RESERVE BANK OF ZIMBABWE

Celebrating

GLOBAL MONEY WEEK
22-28 MARCH 2021

GLOBAL MONEY WEEK®

WELCOME TO THE 2021 GLOBAL MONEY WEEK CELEBRATIONS!!!

1. The Global Money Week is an international annual event where the global community joins forces to facilitate better understanding of financial and money matters by young people, in preparation for them becoming future economic actors in the global financial services arena.

To date, the Global Money Week initiative has touched the lives of more than

40.2 million

children and young people in more than

175 countries

since its launch in 2012.

Catch them young! Build a well-informed financially literate Population!

WHAT IS THE 2021 GOBAL MONEY WEEK THEME?

2. The 2021 Global Money Week Celebration will be held from 22 to 28 March 2021. The GMW's official slogan is **"Learn, Save, Earn"** while this year's theme is **"Take care of yourself, take care of your money."**

3. The Reserve Bank of Zimbabwe joins the rest of the world by participating in various activities to raise awareness of financial inclusion of children and young people, teaching them about the banking sector, financial markets, money matters, saving, understanding changes in the economic systems they live in, earning money through entrepreneurship, and building their foundations for the future.

IMPORTANCE OF FINANCIAL EDUCATION OF CHILDREN AND THE YOUTH

4. As the Reserve Bank, our main objective in supporting financial education of the young people is to support them to become financially literate consumers who are capable of making sound financial decisions.

5. The benefits of a sound, financially literate population will reflect in the financial stability of our economy, as the young people prepare to transition from an economically dependent segment of the population to an economically active and contributor to the productivity and growth of the economy.

6. GMW celebrations resonate well with Zimbabwe's National Financial Inclusion Strategy where Financial Literacy is a key pillar which seeks to address financial exclusion and promote responsible access to and safe usage of financial services, and where we have identified the youth as one of the target group for the financial inclusion strategies.

WHY IS FINANCIAL EDUCATION GOOD FOR YOU AS A YOUNG PERSON?

7. Learning about money matters and financial matters is good for you as a young person for the following;

   a) Improves your understanding of the financial sector in Zimbabwe, the players in the market and what they offer – **KNOWLEDGE IS POWER!!!**

