Zimbabwe continues to suffer from investor mistrust and capital flight, as analysts cite lingering currency risks, policy inconsistencies, high inflation and socio-economic instability among the factors behind this.

Those who spoke to The Financial Gazette this week said while the recent monetary policy statement (MPS) by Reserve Bank of Zimbabwe governor John Mangudya had gone “some way” to mitigate the situation, this was not enough on its own to turn things around.

“There also still exist too many regulations and licensing regimes, which are hindering the ease of doing business in the country,” veteran economist John Robertson said.

“Though good, the recently announced reforms just remain promises. As a result, capital flight remains,” he said, adding that “new investors will continue to wait on the edges”.

Ahead of Mangudya’s MPS — which saw significant liberalisation of the foreign exchange market — Robertson had told The Financial Gazette that it would take “very bold moves” by the government for the country to regain lost investor confidence.

“Government needs to address all the bottlenecks to avoid more investor departures. The investor flight is a big disappointment for the country, particularly the brand image. When investors leave, chances are also high that they will externalise their money, and that does not bode well for capital prospects for the country,” he said then.

This comes as Mangudya readily admitted in his MPS that the mismatch between the official and parallel market foreign exchange rates had not only stoked inflation in the country, but also dampened investor confidence.

“The challenges faced included multi-tiered taxes,” he said, adding that “new

Omeka Ukama and Nelson Gahadza
Staff Reporters

Fuel prices creep up

Fuel prices in Zimbabwe have increased by as much as eight cents since President Emmerson Mnangagwa announced a drastic 150 percent increase in January this year.

A snap survey by The Financial Gazette this week showed that most filling stations in Harare are selling petrol at $3.37 per litre, with some charging $3.39 — up from $3.31. Diesel is retailing at $3.17 — up from $3.11.

Meanwhile, long queues have resurfaced at most service stations as shortages of the commodity persist.

See also Page 12

The challenges faced included multi-tiered taxes. To Page 2

ZSE Report

THE All Share index dropped a significant 3.84 percent on Tuesday to close at 135.54 points. BAT lost $1 to settle at $32. Natfoods shed $0.16 to trade at $7 while Cassava Smartech dropped $0.1296 to close at $1.2704. The Industrial index was down by 3.87 percent to close at 451.95 points, and the Top 10 index lost 4.71 percent to close at 131.18 points. The Minings index lost 0.68 percent to close at 205.62 points.

To Page 2
Chronic investor mistrust dogs Zim

By liberalising the foreign currency market — which has seen the local RTGS dollar pricing by business, speculative pricing, loss of government revenue, valuation and accounting difficulties, asset-liability mismatches and negative investor confidence,” he said.

Weighing in on the issue, Tony Hawkins another economist — said: “The major issue relates to uncertainty and country risk and investors are bound to make such decisions as halting operations or exiting.”

He added that Zimbabwe’s cause in this regard had also for a long time been undermined by companies’ inability to repatriate millions of dollars in dividends to their foreign shareholders — as “investors make decisions based on the bottom-line, and their ability to repatriate earnings”. By liberalising the foreign currency market — which has seen the local RTGS dollar trading at about 2.5 against the greenback — monetary authorities are hoping that stranded firms can finally repatriate their funds, albeit at a significant discount. Among the scores of companies, which have struggled to repatriate money and dividends from Zimbabwe are Lafarge, BAT and PPC as well as foreign airlines. Apart from the currency and hard cash crisis, business leaders have also warned that resurgent farm invasions and the recent deadly clashes between the country’s security forces and protesters had also seriously dampened investor confidence.

“They (authorities) are trying to encourage more investment into the country, but the tragedy is that the events that we have seen playing out ... kind of go against that,” Mark Leaumont, the CFO of Toronto-listed Caledonia Mining Corporation, said.

The dire local operating environment had seen prominent firms such as Daftabs — a unit of Adcock Ingram of South Africa — household goods maker Surface Wilmar, fudge producer Capi and Nampak Holdings’ local division suffocating badly from reduced or suspended support from their foreign parent companies.

Many planned large-scale investments, which were announced amid much fanfare — such as Great Dyke Investments, Karo Resources’ multi-billion dollar platinum projects and other government-led “megals deals” — had also remained a pipe dream.

“Zimbabwe’s economy is sinking and investors are jumping ship,” Steve Hanke, a renowned American applied-­measures a chance.

“They (investors) have had enough of the forex, fuel and raw materials shortage ... Zimbabweans are alarmed that the ‘official’ inflation rate has spiked to 56.9 percent, the highest in 10 years,” he said on Twitter prior to the MPS announcement, adding that “an economic death spiral lurks again”.

“As long as Zimbabwe continues to produce its own money, it will continue to be in the grips of a monetary death spiral. Indeed, the RTGS dollars are malignant and must be removed,” Hanke added.

According to Bloomberg, Africa attracted an estimated $40 billion in foreign direct investment (FDI) in 2018 — with most of this going to South Africa and Egypt. However, Zimbabwe had seen very little of this money due to its poor policies, among other negative factors.

Sifelani Jabangwe, the Confederation of Zimbabwe Industries (CZI) president, told The Financial Gazette last week that while the MPS managed to address some key concerns of industry, what was also critical now was “the efficient operation of the interbank foreign currency system”.

“Companies are now able to access foreign currency at lower rates. At the same time, investors will be able to move their funds. This is what has been among the issues that could have resulted in capital and investor flight from the economy,” he said.

Meanwhile, Industry minister Mangaliso Ndlovu says business should give the recently announced policy measures a chance.

“Yes it (the interbank market) has not worked smoothly, but it is still early days and we should give it time. Zimbabweans are always averse to developments. We always start by resisting,” he said in Bulawayo recently.

On his part, the European Union’s ambassador to Zimbabwe, Timo Oikonen, said a number of companies from the 27-member bloc were still “concerned about many issues in the country”.

“The operating environment, the expiration of profits and so forth ... these kinds of events about farm invasions ... are a deteriorating factor to people who are looking at Zimbabwe as an opportunity for investment,” he said recently.

“I know there has been substantial interest from our side, but people are waiting to see how the situation evolves,” Oikonen said.

Another indicator of capital flight from the country has been the Zimbabwe Stock Exchange (ZSE), where foreign participation has lately been depressed.

According to Respect Gwenziz, the lead researcher at Equity Axis, foreign participation on the bourse has recently dropped to an average of 35 percent, from 65 percent previously.

“Portfolio investments are prone to transitory shocks and may see further divestment from Zimbabwe,” he said.

“Ancillary in terms of new capital flowing in as FDI or portfolio investments. These are likely to evolve,” Olkkonen said.

Rest in peace ouR heRo
BRIGADIER - GENERAL EMILE EMIAS MUNEMO
**ZIMBABWEAN companies risk shutting down if employers capitulate to trade union demands for salary and wage hikes, economic analysts have said.**

This comes as most employees in the country are demanding a salary increase to cushion themselves against rising inflation, which reached a 10-year high of 56.9 percent in January.

Reserve Bank of Zimbabwe (RBZ) governor John Mangudya this week cautioned that while wage pressures were mounting, local companies and government could ill-afford a remuneration increase.

"As I have mentioned in the past, the Monetary Policy Statement measures will bring stability and help control inflation. So the need for a salary hike disappears. The solution to the country’s challenges lies in productivity and confidence," he said.

"Everyone needs to work hard, not just talk. This economy does not have the capacity to sustain higher salaries or wages than are currently obtaining because there is no production. Once there is production, maybe we can talk of wage increases," the central banker added.

