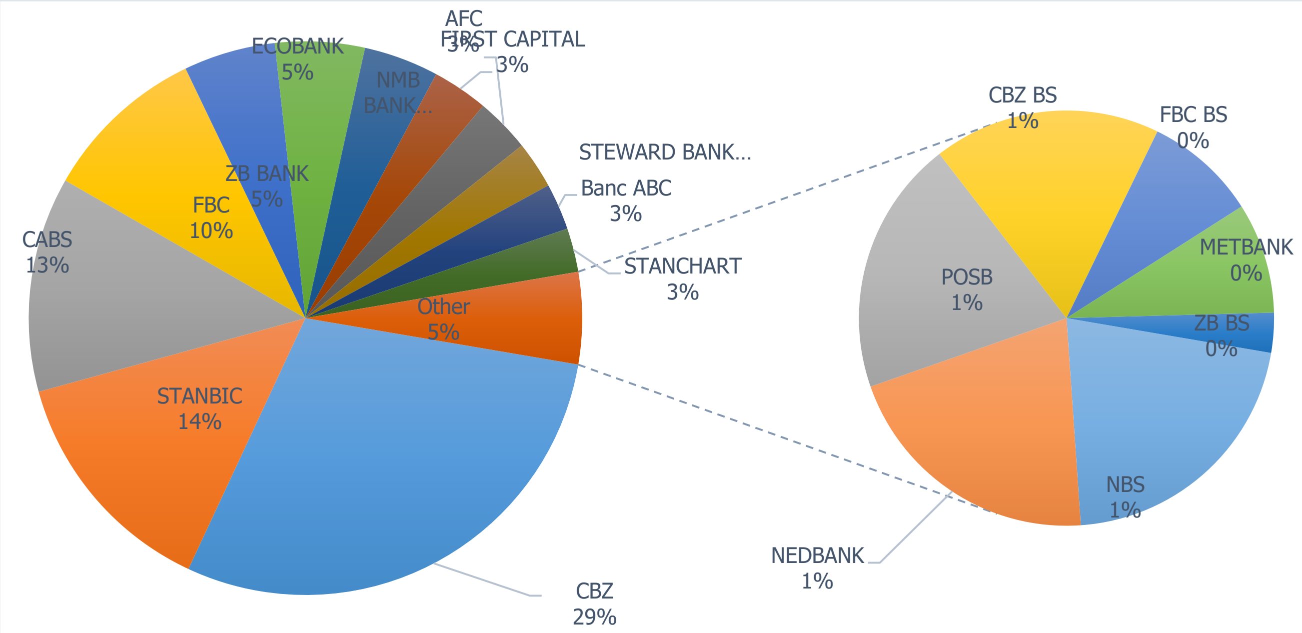


Loan Concentration

3.23 As at 31 December 2021, top five (5) banking institutions accounted for 70.54% of the total banking sector loans and advances compared to 75.53% as at 31 December 2020.

3.24 The figure below shows the concentration of loans by banks as at 31 December 2021.

Figure 17: Loan Concentration by Bank – 31 December 2021

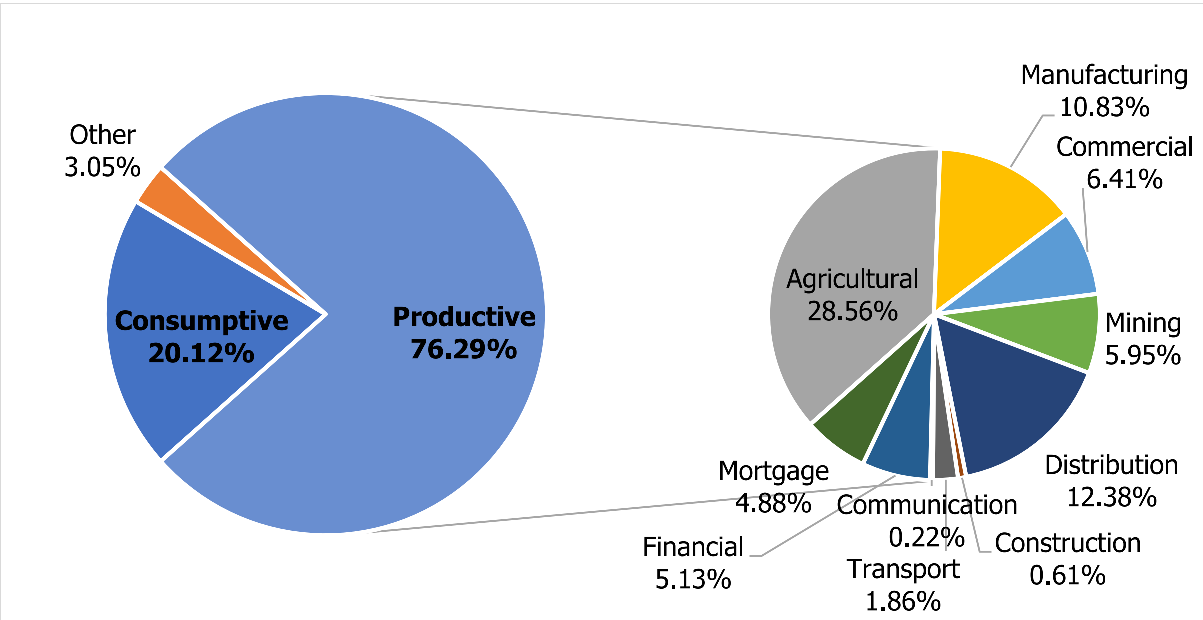


Sectoral Distribution of Loans and Advances

3.25 Lending to the productive sectors of the economy slightly decreased from 82.50% as at 31 December 2020 to 76.29% as at 31 December 2021, representing 8.14% decline.