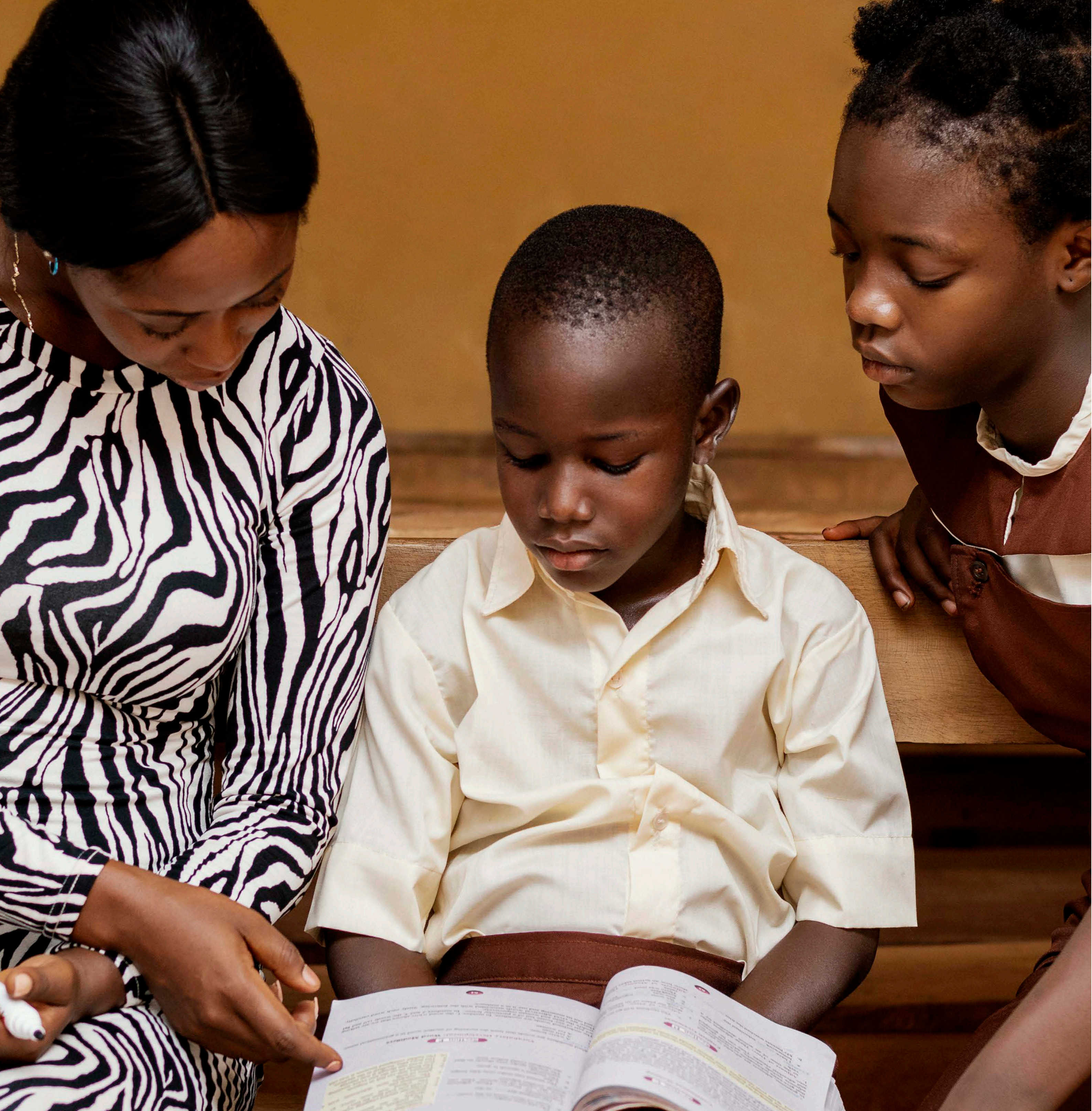
   b) Improves your knowledge of savings and investment products and opportunities;

   c) Improves your knowledge on banking practices;

   d) Digital financial services, the advantages and risks as well as how to protect yourself and your money- **POCKET MONEY IS NOW SENT ON DIGITAL PLATFORMS!!!**

   e) Understand and avoid predatory lending practices:

   f) Teaches you to **make money, save money, spend money wisely, and build up wealth for yourself,** your children and generations to come.



8. **This time around we want to learn more about the banking sector in Zimbabwe, who are the players and what these institutions do.**

ZIMBABWE BANKING SECTOR

9. The Zimbabwe financial sector is a diverse sector and comprises of the Reserve Bank of Zimbabwe at the apex of the financial services sector, commercial banks, building societies, deposit-taking microfinance institutions (DTMFIs), and credit-only microfinance institutions.

10. The financial services sector also comprises of the Insurance and Pensions sector, with the Insurance and Pensions Commission at the Apex of the sector, and comprises of life insurers, short-term insurers, pension funds and micro-insurers. The Sector also comprises of capital market operators which are regulated by the Zimbabwe Securities Commission (SEC) which is at the apex of that sector.

LION FINANCE ZIMBABWE Bank with pride
ZWMB Creating a woman with power
AFRICAN CENTURY A passion for empowering business
GetBucks
EmpowerBank
NMB BANK LIMITED
Success Microfinance Bank
nbs National Building Society
metbank
ZB BANK
FBC Bank Limited (Registered Commercial Bank) strength • diversity • service
Ecobank The Pan African Bank
POSB
First Capital BANK
CABS A Member of the OLDMUTUAL Group
Standard Chartered
Stanbic Bank A member of Standard Bank Group
cbz Holdings
AGRIBANK
BancABC part of atlasmara
NEDBANK