Sifelani Jabangwe, the Confederation of Zimbabwe Industries (CZI) president, concurred with Mangudya and warned of potentially devastating consequences if employers gave in and increased wages in a low production-low export environment.

"It really is an egg and chicken situation because the current inflation at over 50 percent, means purchasing power has been eroded by more or less than much," he said.

The CZI leader proposed an “expansionary” programme that stimulates demand and boosts businesses first, before reviewing salaries.

"Some of our members have given hardship allowances and that appears to be the most sustainable solution," he said.

Government, Zimbabwe’s biggest employer with a 300,000 strong workforce, is also dealing with a similar predicament. But its position is trickier, according to analysts.

After floating the exchange rate, millions of working-class people witnessed the value of their salaries extensively eroded through the frenzy of price hikes, leaving them in a worse situation.

John Mufukare, immediate past executive director of the Employers’ Confederation of Zimbabwe, said unions were right to agitate for salary reviews.

However, the unrelenting crisis means companies have no room to manoeuvre, and any wage pacts should balance between incomes without hurting producers, he noted.

"Looking at reports that the RTGS dollar will devalue further, we are in a torrid time. Exporters will benefit but the ordinary business person will not benefit because devaluation increases the cost of production and makes things worse.

“We are already getting into an inflation spiral. And if prices rise workers will demand wage increases. Everything will fall apart because businesses have no capacity for now to raise wages. We dealt with this several times at TNF (Tripartite Negotiation Forum) and produced many papers. The solution is to look at what is causing our problems. Our currency is unable to hold its value, and there is less and less production,” Mufukare said.
We’re seized with Zinara issues’

The Zimbabwe National Road Administration (Zinara) is hoping to clear suspended chief executive Nancy Masuyiwa-Chamisa’s labour issues and position, as it looks forward to appointing a substantive head, board chairman Mike Madanian has said.

This also comes as finance director Simon Tarakihake has intimations and stoked debate that a recruitment process was underway after he had been fingered in a potentially problem-laden cash transfer issue, which his sympathisers say was “inimical administrative work to deal with the Development Bank of Southern Africa (DBSA) loans.”

We are still in the process of trying to resolve the issues with both parties. So far, our lawyers are not finding any implicatory information. It is up to the courts to decide, but some of the allegations against Masuyiwa-Chamisa are so light that you cannot make head or tail of them,” Madanian told The Financial Gazette this week, adding that some of the charges or allegations are “bizarre.”

The ex-University of Zimbabwe lecturer was suspended in June last year for allegedly failing the distinction of two senior staff — Tarakihake and operations director Precious Munyore — as well as enforcing corporative governance at the institution without former Transport minister Jarom Gumbo’s express approval.

Mathlene Muyokoro, the company secretary has been acting CE since July 2018.

While Masuyiwa-Chamisa’s moves to clean up Zinara had opened a can of worms amid suggestions that some senior executives were opposed to the release of a Grant Thornton forensic audit, attempts to nail her through disciplinary processes have fallen apart after tribunal chairman Moses Chinengweta was “exposed as remotely related or connected to Tarakihake’s wife.”

But Gumbo, who has been entangled in a number of questionable governance issues at the regulator — and recently called for an end to the board’s affordability assurance — also flew in the face of a good corporate governance approach by the company’s board in 2017.

Hence, new Transport minister Joel Rugga Madziro has deputy Fortune Chasi wielded the axe on Wilfred Raboro’s board duties for “failure to uphold good corporate governance”.

While Madanian has acknowledged that “there was serious jockeying and too much infighting for the CEO’s post” this week, Tarakihake told a local weekly last Friday that he was being “killed” over the DBSA monies — because he was in the running for the top job. Meanwhile, a rumoured Cabinet reshuffle has fuelled speculation that some ministers, including Gumbo, are eying a return to their previous portfolios.

“there is a strong lobby for Gumbo to return to the Transport ministry not only for the lads to consolidate their influence and erase any footprints, but we understand he is still the ‘super puppeteer’ across entities in that department — and in government to undermine Matiza, Chasi and Amos Murisa,” a source said, adding Madanian’s board was seen as “particular problematic and noir”.

“But it would be quite sad if number one was to reinstate him, given his chequered history of presiding over that. Zimbabwe National Road Administration protecting conflicted officials such as Angelina Kangwa, David Chavota and Aina Chira, as all enterprises under his watch also became ‘poster boys of incompetence and inefficiency,” and for all we care, the desired return might be pruned to restore the status quo,” they said.

And efforts to secure comment from Gumbo and presidential affairs spokesperson George Chibaya have been fruitless by the time of going to press.

Zimbabwe maize imports to increase

Tabitha Mutenga

Financial Gazette Features Editor

The Food and Agricultural Organisation (FAO) says Zimbabwe will this year be forced to import more grains to offset effects of adverse weather conditions.

The prevailing El-Nino induced weather phenomena is expected to cause a decline in economic productivity in Zimbabwe due to reduced agricultural production.

“Although official production forecasts are not yet available, the maize output is foreseen to decline for a second consecutive year to a near-average output of one million tonnes,” the FAO said in a recent report.

Southern African Development Community (SADC) says it comes as farmers’ unions have already indicated that the expected maize yield is estimated at 700,000 to 800,000 tonnes, which is lower than the previous season’s yield and a far cry from the 2.2 million tonnes national annual requirements.

With the Grain Marketing Board reportedly holding only 996,000 tonnes of maize in stock, and an intake reportedly holding only 996,000 tonnes of maize in stock, and an intake of 500,000 tonnes is projected during the forthcoming marketing season, Zimbabwean toxins are no doubt looking for more maize imports.

The funds are to “provide urgent protection support for 2.2 million tonnes of maize in stock, and an intake of 500,000 tonnes is projected during the forthcoming marketing season, economic experts say the country needs to import over 500,000 tonnes of maize to cover the supply gap.

Early this month, government and United Nations authorities launched an urgent appeal for US$234 million for more than five million people in urgent need of food due to a drought and a weak economy.

The funds are to “provide urgent food, health, water, sanitation, hygiene and protection support for 2.2 million people of the 5.1 million people in need over the next six months,” the United Nations said in a statement, which amounts to about a third of the country’s population.

“In areas across the country, there are acute shortages of essential medicines, and rising food prices have heightened the risk of gender-based violence, particularly for women and girls.”

Zimbabwe has been heavily dependent on maize imports over the years, importing more than one million tonnes from Malawi, Zambia and Mexico.

Meanwhile, the availability of grain on the regional market is limited as Zambia and Malawi have placed a ban on exports and there are limited carry-over stocks in South Africa.

A reduced maize yield for 2018/2019 is forecast.

Caledonia upbeat on investments

Nokuzila Majaka

Markets Editor

CALEDONIA Mining Corporation (Caledonia) says it is scouting for brownfield investments in Zimbabwe as it moves to grow its asset base in the southern African country.

Mark Learmonth, chief financial officer of the Toronto Stock Exchange-listed mining house, said much of the planned investment will come on stream from 2021, when the company completes development of a key shaft at Blanket, after which it will have surplus funding to explore fresh opportunities.

While we are currently preoccupied with completing the shaft that will increase production, we are still looking at more projects in the country. Of course, we are not willing to do big blows out acquisitions. Many opportunities in the country are not immediately capital intensive,” he said.