3.26 The sectoral distribution for loans and advances is shown in the figure below.

Figure 18: Sectoral distribution – 31 December 2021

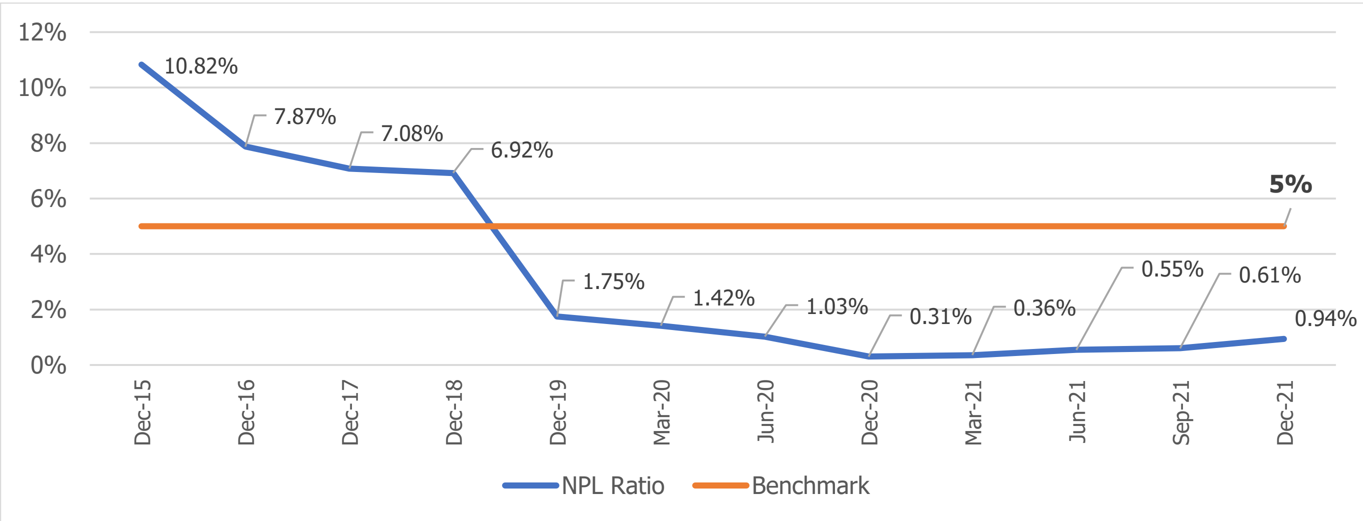


Non-Performing Loans (NPLs)

3.27 As at 31 December 2021, banking sector portfolio quality remained satisfactory with the average non-performing loans (NPLs) to total loans ratio of 0.94% against the generally acceptable international threshold of 5%. Banking institutions are being encouraged to continue to implement effective credit risk management practices.

3.28 The trend in the level of non-performing loans from 31 December 2015 to 31 December 2021 is indicated in the figure below.

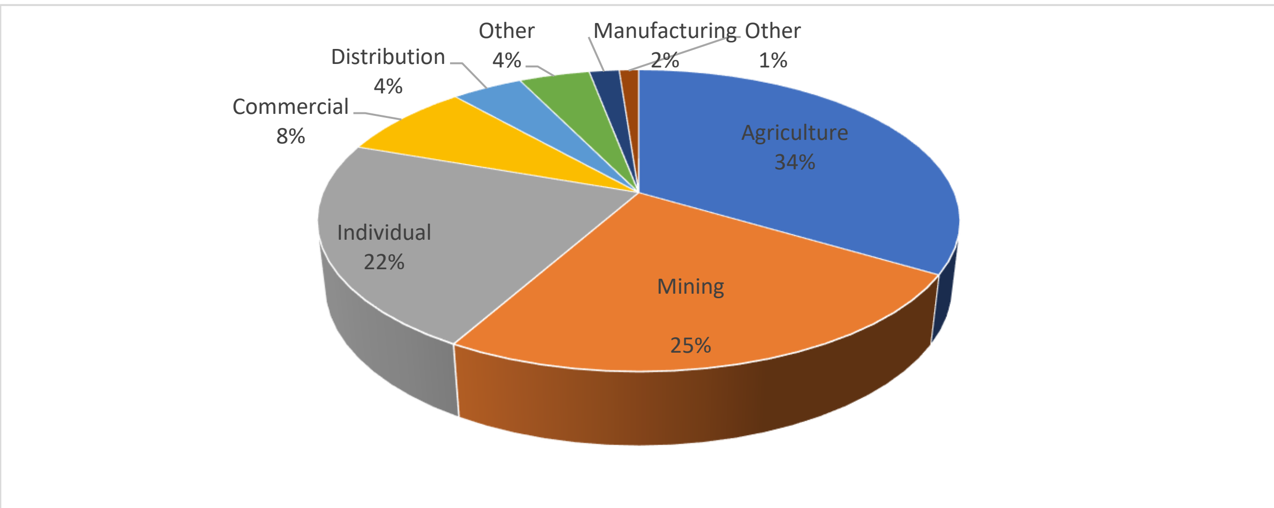
Figure 19: Trend in Non-Performing Loans: 31 Dec 2015– 31 Dec 2021