WHAT IS THE ROLE OF THE CENTRAL BANK

11. The Reserve Bank of Zimbabwe was established through the Reserve Bank Act [Chapter 22:15].

12. The Bank's main mandate is maintaining price and financial sector stability. In this regard, the Bank is responsible for the formulation and implementation of monetary policy, directed at ensuring low and stable inflation levels, and maintaining a stable banking system through licensing, regulation and supervision of the banking sector, including deposit-taking microfinance institutions and credit-only microfinance institutions. The Reserve Bank is also championing the financial inclusion of all bankable, economically active Zimbabweans that are currently financially excluded or underserved.

13. The Reserve Bank of Zimbabwe discharges its mandate through various activities:
    a) Monetary policy formulation and implementation;
    b) Issuer of bank notes and coins – the Reserve Bank is the sole issuer of currency;
    c) Custodian of gold and other foreign assets;
    d) Banker and advisor to government;
    e) Licensing, regulation and supervision of banks and microfinance institutions; and
    f) Bankers' bank and lender of last resort.

Structure of the banking sector…

14. As a young person, it is important for you to know the major types of banking institutions and the major services they offer to the bankable population in Zimbabwe.

Commercial banks…

15. There are thirteen (13) commercial banks operating in Zimbabwe as at 22 March 2021. The most significant and traditional function of commercial bank is accepting deposits from the public and providing loans. The main types of deposit accounts offered by a commercial banks include:
    a. Current accounts;
    b. Saving deposits; and
    c. fixed deposits.

16. For the current account, customers can withdraw their money in part or in full at any time. ***Current accounts usually attract very low interest rate*** because the bank cannot meaningfully utilise these short-term and usually volatile deposits.

17. Savings accounts deposits though payable on demand, are **opened by customers who want to save money for** a particular purpose. **Savings deposits earn a higher interest rate** to encourage people to save. On the other hand, fixed deposits are made for a fixed period and as a result earn a higher rate of interests.

18. Commercial banks also provide loans for productive or personal consumption. Loans can be granted in the form of advance credit, short- term loans, overdraft or long-term loans. Banks also provide other services such as payment services, foreign currency dealing and providing financial advice.

Building Societies…

19. There were five (5) building societies operating in Zimbabwe. Building Societies provide an avenue for saving money through savings and fixed deposit accounts. They also provide mortgage finance and other forms of building loans to eligible customers.

Microfinance institutions…

20. There are 198 licensed microfinance institutions in Zimbabwe including eight (8) deposit-taking microfinance institutions as at 31 December 2020. Microfinance institutions provide microfinance loans, also referred to as microcredit, to both individuals and also small businesses for consumption and to finance their micro, small and medium enterprises. Examples of such business include, starting a vegetable garden to sell the vegetables, a chicken project, or sewing uniforms, just to mention a few.

21. Both banking institutions and Deposit-taking Microfinance Institutions are members of the Deposit Protection Corporation (DPC), whose main mandate is to protect depositors' funds in the event of the demise of the bank or DTMFI.

DEPOSIT PROTECTION CORPORATION

22. The deposit protection is a scheme established by government on 1 July 2003 to protect depositors against the loss of their insured deposits placed with member institutions licensed to operate banking or finance business.

23. Deposit protection contributes to financial stability and helps to boost confidence in the financial system. Deposit Protection Scheme enhances consumer protection by providing protection to depositors as depositors will know when, how much and how their deposits are protected in the event of a bank failure.

IMPORTANCE OF FINANCIAL LITERACY TO THE YOUTH

24. Youth financial literacy provides financial capability skills to children and students from a tender age in school through to retirement – you can make informed decisions!!!