“Mining opportunities with numerous potential actually require tiny investments in the first stages so once we are done with the shaft around 2021 we will have completed the shaft and will have a cash surplus to actively pursue these,” he told United Kingdom-based financial news online outfit fin UK.

Learmonth noted that remained upbeat about growth prospects in the country said despite the recent cancellation of tenders by the Zimbabwe Mining Development Corporation (ZMDC) for its six subsidiaries.

Caledonia, which agreed to buy an additional stake in Blanket Gold Mine through a $6.6 million deal, said it was not prepared to spend above $3 million in expanding its Zimbabwean resource base over the next two years.

The transaction spurred Caledo- nia’s stake in the mine to 64 percent. Meanwhile, Learmonth also said despite removal of Zimbabwe from the world’s export credit incentive (ECI) for gold miners — which is anticipated to reduce the miner’s earnings per ounce by about $14 million for 2019 — the group would not turn to shareholders for extra funding.
Prepaid Electricity Vending Service

The Zimbabwe Electricity Transmission and Distribution Company (ZETDC) would like to advise its valued customers countrywide that the Prepaid Electricity Vending System is experiencing technical challenges, resulting in some transactions taking longer periods to complete than is normally the case.

The power utility further advises that the technical challenges are mostly affecting third party vendors of electricity and advises its valued customers to use alternative channels like their nearest ZETDC banking halls to transact until normal service is restored.

In the meantime, customers can access normal service from the following ZETDC banking halls countrywide:

**Harare Region**
Waynne Street ZETDC Office, Mabelreign ZETDC Office, Warren Park ZETDC Office, Kuwadzana ZETDC Office, Mufakose ZETDC Office, Glen View ZETDC Office, Glen Norah ZETDC Office, Makoni Client Service Centre (Chitungwiza), Zengeza, Seke South District Office, Borrowdale Client Service Centre (1st St Michaels Lane), Mbare ZETDC Office, Zengeza ZETDC Client Service Centre, Powertel Office (Joina City) and Ruwa Depot.

**Western Region**
Customers can access service from ZETDC banking halls at Halco House, Richmond House, Nketa, Lobengula, Entumbane, Luveve, Nguboyenja, Pumula, Tshabalala, Mpopoma, Pumula and Magwegwe.

The power utility further advises that customers can also access normal service from the ZETDC banking hall (Victoria Falls depot), ZETDC Baobab District Office (Hwange), ZETDC Banking Hall (Gwanda Road) as well as from the ZETDC Depots in Beitbridge, Lupane, Plumtree, Esigodini and Filabusi.

**Eastern Region**
Customers can access normal service from the Chiredzi depot, Mutare Megawatt House, Chipinge Office, Nyanga Depot, Rusape Depot while those in Masvingo and the surrounding areas can be served from the Masvingo District Office.

**Southern Region**
Customers in the ZETDC Southern Region can access service from the following centres:
Kwekwe Vending Kiosk, Gweru Vending Kiosk, Zvishavane District Office, Nembudziya Client Service Centre, Gokwe Client Service Centre, Mvuma Client Service Centre, Chivhu Client Service Centre, Mataga Client Service Centre, Shurugwi Client Service Centre and Nkayi Client Service Centre.

**Northern Region**
Customers can be served from our Chinhoyi District Office (Along Magamba Way) as well as from the ZETDC banking halls in Chegutu, Kadoma, Concession, Mvurwi, Mutoko, Marondera, Norton, Karoi and Mhangura.

The ZETDC technical team is working flat out to restore normal service.

The inconvenience caused is sincerely regretted.

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Zimbabwe engages IMF for another monitored programme

Ndakaziva Majaka
Markets Editor

ZIMBABWE is set to embark on another International Monetary Fund (IMF) administered Staff Monitored Programme (SMP) in a bid to accelerate re-engagement with multi-lateral lenders, The Financial Gazette has learnt.

Patrick Imam, the IMF local representative, said current discussions between Zimbabwe and the global money lender were anchored on Treasury’s Transitional Stabilisation Programme (TSP), which is aimed at addressing deep macroeconomic imbalances and fostering private sector growth.

“The SMP is expected to help the authorities establish a track record of policy implementation to support efforts to re-engage with the international community and move towards a comprehensive normalisation of relations with creditors,” he said.

Zimbabwe’s last SMP was completed in 2016.

Finance minister Mthuli Ncube — who last week paid a courtesy visit to IMF managing director Christine Lagarde — hopes the upcoming programme will pave way for fresh capital from multi-lateral funders, President Emmerson Mnangagwa’s government is scurrying all over the globe with a begging bowl in order to secure a US$2 billion bail-out package.

However, Imam was quick to point out that the IMF would not be extending budgetary support to aiding Zimbabwe.

“The Fund cannot yet have a financing programme with Zimbabwe, as that would require clearance of arrears to the international financial institutions, financing assurances from official bilateral creditors, and agreement on a coherent set of economic policies that is capable of restoring macroeconomic stability and laying the foundation for durable growth.

“Our initial evaluation of the currency reform announced by the Zimbabwean authorities recently is that it is a step in the right direction, to address distortions that have significantly impaired macroeconomic outcomes.

“But its success will depend on the implementation of an effective monetary policy framework, supported by market-determined interest and exchange rates, together with prudent fiscal policies,” he said.

Zimbabwe — which hopes to clear arrears by October 2019 — has paid off its dues with the IMF, but the country still owes US$67 million to the African Development Bank (AfDB), $1.4 billion to the World Bank and US$322 million to the Euro-pean Investment Bank.

In total, foreign debt stands at $7.6 billion with $1.3 billion in arrears, Treasury data shows. To qualify for new credit, Zimbabwe has to clear its arrears first.

The AfDB and World Bank have preferred creditor status, which means they must be paid first.

After settling World Bank and AfDB arrears, Ncube would engage with the Paris Club of creditor countries, to which Zimbabwe owes $3.2 billion.

Govt to revamp Telecel

John Kachembera
News Editor

INFORMATION and Communication Technology (ICT) minister Kazembe Mukanga said government will soon unveil an ambitious plan to recapitalise mobile telecommunication firm Telecel Zimbabwe (Telecel).

Government acquired VimpelCom’s 60 percent stake in Telecel three years ago, but has struggled to recapitalise the company, which is looking for a massive investment needed for network infrastructure upgrade to catchup with competitors.

“Our main priority at the moment is to reconfigure Telecel’s board following the election of an MD Rwdzi as a member of Parliament. I will be announcing a new board soon that will be tasked to revive the company,” he told The Financial Gazette.

The company’s board is currently composed of businessman James Makamba Jane Mutasa and Gerald Mlotshwa — representative of Empowerment Corporation, which owns 40 percent in Telecel — and United States-based Francis Mawindi and Selby Hwacha, both representing government.

Telecel needs at least US$200 million for network upgrades and rolling out its 4.5G LTE infrastructure.

Kazembe noted that the new board is also expected to expedite the privatisation of Telecel and select investors for the troubled mobile network operator.

“We have received a lot of interests from various investors, both local and international, but the ultimate decision to select the best candidate lies with the new board,” he said.

This comes as Finance minister Mthuli Ncube recently said Telecel is one of government’s targeted five public enterprises for immediate reforms.

“Work is already underway to identify transaction advisors. Projections are that government will realise at least $350 million from this initial process,” he said.

The Treasury chief also revealed that turnaround strategies for at least 20 public enterprises were being supported by various development partners.

“The state-owned enterprises reform process will, therefore, ensure that para-statal, and their restructuring, are fully accountable, transparent, efficient, effective, and viable, complementing gov-ernment efforts in promoting economic growth and improved service delivery to the general public,” he said.