Sectoral Distribution of NPLs

3.29 Sectors with the highest NPLs during the period under review were agriculture, mining and the household sector constituting 34%, 25% and 22% respectively as shown in the figure below:

Figure 20: Sectoral Distribution of NPLs as at 31 December 2021



Banking Sector Capital Adequacy

3.30 The banking sector remained adequately capitalized, with the banking sector average capital adequacy and Tier 1 ratios of 32.86% and 26.54% respectively.

3.31 Aggregate core capital increased by 147.94% from $40.75 billion as at 31 December 2020 to $101.04 billion as at 31 December 2021. Growth in core capital was mainly as a result of capital injection by shareholders as well as recapitalisation of revaluations gains on investment properties during the period.

3.32 In January 2020, the Bank increased the minimum capital requirements for the various classes of financial institutions as part of measures to promote resilience in the financial services sector.

3.33 The deadline for compliance with the minimum capital requirements was extended from 31 December 2020 to 31 December 2021 as a result of the prevailing challenging environment which was worsened by the negative impact of the COVID-19 pandemic conditions.

3.34 Comparative banking sector capitalisation for 2020 and 2021 is shown in Table 5.

Table 3: Banking Sector Capital Adequacy

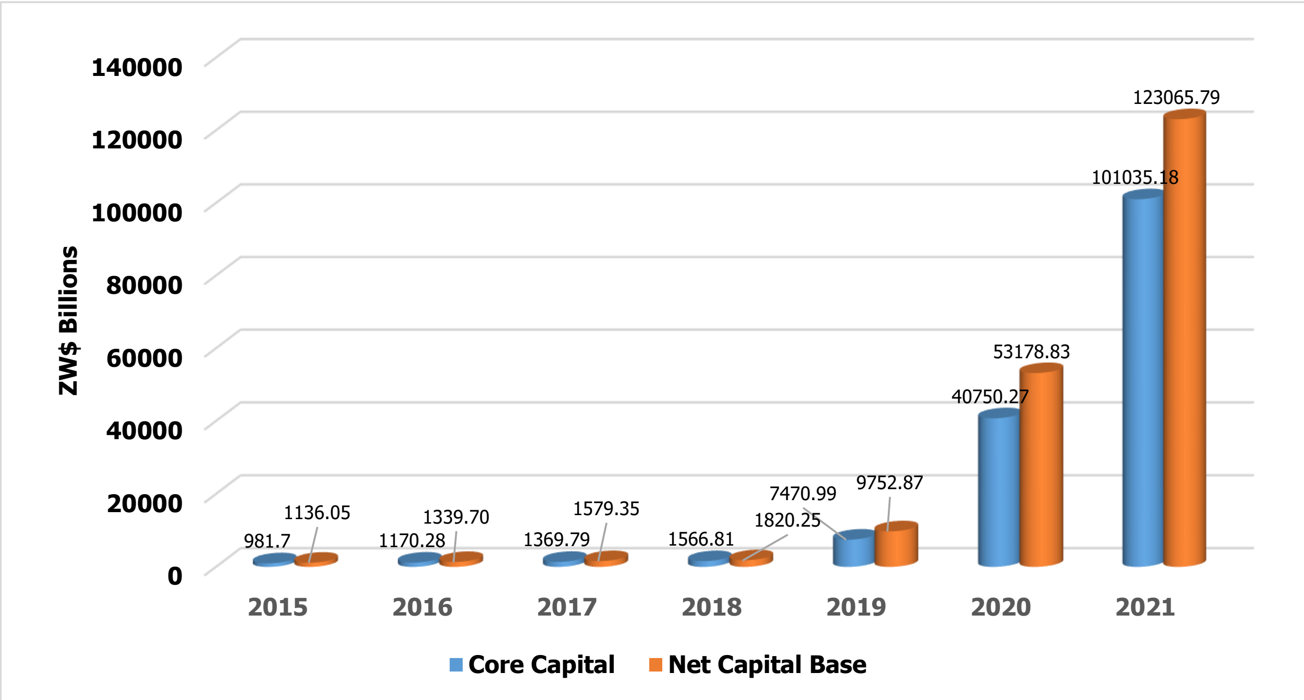
Institution	Capital Adequacy Ratio		Tier 1 Capital Ratio	
Commercial Banks	**31 December 2020**	**31 December 2021**	**31 December 2020**	**31 December 2021**
Metbank	71.17%	76.46%	73.76%	75.05%
CBZ Bank	23.19%	22.59%	16.05%	18.99%
Stanbic Bank	26.24%	20.60%	19.28%	16.45%
Ecobank	26.64%	24.52%	24.79%	21.18%
ZB Bank	28.08%	21.22%	25.56%	17.69%
BancABC	32.24%	26.20%	24.80%	18.43%
First Capital Bank	29.14%	36.56%	21.74%	33.74%
FBC Bank	16.38%	19.80%	10.69%	14.81%
Standard Chartered	33.05%	29.59%	23.47%	25.51%
NMB Bank	32.93%	25.16%	21.99%	18.82%
Nedbank	21.13%	26.28%	15.71%	19.50%
AFC Commercial Bank	22.62%	17.49%	16.50%	11.66%
Steward Bank	14.63%	40.75%	3.63%	32.75%
Building Societies				
CABS	34.52%	26.91%	19.25%	18.97%
CBZ Building Society	24.45%	-81.34%	11.73%	-81.34%
National Building Society	66.06%	14.99%	60.03%	12.18%