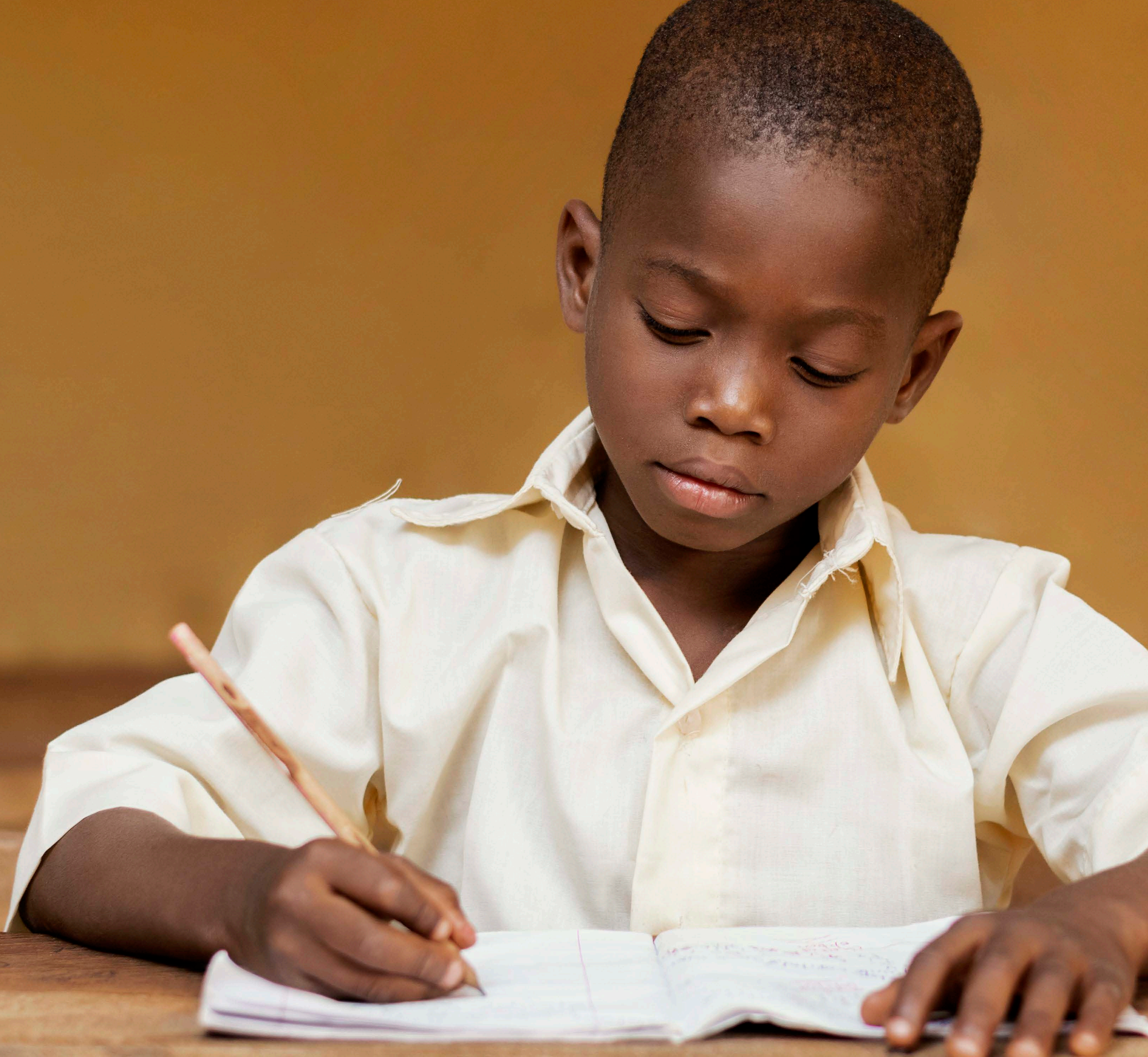
25. You can contribute to productivity at family level- because you are now a knowledgeable young entrepreneur- at 15 years of age!!! Wo-o!!!

26. You can participate in the family budgeting process!

27. You can attain financial independence!

28. By saving that pocket money – you can grow your money

LET'S LEARN ABOUT MONEY MATTERS!
GLOBAL MONEY WEEK – HERE WE COME!!!



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