A Zimbabwe Economic Update compiled by the World Bank (WB) in 2017 highlighted that Zimbabwe’s 107 para-stats continue to draining the fiscus amid indications that total para-statal expenditure has steadily increased over the past five years while dividends declared to government have been plummeting.

Due to under-performance, govern-ment has also been forced to house para-statal debts in an attempt to make the ailing institutions attractive to potential investors.

Most state-owned enterprises are incurring losses perennially, bleeding the fiscus and hampering economic progress.

In her 2018 review of the parastatals’ financial statements, Finance minister Mthuli Ncube noted that there has been material break-down in para-statal internal control financial systems and procedures, inadequate accounting processes, and significant weaknesses and misstatements of financial reports.

In the 1980s and early ’90s, para-statars due to government’s failure to divest at least 40 percent of gross domestic product, but this is now estimated at below 10 percent.

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  • 2003 Freightliner FL 70 8 tonner LHD (insulated back)
  • 1998 Nissan J27 double cab (Diesel)
  • 3 Project cars
  • Lotus Super 7 kit car (Toyota Engine) needs completion*
  • Mazda RX 8 (non runner - computer malfunction)*
  • Toyota HZJ 80 4x4 Station wagon (needs completion)*
  • (RB) denotes US dollars cash required
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Zimbabwe needs to stem capital flight

Zimbabwe has been experiencing severe capital flight in the past 20 years and the trend is likely to continue for the foreseeable future if the country does not mend its ways in order to prop up its currency.

Foreign investors are fleeing the country mostly due to policy inconsistencies, currency risks, galloping inflation, rampant corruption and social and economic instability. This has resulted in Zimbabwe's once mighty industrial base withering over the years.

At the same time, surviving companies are battling to pay dividends to their foreign shareholders due to the country's foreign currency crisis.

Several economic theories assert that capital flight retards economic growth and development and contributes to underdevelopment. And this is true for Zimbabwe where de-industrialisation, shortages of basic commodities, widespread unemployment, depletion of foreign currency reserves, government bankruptcy, rampant inflation and drastic reduction in government spending are the order of the day.

As such, it is incumbent upon President Emmerson Mnangagwa’s government to urgently address this issue and create a conducive environment to attract foreign investors to boost the country's waning economic fortunes.

It doesn’t need a rocket scientist to know that if you don’t create a healthy positive environment for investors, capital will fly to safe havens and that if you create uncertainty you reap investor disdain and lost of trust. History has shown that any nation that does not uphold the rule of law creates uncertainty and this forces foreign investors to take their capital elsewhere.

Several firms such as Datlabs, a unit of Adcock Ingram of South Africa, cooking oil producer Surface Wilmar, fringe producer Capri and Nampak Zimbabwe have been significantly scaled down or have ceased operations due to lack of new capital or are in the process of winding up operations.

Many planned large-scale investments, which were announced amid much fanfare — such as Great Dyke Investments, Karo Resources’ multi-billion platinum projects and other government-led “mega deals” — have also remained a pipedream as a result of uncertainty in the economy.

With our economy quickly sliding towards default, it only makes sense for political parties to come together and have genuine and real dialogue to have investors chart a trajectory of our nation’s fortune to create a better future for our children. The short-lived Government of National Unity period from 2009 to 2013 provides the basis of what Zimbabwe can do and achieve when there is peace and stability.

During the five-year period, Zimbabwe attracted significant investments due to political and economic stability. Companies got a new lease of life, the economy developed and people’s living standards improved.

However, events of the past few months have shown all and sundry that Zanu PF on its own has no solution to the economic crisis, cannot deal decisively with corruption, has failed to address the currency crisis and hobbled the fragile recovery.

With this in mind, it is prudent for political leaders to put their differences aside and come together for the sake of the economy and the suffering masses. We all need to put Zimbabwe first ahead of our personal egos.

Afric an economies are now open to international and frontier markets, and typically view as real landscapes of unbridled opportunity.

However, doing business in Africa requires more than the stereotypical “venturing into the wilderness” approach in a business suit and safari hat, or pith helmet. The popular rejection of Melania Trump’s fashion faux pas during her official visit to the continent in 2018 underscores this sentiment.

Doing business in Africa compels an advanced approach of cultural perceptions of the continent. It requires organisational introspection of a business, and of the risks pertaining to the business.

A “crash and paste” approach imitating models applied elsewhere will not suffice, as doing business in African countries requires tailored approaches to fit each context.

Organisations may have to initiate change processes, adjust styles of communication, and re-align leadership, management and human resource functions. There are also issues of sustainability and profitability, and the tension to balance short-term gains with long-term goals.

Companies should be aware that their view of Africa influences their approach towards developing a footprint.

Companies must explore their perception and understanding of Africa, and whether this is in support of developing their particular footprint in the region. It will be helpful for companies to ask: What do we think the realities of Africa are? How should we adjust and align our business to such realities?

Interested companies should strive to have an informed view of the continent. Although there are significant constraints in obtaining reliable data, companies should nevertheless endeavour to get the best data available, allowing them to base decision-making on verified information.

This goes hand-in-hand with building networks in African countries, and growing relationships with stakeholders. There may already be competitors, other organisations and well-established networks.

A few tips to consider: Take note of case studies and information from other companies in similar sectors in the country or sub-region of interest.

Explore what is considered as best practice and learn from the lessons and experience of other companies. It is essential to do the groundwork in terms of risk assessment. Strategy implementation is not simple, and initial approaches may need to be adapted to unforeseen eventualities.

Ethics and values count. Illcit outflows of resources and capital, and professional and human rights violations are serious infringements with ruinous consequences.

If a company is looking at a future-oriented impact strategy with sustainability in mind, ethics and sound values are crucial for long-term impact and for the long-term success of the company’s reputation.

Companies also need to be aware and respect the varied contexts within the continent.

The continent consists of diverse countries, cities, habitats and cultures. Consequently, companies need to understand and appreciate diversity, including sensitivity to the different norms of societies.

Having a keen, open mind, think creatively, and act innovatively.

Recent research at the University of Stellenbosch Business School indicates that alongside growing international interest in the prospects for business in Africa, there is a stronger link between futures thinking and the development of a fitting organisational strategy to assist businesses to establish and grow footprints on the continent.

The Institute for Futures Research (IFR) at Stellenbosch University recognises that a spectrum of prospects exist, from optimistic to pessimistic, for the future of business in Africa. Hard data and facts demonstrate that, in general, there has been vast improvement in the social and economic realities of African countries.

However, multiple issues and challenges still persist, and desta bilise states and economies.

There is the likelihood that different business futures may be simultaneously realised across the continent. Patterns of globalisation clearly indicate this possibility, with prosperous futures unfolding for some and worst-case scenarios actualising for others.

Ultimately, strategic long-term thinking and targeted collabora tion within Africa and international, will remain key, in order for the scale of opportunities promised by the continent’s current growth path to have collective benefits and to leave none behind.
ZIMBABWEAN banks have traded over US$30 million worth of foreign currency on interbank market, the central bank has said.

Last month, the Reserve Bank of Zimbabwe (RBZ) established the interbank market in a bid to formalise foreign currency exchange within banks and curb the black market. Government then “floated” the RTGS dollars, Zimbabwe’s new local currency, and pegged it at 2.5 with the United States dollar.

RBZ governor John Mangudya told The Financial Gazette that the market is now self-sustaining with capacity to liquidate transactions.