Institution	Capital Adequacy Ratio		Tier 1 Capital Ratio	
FBC BS	32.92%	45.15%	19.51%	34.22%
ZB Building Society	53.61%	56.98%	48.62%	53.49%
Savings Bank				
POSB	37.59%	37.64%	23.31%	30.86%

3.35 The merger of CBZ Bank and CBZ Building Society which is underway, is expected to address capital deficiencies of CBZ Building Society. The merger was approved by the Minister of Finance & Economic Development on 20 May 2022.

3.36 The trend in the banking sector capitalization from 2015 to 2021 is shown in Figure 10.

Figure 21: Banking Sector Capitalisation Levels – (2015 - 2021)



Earnings Performance

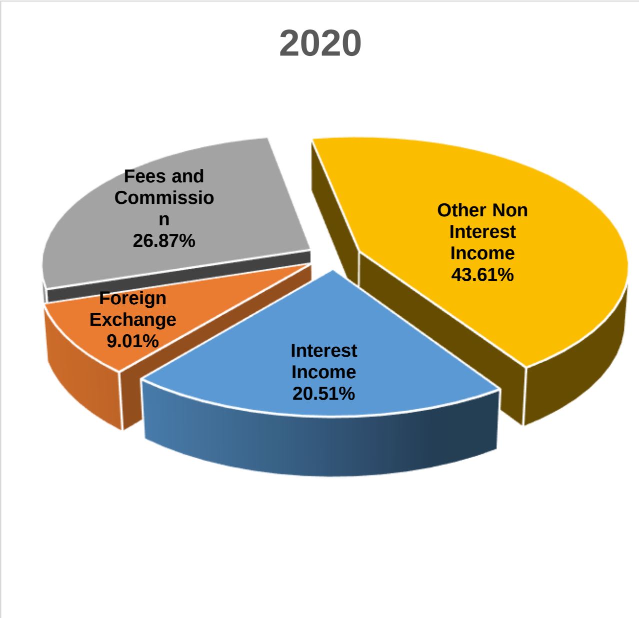
3.37 During the year ended 31 December 2021, 18 operating banking institutions were profitable, with aggregate profits of $59.59 billion, an increase from $34.24 billion reported in the corresponding period in 2020.

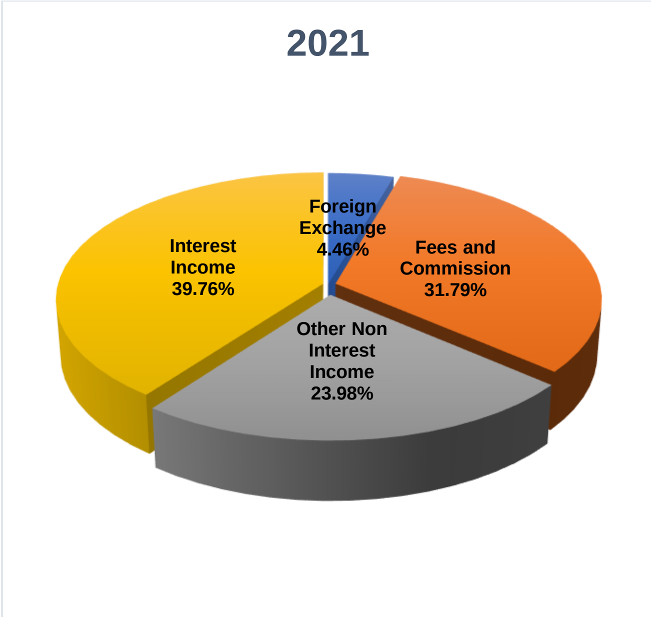
3.38 Total income was dominated by non-interest income (60.24%) which mainly comprised of fees and commissions.