“The interbank exchange has improved to moving almost $30 million. We did an initial injection to ensure that there is a starting point,” he said.

This was after local banks had traded US$28 million during the first week of interbank foreign exchange market.

However, economists contend that government should totally liberalise the foreign currency exchange market to help increase inflows into the country.

They argue that fixing the exchange rate will not achieve intended results.

The banks are currently able to liquidate transactions from sellers but we will keep on monitoring the situation,” he said.

Finance minister Mthuli Ncube recently said government will not dictate interbank market rates, but will instead “manage the volatility”.

He also said the new currency framework should help unshackle market instruments such as forward and future contracts, derivatives and other hedging instruments that the Zimbabwean investment community is not allowed to hedge their positions.

“The debut of the RTGS dollar and intermarket rates are a huge step forward because the one-to-one rate was expensive, especially for exporters,” he said.

This also comes as the International Monetary Fund (IMF) has said Zimbabwe’s currency reform will mitigate the current economic woes, characterised by acute shortages of foreign currency and inflationary pressures.

Gerry Rice, the IMF’s communications director, however, said little progress had been made towards addressing the fundamentals.

“Our initial evaluation of that, which has been recently repeated, the Zimbabwean government is sort of still not totally ready to do the necessary thing to really sort out that it is more in the right direction to address distortions that have significantly impeded private sector solutions.,” he said.

“Of course, the currency reforms’ success will only be given that sanctions are lifted and an effective overall monetary policy framework supported by market-determined interest and exchange rates, together with prudent fiscal policies,” he said.

According to the 2019 Monetary Policy Statement, companies in the manufacturing sector are now required to keep 75 percent of foreign currency receipts is illegal if it violates the country’s Constitution.

This comes as the apex bank recently introduced an external foreign exchange policy that allows government to get foreign currency securities for the importation of critical commodities such as fuel, medicine and cooking oil and electricity among other things.

Former Finance minister Tendai Biti says the central bank’s over-reach in the allocation of foreign currency receipts is illegal as it violates the country’s Constitution.

We have enough gold to repay loans: REZ

ZIMBABWE has enough gold to pay off loans to external creditors, central bank governor said.

This was after market experts had warned that the country, resulting on its US$1 billion gold-backed loans from regional lenders following a steep decline in yellow-metal deliveries. The bulk of the debt includes US$461 million owed to the African Export Import Bank, US$152 million from the PTA Bank, US$52 million from Banco de Monteagudo and US$53 million owed to the African Development Bank.

The loans were taken out over the past year.

Mangudya, however, dispelled the fears and maintained that the southern African country has enough capacity to meet its external obligations.

“Our monthly payment for that facility is about $5 million, which is paid over five years. This is low in terms of gold production in Zimbabwe. We normally get between $15 million to $16 million per month so we don’t see why we should add another million as gold is sufficient,” he told a combined parliamentary committee on Public Accounts of Wednesday.

Zimbabwe, which last year produced 33 tonnes of bullion, has the second largest gold reserves per square kilometre in the whole world, with 15 million tonnes of proven reserves of which only 580 tonnes has been exploited since 1980.

Mangudya noted that as long as foreign currency reserves are in danger, the Reserve Bank of Zimbabwe (RBZ) will continue to ensure that the country remains alive.

“A central bank cannot sit thinking that some good man from heaven is going to bring foreign currency to Zimbabwe. So we do all this for the good of this economy. When the reserves of this country are low, the Reserve Bank is mandated to ensure that this economy remains afloat. We all know that the foreign currency situation in Zimbabwe is low and because it’s low, it means that under Section 49 of the Reserve Bank Act we are supposed to do what we are doing to ensure that everyone in this economy has a right to live,” he said.

“This is why parliamentarians were questioning RBZ’s decision to restrict the country to rely on other institutions for foreign currency.

“Several banks are willing to take Zimbabwe's risk but the country can rely on other institutions for foreign currency.

“The country is going through difficult times because of many factors. It’s only a few banks that can take Zimbabwe risk today because we are under sanctions. These sanctions are in three parts. First is the Zimbabwean Democracy and Economic Recovery Act (ZDERA), which states that no one should give Zimbabwe development finance and this includes the IMF, World Bank and AfDB."

"Then there is the Office of Foreign Assets Control, which states that Zimbabwe transactions must be scrutinised for compliance risks and the African Growth and Opportunity Act that deprives Zimbabwe access to markets. Based on these, I am surprised when parliamentarians ask why we are getting foreign currency from other institutions to help Zimbabwe,” Mangudya said.

This comes as the apex bank recently introduced an external foreign exchange policy that allows government to get foreign currency securities for the importation of critical commodities such as fuel, medicine and cooking oil and electricity among other things.

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Halitosis is pathological bad breath or malodour emanating from the mouth. It is a fairly common condition with a prevalence of up to 5% in the general adult population with no specific gender predominance. It is more common with old age and prevalence varies with ethnicity due to sociocultural habits. It is often a result of upper respiratory tract disease, the mouth included, gastrointestinal and liver disease, and systemic disease. However, it is also necessary to acknowledge the existence of physiological halitosis that comes with foul morning breath due to stagnation of saliva, putrefaction of entrapped food particles and peeled off lining.

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The greatest challenge presented by this condition is that many a time the person suffering from it may be the last person to know about it among his colleagues. This is so because of a phenomena called olfactory adaptation whereby continuous exposure to one’s odour naturally results in the brain not responding to one’s own odour over a period of time so that other external odour can then be perceived easily as a survival instinct. The stigma associated with the condition as well as sociocultural implications attached to divulging to someone that they have a problem of this nature is also another limitation in getting to know of the condition once you have it. Getting to know that one has the condition is perhaps the greatest step in solving the issue, like they say “a problem known is a problem half-solved.” However many a time, because of lack of knowledge in terms of causes of this condition and possible solutions, the sufferer tends to develop social restraint and lack of confidence.

In terms of the common causes of halitosis, these may be classified and summarised as follows:

**Social habits**

<table>
<thead>
<tr>
<th>Social habits</th>
<th>Oral conditions (Major cause)</th>
<th>Respiratory conditions</th>
<th>Gastrointestinal &amp; Liver disease</th>
<th>Systemic causes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Smoking</td>
<td>Poor oral hygiene</td>
<td>Bronchiectasis</td>
<td>Chronic liver disease</td>
<td>Diabetes Mellitus</td>
</tr>
<tr>
<td>Alcohol</td>
<td>Periodontitis (Inflammation of the gums and supporting structures of the teeth)</td>
<td>Upper respiratory tract infection</td>
<td>H. Pylori infection (Peptic Ulcer)</td>
<td>Leukaemia</td>
</tr>
<tr>
<td>Spicy food, garlic included</td>
<td>Dental carries</td>
<td>Cystic fibrosis</td>
<td>Dyspepsia</td>
<td>Fetal Hepaticus</td>
</tr>
<tr>
<td>Excessively hot food</td>
<td>Gingivitis</td>
<td>Lung abscess</td>
<td>Renal Failure</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Xerostomia</td>
<td></td>
<td></td>
<td>Medication</td>
</tr>
</tbody>
</table>

**Management**

Having realized that one is grappling with this condition, the next step is to self-investigate and refer to the table of the causes of halitosis. This helps in the sense that several of the causes do not necessarily need one to visit a doctor or a dentist. For example, all the social habits could actually be modified in order to address this problem. For the other clinical causes, only after exclusion, one can then consult a medical or dental practitioner so that cause-related therapy can be instituted.