3.39 Non-interest income was skewed towards fees & commission and other non-interest income (revaluation gains from investment properties and translation gains on foreign currency denominated assets) which contributed 52.78% and 39.81% of the total non-interest income, respectively.

3.40 Interest income ($56.81 billion) was largely comprised interest from loans and advances which constituted 87.98% of total interest income during the period under review.

Figure 22: Comparison of Income Mix – 2020 and 2021

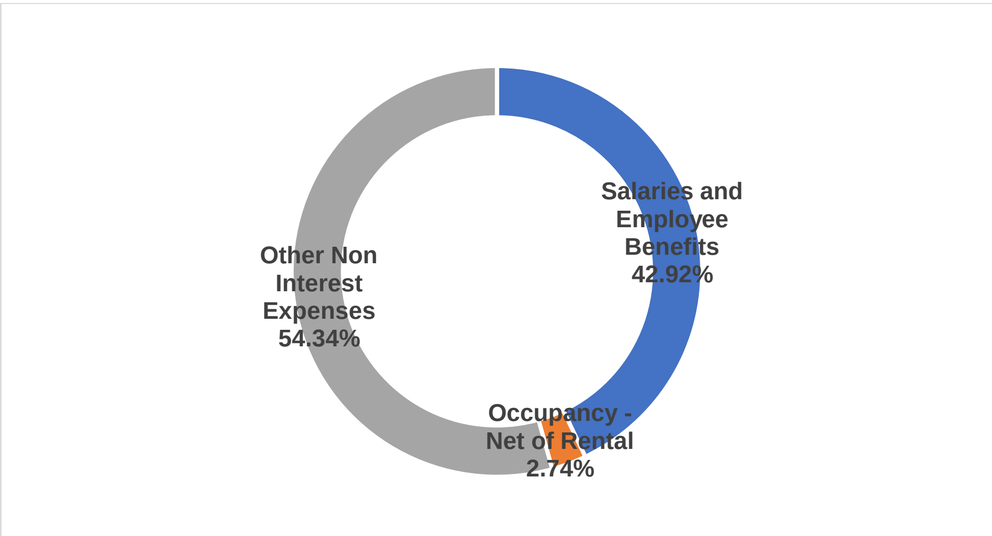




3.41 Interest income accounted for 39.76% of total banking sector income in 2021 compared to 20.51% in 2020.

3.42 The breakdown of non-interest expenses for the period under review is indicated in the figure below.

Figure 23: Banking Sector Non-Interest Expenses – 31 December 2021

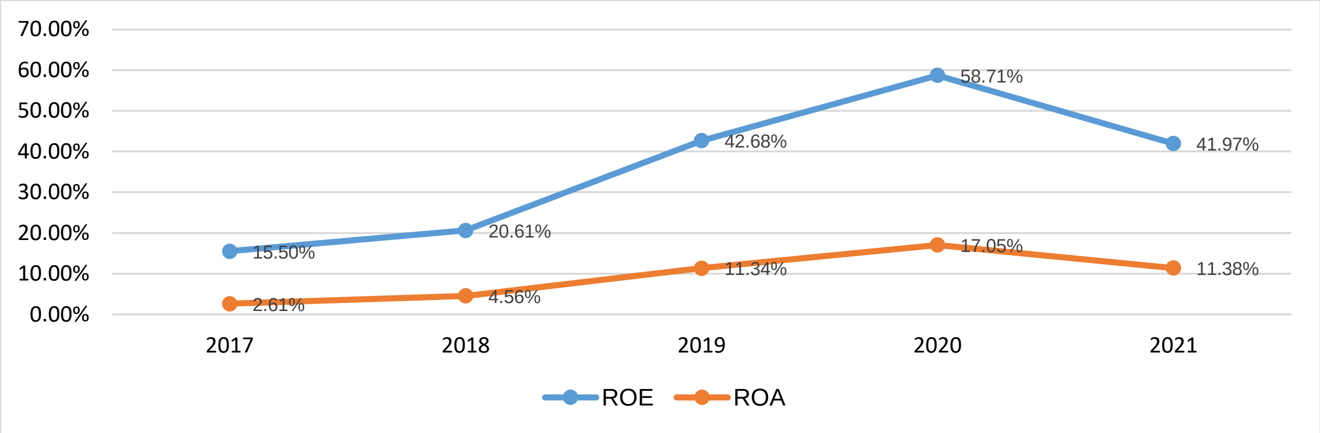


3.43 The cost to income ratio for the banking sector improved marginally from 71.97% as at 31

December 2020 to 71.61% as at 31 December 2021.

3.44 Banking sector profitability as measured by the return on assets and return on equity ratios deteriorated from 17.05% and 58.71% as at 31 December 2020 to 11.38% and 41.97% as at 31 December 2021, respectively.

Figure 24: Trend in Profitability Indicators



3.45 Over the five-year period from 2017 to 2021, there was a general positive trajectory in both the ROE and ROA ratios with a peak in both ratios during the year 2020. The decline witnessed during the year 2021 was mainly as a result of the effect of the COVID-19 pandemic on the general performance of the economy.

4. LEGAL & REGULATORY DEVELOPMENTS

Amendments to the Banking Regulations

4.1 As part of efforts to align the Zimbabwean regulatory framework with best practice, strengthen the financial sector and maintain financial stability, amendments were effected to the legal framework.

Lending to Related Parties

4.2 The Zimbabwean legal framework provides specific conditions for lending to related parties as a measure to facilitate effective management of credit risk and to control potential abuse of insider loans. In order to balance the measure of control and allow for efficient conduct of banking business, a maximum amount that may be lent to related parties without conditions specified under ***section 35 of the Banking Act*** was gazetted.

4.3 The **Banking (Amendment) Regulations No. 7 of 2021** was gazetted on 5 March 2021, to provide the maximum amount which can be lent to related parties by banking institutions from ZW$50,000.00 to an amount, in local currency, equivalent to US$15,000.00.

Registration of Institutions to Operate within International financial services centres

4.4 Through **Finance Act Number 7 of 2021**, the Banking Act was amended to provide supplementary provisions on the establishment and registration of institutions to operate from the international financial service centres, as may be set up in Zimbabwe from time to time.

4.5 A qualifying foreign or locally-based banking institution, or qualifying foreign or locally – based financial institution may apply to the Registrar of Banking Institutions or the relevant regulatory authority under the relevant Act, for an international financial services centre operating licence, specifying in which Special Economic Zone it wishes to establish itself.

4.6 All the investor guarantees provided for under the **Zimbabwe Investment and Development Agency Act [Chapter 14:38]** shall apply to an IFSC licensee, provided that the prudential and market conduct terms and conditions of an IFSC licence governing its operation as a banking institution or financial institution shall prevail.

Services that may be offered within International Financial Services Centre

4.7 In terms of the Banking Amendment, international financial service licensees may carry on banking and financial businesses and other activities as permitted under their operating licenses, having regard to whether they are registered as a banking institution or other financial institutions. The services that may be authorised include the following:

a. financial and banking services including the business of investment and commercial banking institutions, financing companies, wholesale trading and electronic banking;
b. insurance, re-insurance and insurance brokerage services including property and casualty insurance and other kinds of insurance and any other related services;
c. the trading of, and advising on, securities, commodities and derivatives, and other related financial services;
d. money management services, investment services and investment fund services for the purpose of financing projects and providing capital for companies and establishments in all fields of investment;
e. pension funds, investment funds and trust services; and
f. brokerage, clearing, settlement and custody services.

International Financial Services Council

4.8 The International Financial Services Council, which will be made up of members to be drawn from the Ministry of Finance & Economic Development, Reserve Bank of Zimbabwe, Securities & Exchange Commission, Insurance & Pensions Commission and one industry expert to be appointed by the Minister of Finance & Economic Development, was established.

4.9 The Council is tasked with providing direction and addressing any challenges in the development of the International Financial Services Centre and advising the Minister on the setting up and establishment of an International Financial Services Authority. The mandate of the International Financial Services Authority shall be development and regulation of financial products and services and financial institutions operating within the centre.

Update on Failed Banking Institutions

4.10 As at 31 December 2021 compensation to depositors from the Deposit Protection Fund was 23,242 (42%) out of 54,909 by number; whilst in monetary terms ZW$4.04 million (63%) had been paid against an exposure amount of ZW$6.4million.

4.11 Total recoveries in cash, treasury bills, and properties increased from ZW$213 million in September 2021 to ZW$217 million in December 2021 translating to a recovery rate of 80 % as at 31 December 2021.

4.12 Total dividends paid out to concurrent creditors of the six (6) failed banking institutions under liquidation were ZW$92 million or 78 cents per dollar as at 31 December 2021.

4.13 The Deposit Protection Corporation, which is the liquidator for Royal, Interfin, Trust and Afrasia banking institutions, instituted legal proceedings against certain directors of the failed banking institutions. While some of the cases remain pending, others have been resolved out of court with the Liquidator receiving payments in full and final settlement of claims.

Capital Bank (In Final Liquidation)

4.14 Petwin Executor & Trust Company (Private) Limited was confirmed the Liquidator of Capital Bank by the High Court following dismissal of an appeal which had been lodged by the institution's shareholders against the liquidation.

4.15 The first creditors meeting for Capital Bank was held on 17 November 2021. About six (6) creditors proved their claims as per the Liquidator's report, and the actual and estimated costs are expected to be covered in full, should the realisation of the institution's assets be successful.

Penalties Levied for Non-Compliance

4.16 During the period under review, two institutions were penalised for non-compliance with the legal framework governing banking institutions.

4.17 The two institutions were penalised ZW$1,820,000.00. and ZW$3,500,000.00 for failure to publish financial statements for the half-year ended 30 June 2021 and misrepresentation to customers on failure to honour FCA deposit withdrawals, respectively.