One of the high impact interventions as documented in some studies is brushing of the tongue. This could be done during routine brushing of one’s teeth or a tailor-made tongue brush could actually be used while others make use of a tongue scraper. The later may need to be used with caution to avoid excessive traumatic scraping. All this is done as complementary to routine brushing of teeth, which is supposed to be done twice a day after meals. Mouth rinsing with flavourants such as mint and antibacterial agents like chlorhexidine are also other practical solutions to halitosis.

**Conclusion**

The greatest hurdle in addressing halitosis is not in the treatment or management rather, but it lies in the first step of getting to know that you have the condition. It therefore requires self-consciousness and initiative to avoid social habits that are associated with halitosis complemented with good oral hygiene. Once one takes the initiative to exercise good oral hygiene, the other clinical causes being the minority of cases can then be left to the clinician to deal with.
GROUP Five under judicial management

ROUF Five, a South African company that was contracted to upgrade the Plumtree-Hara-
munira highway in a US$206 million deal, has been placed in business rescue and its shares have been suspended on the Johannesburg Stock Exchange (JSE).

Reports from South Africa are that the ailing con-
struction group and its subsidiaries have been experi-
cing cash flow difficulties due to significant operat-
ing losses and negative cash flows.

The company in 2018 posted a full-year loss of
US$90.76 million, 62 percent higher than a year pre-
viously, due to higher costs from the delayed Kpone
power project in Ghana.

Group Five also began a restructuring exercise last
year, in which it closed multiple non-profitable busi-
nesses in its local construction unit and cut 602 per-
manent staff.

South African construction companies have been hit
hard in recent years as stagnant growth has hobbled public infrastructure spend-
ing, prompting at least five construction
firms to enter business rescue in less
than a year.

Industry experts say while the con-
struction industry is notoriously cycli-
cal, the current mix of a depressed South
African economy, high levels of nation-
al debt and low infrastructure spending is proving toxic as contracts dry up.

At risk are thousands of jobs — in-
cluding 8 000 at Group Five alone — in
a country with an unemployment rate of
above 27 percent.

Those construction companies 
that are South Africa orientated have
gone from bad to worse in the past 12
months,” Marc Ter Mors, the head of
equity research at Johannesburg-based
SBG Securities, said by phone.

“In South Africa, volumes are low,
pricing is under pressure and companies
are taking on more risk to win contracts,
so margins are thin and that hits cash
flow. There are no real segments to hide
in.”

Group Five’s history demonstrates
the group’s resilience in “several ex-
tremely volatile markets,” the company
still says on its website.

Even so, it has “for some time been
experiencing cash flow difficulties,” it
said on Tuesday.

Murray & Roberts saw the writing on
the wall.

Having built significant South Afri-
can landmarks such as Johannesburg’s
Carlton Centre, the continent’s tallest building, the
company sold its building and infrastructure units in
2016 to focus on international businesses focused on
projects such as underground mining and oil and gas.

While M&R’s market valuation is a fraction of what it
once was, the stock has gained 44 percent in the past
year amid takeover interest from 40 percent sharehold-
er Atos GmbH.

The industry’s woes are a far cry from the build up
to the FIFA Soccer World Cup in South Africa nine
years ago, which required major national infrastructure
spend, including on new stadiums.

However, that boom was cast in a dark light even
before the tournament took place, when the Competi-
tion Commission started investigating collusion in the
industry.

The regulator settled with 15 firms in 2013, while
Group Five was granted immunity for co-operation.
— Staff Reporter/Bloomberg

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RBZ probes gold miners

Ndakaziva Majaka
Markets Editor

THE Reserve Bank of Zimba-
bwe (RBZ) has launched an investigation
into small scale gold min-
ers’ operations following a
dump in deliveries over
the past few weeks, The
Financial Gazette has learnt.

Official figures show
that gold deliveries to the
country’s sole gold buyer
— Fidelity Printers and Refiners (FPR) — declined from
an average of 90 kilogrammes (kg) per day to a paltry
2,5 kg per day shortly after the central bank presented its
monetary policy statement.

Businessman Joseph Kanyekanye said miners were
not happy with the new policies, which allow gold pro-
ducers to retain 55 percent — down from 70 percent — of
their gold earnings in foreign currency while the rest will
be paid for in local currencies at the prevailing rate at the
2,5 percent new interbank market rate.

“We have had teams from RBZ come to investigate
our operations, but the truth is that the reduction in deliv-
eries is a direct result of the new foreign exchange surren-
der requirements. This is the only way deliveries can in-
crease,” he said at a Financial Gazette executive dialogue.

Dosman Mangisi, Zimbabwe Miners’ Federation
(ZMF) spokesperson, also confirmed that the RBZ was
moving to set up a cost-benefit analysis investigation into
gold production in order to establish a fair gold price in
light of the reduced deliveries.

“There was request of setting up a cost-benefit analysis
to determine a fair price. The outcry over the current price
regime is justified in our view and we feel a rate of 2,5 is
not sustainable.

“Close to 90 percent of mining inputs are procured us-
ing force. So for us, it makes very little sense to have a
55 percent retention threshold and a 2,5 rate for the local
component of the payment, 3,5 would be very ideal,” he
said.

As a result of the obtaining situation, small scale min-
ers — who delivered 22 tonnes or 66 percent of the 33,3
tonnes that were delivered to FPR last year — have re-
portedly started selling the yellow metal on the parallel
market, where they get hard currency.

RBZ governor John Manganye said while the apex
bank was looking at an incentive for disguised small-
scale gold producers, a 1:3,5 rate was unachievable.

On the other hand, a section of small-scale miners have
asked the central bank to consider paying them using the
rand given that the country is facing challenges in sourc-
ing United States dollars after South African banks cut off
local financial institutions from importing the greenback.

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The Financial Gazette

National News
RBZ explains fuel shortages

The central bank boss said the changes in working capital required by fuel dealers after the price increase had also contributed to the shortages.

“For January 2019, the total amount made available through letters of credit (LCs), direct allocation and facilities came to $91.9 million and that amount is enough for about 150 million litres, which is more than the 130 million litres that we know this economy is now consuming. In February, we made available $80.69 million, which gives you about 135 million litres,” he said.

He noted that the bulk of the fuel is purchased through LCs.

“Between the day when you establish an LC and the day you get the product, there are some time lags. What we are seeing in the market is a result of this mismatch,” Mangudya said.

“So the queues are a combination of the lags in the LCs and cash flows on the part of the dealers,” he noted.

“It is only a timing difference otherwise the fuel has been purchased and will bridge the gap in the numbers,” Mangudya said.

Mangudya also noted that demand has significantly declined after the price increases in January.

“After the price increase in January, the fuel being used in Zimbabwe went down. “We were consuming about 165 million litres per month but due to price elasticity of demand, our anticipation was that demand would go down to around 120 to 130 million litres,” he said.

When LCs are formed, if it’s cash covered it means that the fuel company needs to deposit in that bank 100 percent cash cover for the fuel that they are going to import and the company may not have enough working capital for them to establish the letter of credit,” he said.

He said a company importing $10 million worth of fuel would need RTGS$25 million, going by the current interbank market rate.

“The question is do these companies have enough working capital or credit facilities to support the LCs. After the price increases in January, what happened was that the oil marketing companies’ working capital was based on the old prices, and now with the new prices, it means that they will need more RTGS dollars, which they do not necessarily have, so you will find that there are also delays emanating from that,” he said.