Consumer Complaints Management

4.18 The Bank received twenty-four (24) complaints involving thirteen (13) banks as at 31 December 2021. Seventeen (17) complaints were resolved, and seven (7) complaints are still outstanding. The various complaints are enumerated hereunder:

4.19 Customer Complaints as at 31 December 2021

Type of Complaint	**Received**	**Resolved**	**Outstanding as at December 31, 2021**
Failure to access funds	3	2	1
Unauthorised Debits	6	3	3
Closure of FCA Accounts	1	-	1
Others	14	12	2
Total	**24**	**17**	**7**

5. OUTLOOK

5.1 The rollout of the COVID-19 vaccination program has facilitated the resumption of economic activities and the banking sector is expected to continue to play an important role in supporting the funding requirements of the economy as recovery gains traction.

5.2 Economic growth for Sub Saharan Africa in 2022 is expected to reach 3.3 percent, supported by stronger external demand from the region's trading partners, and improved mitigation of COVID-19. The geo-political tensions in Europe, however, anticipated to trigger a contraction in global trade, sending food and energy prices sharply higher due to rising inflation and supply chain disruptions.

5.3 As part of adoption of sustainability principles, a number of banking institutions have shown commitment to integrate environmental, social and corporate governance (ESG) factors into their corporate strategies.

5.4 The Bank will continue to monitor and engage banking institutions granted extensions for compliance with the new minimum capital requirements effective 31 December 2021. The Bank has noted the various capital raising initiatives being pursued and is confident that the remaining institutions will meet the minimum capital requirements by 31 December 2022.

5.5 Adaptation to the dynamic supervision landscape to meet the challenges of the future, and local and regional cooperation on supervision activities will remain key focus areas in the outlook. Enhanced off-site supervision capabilities gained during the COVID-19 induced era of remote examinations are expected to strengthen supervisory regimes going forward and hence promote the safety and soundness of banking institutions.

5.6 Financial institutions are increasingly exploring the benefits of technological advancements such as cloud banking services and platforms operated in-house, or off-premises by cloud service providers. Contemporary developments across the world indicate that while the general norm in the past was for cloud services deployments to take the form of a private cloud, there is a growing trend of adoption of a combination of private and public clouds to create a hybrid cloud.

5.7 Increased digitization of financial services has given rise to emerging cyber-security risks such as ransomware, cloud-based cyber-attacks and social engineering where customers are tricked into giving over their credential or sensitive details. In this regard, the Bank will maintain heightened attention to the threat of cyber-attacks on payment systems and embark on digital literacy initiatives.

5.8 The Bank will continue to emphasize the need for financial institutions to implement effective risk management measures to mitigate cyber risk in line with the Risk-Based Cyber Security Framework. Banking institutions will be expected to inform the Bank about any incidents that have occurred that can affect the viability of their operations or their ability to deliver services and products.

5.9 On its part, the Bank will continue to stay abreast with cybersecurity trends and emerging risks while sustaining an enabling environment for innovation and digitisation by banking institutions to increase efficiency in the sector.

5.10 In a post COVID-19 environment, working remotely also entails banks to identify the optimal mix for their operating models and ensure they have sufficient infrastructure to facilitate long term flexible working.