Mangudya told the committee that fuel prices would not change even if the interbank market rate moved from the current level of 1:2.5 even though dealers now get foreign currency at the market rate.

“Prices will not change because in the price of fuel there is duty and what we believe is in advisors of government is that they will need to forgo part of the duty in the fuel to ensure that the price remains stable,” he said.

Mangudya also noted that demand has significantly declined after the price increases in January.

“After the price increase in January, the fuel being used in Zimbabwe went down. “We were consuming about 165 million litres per month but due to price elasticity of demand, our anticipation was that demand would go down to around 120 to 130 million litres,” he said.

“We are currently doing consultations with the industry so that we find what we can do by way of rationalising and streamlining the fuel procurement process,” she said, adding that the practice was prevalent in several regional countries including Tanzania and Malawi.

The latest development comes after government allowed mining companies and other businesses to import their own fuel following shortages that have gripped the economy in the last six months due to a severe dollar crunch.

Supplies of fuel in the southern African nation have been intermittent since September, resulting in motorists spending hours in queues.

Appearing before the same committee, central bank governor John Mangudya said the bank was of the view that fuel should be supplied by a single state entity.

“The central bank’s humble submission, which is known by some people in government, is that ideally we need a situation where our tanks in Masaw are full of product that is owned by a national vehicle.

“This would simplify the procurement process and make it easier to track payments as opposed to splitting the letters of credit to several companies, which at the end of the day means we increase the administration work,” he said.

Meanwhile, Magombo told the committee that the energy ministry was still pushing for fuel marking to promote its monitoring efforts.

“We have reuscitated that conversation with the ministry of finance because it needs to be allocated funding for it to happen and we are in the process of finding ways of how to finalise that process.

“At one time it had not gone through and it had also not been included in the budget and so it had not come out previously but we have continued to knock on their doors to say it will help for accountability of the fuel used in the country,” she said.

As govt reconsiders fuel procurement

Government has plans to set up a mechanism for the central procurement of fuel to streamline the process, Energy Permanent Secretary Gloria Magombo has said.

Zimbabwe procures its fuel through state-owned infrastructure and the central bank facilitates settlement of payment in foreign currency, although most of it is imported by several private entities through separate arrangements.

Magombo, however, said centralising procurement would help the authorities to simplify monitoring of the supply of fuel in the country.

“One of the strategies that we are pursuing in terms of the long term sustainability of fuel supply is to come up with a mechanism for centralised procurement,” she told parliament’s energy committee last week.

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Delta puts new plant on hold

Markets Editor

Delta Corporation (Delta) says it has put some construction phases of its Chibuku Super plant in Rusape on hold due to foreign currency shortages.

The shortage of foreign currency in Zimbabwe has not only hampered government efforts to boost economic growth, but has also seen companies failing to import raw materials and equipment.

Alex Mukamure, Delta’s corporate affairs director, said although the company has secured land at Tszanga Industrial Park for its Rusape brewery, work was being stalled by foreign currency shortages.

“The brewery will be constructed in phases, starting with civil works that do not require foreign currency. The major phase is on hold due to shortage of foreign currency. The project is already behind as the company has exhausted the Chibuku Super capacity,” he said.

The new plant, whose components are imported from Germany and South Africa, has a lead time of eight months to shipment, while full commissioning may take between 10 to 12 months from date of orders.

The latest development comes at a time when the listed beverages manufacturer is eying Anheuser-Busch InBev (AB InBev)’s Zambar and Malawian assets as the Belgian brewer exits the Sub-Saharan market.

The Zimbabwe Stock Exchange (ZSE)-listed Delta Beverages is the country’s leading brewer with more than 15 beer brands and some 4 000-plus employees across the country.

The sparkling beverages volume declined by 66 percent compared to prior year for the quarter and decreased by 26 percent for the nine months.

Mukamure noted that Delta’s sorghum beer volume in Zimbabwe grew by 15 percent above prior year for the quarter and six percent for the nine months.

“Overall, a need to note the disruptions to operations arising from limited access to foreign currency,” he said.

The company, which operates one of the largest distribution network of depots and delivery fleets in the country, has a significant interest in Schweppes Zimbabwe, which manufactures still and juice drinks under the Coca-Cola franchise.

Mukamure said lager volumes grew by 27 percent over prior year for the quarter and were up 43 percent for the nine months.

“There were supply gaps due to shortages of packaging materials and extended plant breakdowns mostly occasioned by lack of foreign currency for spares and contractual services,” he said, adding that Chibuku Super contributed 85 percent of the volume.

The sparkling beverages volume declined by 66 percent compared to prior year for the quarter and decreased by 26 percent for the nine months.

The group’s revenue increased by five percent over prior year for the quarter and nine months to December 31, 2018.

Mukamure said lager volumes grew by 27 percent over prior year for the quarter and were up 43 percent for the nine months.

“The business has endeavoured to meet the high consumer demand in spite of the challenges arising from some imported raw materials and services,” he said.

Mukamure noted that Delta’s sorghum beer volume in Zimbabwe grew by 15 percent above prior year for the quarter and six percent for the nine months.

Delta has put the construction of its Chibuku Super plant in Rusape on hold due to foreign currency shortages.
PPC South Africa is bullish about the recent monetary policy changes in Zimbabwe, saying they are a positive development towards curbing inflation.

Three weeks ago, central bank governor John Mangudya announced the establishment of an inter-bank foreign exchange market in Zimbabwe to formalise the trading of local bank balances and bond notes—which have been devalued to RTGS dollars—with US dollars and other currencies.

“We view the introduction of a formalised floating foreign exchange market as a positive development toward curbing the high inflation and excessive premiums created by the parallel exchange rates,” the cement producer said.

The exchange market should result in a more efficient allocation of foreign currency, removing the distortions that were impacting the market, and facilitate the repatriation of cash in the medium to long term,” PPC said.

Following the government’s pronouncements, the RTGS is new Zimbabwe’s functional currency in Zimbabwe, with the initial rate being 2.5 RTGS $1 US$. All foreign liabilities or legacy debts and declared dividends, will be treated separately after registering such transactions with the exchange control department of the reserve bank, PPC reported a cash balance of $63 million at the end of September 2018, which was later reduced to $60 million by a debt repayment at the end of February 2019.

The company said the initial rate of 2.5 RTGS $1 US$ rate applies to only a portion of the $60 million cash balance, which will now amounts to between US$30 million and US$35 million.

“The remaining balance including US$16 million in dividends and US$5 million in higher offers, qualifies as legacy debt to PPC RSA which is awaiting repartition,” the total cement maker further said.

The initial rate of exchange was set at 2.5 RTGS to $1 US$. The hikes in the Zimbabwean currency were determined by the central bank to 3 RTGS to $1 US$ on Friday.

The company said its Zimbabwean operation has remained resilient despite the challenges experienced in the economy.

The Financial Gazette

The University of Zimbabwe Clinical Research Centre (UZCRC) is a centre of excellence in HIV/AIDS research and related conditions. The UZCRC collaborates with the Ministry of Health and Child Care and external partners to implement a robust clinical research agenda that addresses relevant priority research questions in children, adolescents and adults. A need has arisen for the engagement of an Assistant Trial Manager to join the Trial Management team of the UZCRC among other internal responsibilities.

1. POST

Job Title: Assistant Trial Manager
Reports to: The Site Trial Manager (STM)

2. ESSENTIAL CHARACTER TRAITS

This position requires a highly motivated individual with excellent comprehension and retention skills. S/he should have the ability to work under minimum supervision, initiative, excellent communication skills, and ability to work with a broad range of research departments.