APPENDICES

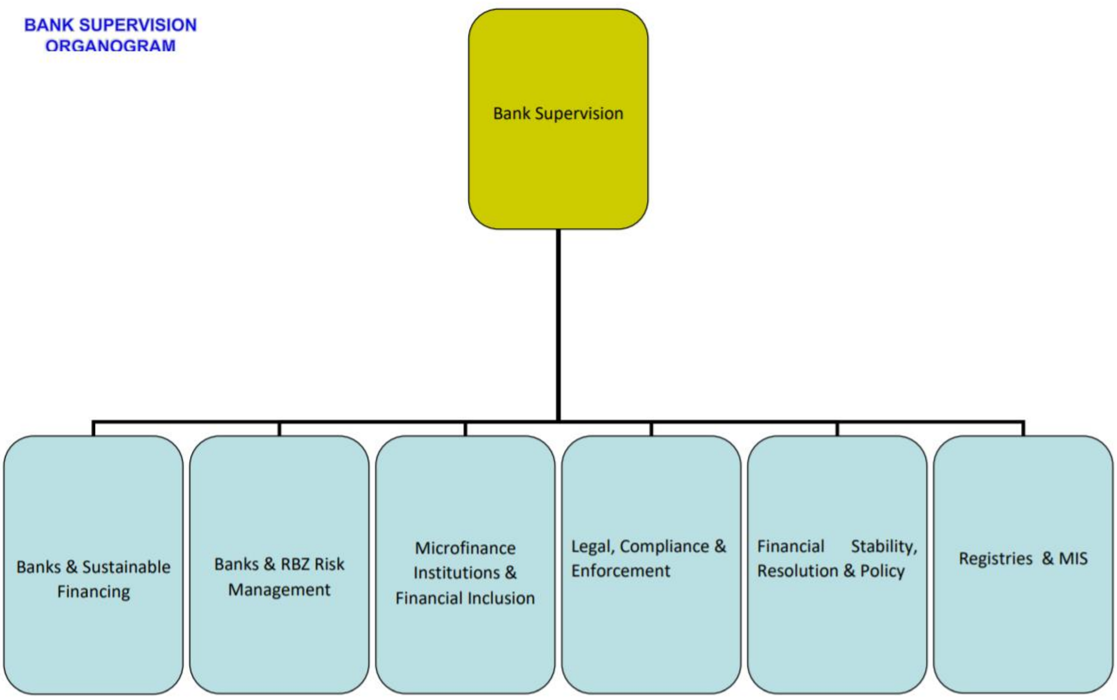
APPENDIX1: FUNCTION AND ORGANIZATION OF BANK SUPERVISION DIVISION

Function of Bank Supervision Division

1. The Reserve Bank of Zimbabwe, in terms of **Section 6 of the Reserve Bank Act [*Chapter 22:15*]**, is mandated to foster the stability and proper function of the Zimbabwean Financial System as well as **supervision of banking institutions**, among others.

Organization of the Bank Supervision Division

2. In a bid to fulfil its mandate to foster and maintain financial stability, Bank Supervision Division is organized into six (6) departments as illustrated below.



APPENDIX 2: REGISTERED BANKING INSTITUTIONS AS AT 31 DECEMBER 2021

Banking Institution	Address & Website
AFC Commercial Bank (formerly Agribank)	15th Floor, Hurudza House 14-16 Nelson Mandela Avenue Harare Tel: 774429 or 773704/5 or 774554 Fax 774554 www.agribank.co.zw
BancABC	1 Endeavour Crescent Mt. Pleasant Business Park Harare Phone: 701636/52; 739089 Fax 727330 www.bancabc.com
First Capital Bank (formerly Barclays Bank)	3 Anchor House 1st Street/Jason Moyo Avenue Harare Phone: 758280/99 or 758324 www.africa.barclays.com
CBZ Bank	3rd Floor, Union House 60 Kwame Nkrumah Avenue Harare Phone: 749714 or 748050/79 / 759110-6 Fax 758077 www.cbz.co.zw
Ecobank	Sam Levy's Office Park Block A, Piers Road Borrowdale Harare Phone:851642/7 **or** 706036/7 701350/3 **or** 703011/2/4 / 851642 Fax: 794993 www.ecobank.com
FBC Bank Limited	FBC Centre Nelson Mandela Avenue Harare Phone:704462/704481/77 2705 Fax 704995 www.fbc.co.zw
Nedbank Zimbabwe Limited (formerly MBCA Bank Limited)	Old Mutual Centre 3rd Street/Jason Moyo Harare Tel: 701636/52 Fax 727330 www.mbca.co.zw
Metbank Zimbabwe Limited	Metropolitan House 3 Central Avenue Harare Phone: 706091/706128 /701970 Fax 733014 www.metbank.co.zw
NMB Bank Limited	4th Floor, Unity Court Kwame Nkrumah Avenue Harare 759651/9 or 754933/5 or 709122/68 or 709124/09 www.nmbz.co.zw

Banking Institution	Address & Website
Stanbic Bank Zimbabwe Limited	Stanbic Centre Samora Machel Avenue Harare Phone: 759471; Fax 772126 www.stanbicbank.co.zw
Standard Chartered Bank Zimbabwe Limited	1st Floor, Standard Chartered Bank Building Cnr. Sam Nujoma Street/ Nelson Mandela Avenue Harare Phone: 253801-7 or 252289 Fax 252288 www.stanchart.co.zw
Steward Bank Limited	2nd Floor, 101 Kwame Nkrumah Avenue Harare Tel:79146/791444-8 Fax 791460 www.stewardbank.co.zw
ZB Bank Limited	21 Natal Road Avondale Harare Phone: 08677002001 www.zb.co.zw
Central African Building Society (CABS)	Northridge Park Northend Close Borrowdale Harare Phone: 883823/59 Fax 883804 www.cabs.co.zw
CBZ Building Society	Beverley Place 3 Selous Avenue Harare Phone: 792631/5 / 705001 Fax 705999 www.cbz.co.zw
FBC Building Society	5th Floor, FBC Centre Nelson Mandela Avenue Harare Phone: 783203-9 www.fbc.co.zw
National Building Society	14th Floor, Social Security Centre Cnr Sam Nujoma Street & Julius Nyerere Way, Harare Phone: 700032,35,39,42 www.nbs.co.zw
ZB Building Society	6th Floor, Finsure House Cnr. Kwame Nkrumah / Sam Nujoma Harare Phone: 252978, 252926, 253031, 758275 www.zb.co.zw
People's Own Savings Bank (POSB)	6th Floor, Causeway Building Cnr. Third Street/Central Avenue Harare Phone: 729700-9;737911-9; 735081-8 or 791134 Fax: 749012 www.posb.co.zw