3. QUALIFICATIONS, ATTRIBUTES AND EXPERIENCE.

• Degree/Diploma in Biological or Social Sciences.
• Must have 3 ‘A’ level passes.
• Proficiency in MS Office, Excel and other relevant programs.
• Ability to thrive in a high-pace environment and perform as a team player.
• Must show initiative and ability to work independently.
• Experience working with NGOs and Knowledge of HIV issues in Zimbabwe will be an added advantage.
• Excellent writing and communications skills.
• Good time management practice.
• Clinical research experience is an added advantage.

4. DUTIES AND RESPONSIBILITIES

The incumbent will be responsible for:

1. Assist the STM to ensure that all protocols being implemented at the site(s) have been granted initial and on-going approvals (in timely manner) from all relevant ethics and regulatory bodies by:
   a. Acting as the point person for IRBs for the Protocols including maintaining of the expiry dates for the IRBs.
   b. Maintaining the upkeep of the regulatory binders and IRB submission preparations;
   c. Work with the STM to prepare for external and internal monitoring visits.

2. Assist the STM to monitor site protocol related activities and procedures to ensure that the Standard Operating Procedures remain relevant and compliant to current practice.

3. Participate in UZCRC and project-related meetings.

4. Assist the STM to procure shipping permits and organize sample storage, shipping and tracking.

5. Assist the STM in all protocol training activities.

NB -Only shortlisted candidates meeting the above requirements will be contacted for interviews.

Applications must be accompanied by detailed curriculum vitae with contactable references and certified copies of academic and professional qualifications to reach The Administrator, UZCRC Parirenyatwa Annexe Hospital, Cnr J Tongogara Ave. and Mazowe Str, HARARE. Scanned copies of these documents should be emailed to: hr@uzcrc.co.zw no later than 18 March 2019.

Willdale clears debts, strengthens balance sheet

Nyasha Matonda, the firm’s chief executive, told shareholders last week that Willdale had proceeded of a land sale last year to offset its outstanding obligations.

“The land was sold at $13.5 million against an indicative value of $4.5 million at the time of approval. All targeted debt has since been repaid, as a result, strengthening the balance sheet and improving profitability,” he said, adding that excess funds amounting to $4.8 million were invested in a housing development project.

Prior to settling the debt, Willdale’s exposure included a $2.68 million interest bearing bank loan and overdraft owed to CBZ Bank. The loan had been accruing interest of 10 percent per annum.

The other obligation is the $863,283 accumulated but unpaid Preference Share dividend. The dividend has been accumulating since 2014 when the preference shares were issued but the company did not have capacity to meet the semi-annual preference dividend obligations.

Priority three of the obligations was $3.25 million re-demption of Preference Shares. The company issued 10 percent redeemable cumulative preference shares in 2014 through a rights issue to shareholders. The shares were redeemable from last year to year five and subject to agreement with the holders of the preference shares.

Meanwhile, Matonda said the brick producer’s sales volumes in the five months to February 2019 were 22 percent and 18 percent below prior year and supported due to the mismatch between disposable incomes of clients and prevailing prices brought through by a difficult economic environment.

He noted that the period under review had its fair share of challenges but profitability was ahead of target due to various cost containment measures.

“Runaway inflation had impacted on costs and pricing strategies. As a result, sales volumes in the period are therefore 22 percent and 18 percent below prior year and budget. However due to cost containment measures, our cost of sales went up by just under 10 percent while general price increases have been more than 50 percent,” he said.

During the first quarter Willdale experienced diesel shortages, which led to productions stoppage earlier than planned. However, the group expects to surpass its production targets for the year.

“We traditionally stop operations at the onset of the rains and use that time for repairs and maintenance of machines. We then started production one month earlier than planned following the shutdown period.

“The low rain has been to our advantage and this has enabled us to stockpile critical raw materials such as coal and machine wear parts. This will help in keeping our production efficiencies high and boost our competitiveness,” he said, adding that fired production for the five months was 18 percent ahead of prior year while extrusion is 68 percent ahead.

“Avoidability of diesel and stable electricity supply will be critical in meeting our production targets but we believe we are well-placed to compete effectively supported by quality bricks and superior brand,” Matonda said.

He said stock availability had improved this rainy season resulting in a reduction in supply lead times.
Simbisa suspends listing plans

Adelaide Moyo  
Business Reporter

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IMBISA Brands (Simbisa) says it has suspended its planned secondary listing on the London Stock Exchange (LSE) until Zimbabwe’s economy stabilises.

The southern African country is experiencing its worst economic crisis in a decade, which is being worsened by a combination of government debt and foreign currency shortages.

Addington Chinake, Simbisa’s chairman, said there was need to focus on driving expansion activities within the group to place it in a better position for the secondary listing, which has been in the pipeline since 2017.

“The listing transaction will be re-considered when market conditions are favourable and economic policies are more certain in both Zimbabwe and the United Kingdom. The board and management will continue to focus on driving expansion activities within the group so as to place it in a better position to achieve the secondary listing in the near future,” he said.

The country’s largest fast-food restaurant operator proposed two years ago to list in the United Kingdom’s Alternative Investments Market — a sub-market of the LSE designed to help smaller companies access capital from the public market.

However, the deal was delayed a couple of times due to regulatory issues.

Chinake said Simbisa continues to face a challenging trading environment in the country, where annual inflation reached a 10-year high of 56.9 percent in January.

“The board is however confident that our management team will weather the storm. We will continue to roll out stores in outlying markets in Zimbabwe that meet our minimum investment criteria,” he said.

Chinake noted that the macroeconomic challenges in the country led to consumer uncertainty and spending pressure whilst increasing the cost of doing business.

“The group’s response has been to focus on disciplined cost of sales management and controlled price adjustments necessary to maintain our margins. The group also had to act decisively in order to raise sufficient foreign currency to meet our foreign currency royalty fee obligations, capex and intellectual property related raw material imports,” he said.

Simbisa then discounted prices where payable in United States dollars in order to raise foreign currency for obligations.

The firm recorded a 108 percent increase in profit to $16,514 million during the half year ended December 31, 2018 compared to $7,990 million achieved in prior period attributed to increased customer counts.

Revenue was up 44 percent to $143,242 million compared to $99,368 million achieved in the previous comparable period.

Chinake said capex of $7.39 million was outlaid during the review period as the firm rolled out new counters to close the period with 201 counters.

“Through increased customer counts and average spend, revenue increased 55 percent year on year across existing stores with a further contribution from eight new counters opened during the period to bring total revenue during the six month period to $108.65 million, up 60 percent in prior year,” he said.

Simbisa said existing stores contributed 40 percent to the growth in revenue, with the remaining growth coming from 20 new stores opened during the review period.

Axia plans portfolio expansion

Adelaide Moyo  
Business Reporter

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XIA Corporation Limited (Axia) is planning to diversify its portfolio as part of strategies to increase revenue streams and stay afloat under the current harsh economic environment.

Luke Ngwerume, the group’s chairman, said Axia remains optimistic about the country’s prospects and growth potential despite the prevailing economic realities, which are likely to persist in the short to medium term.

“The group is looking into expansion projects that will enable sustainable growth thus creating value for all stakeholders, even as the macroeconomic environment is full of risks,” he said.

This was after the listed specialty retail and distribution group had recorded a 62 percent increase in profit to $16,431 million during the six months ended December 31, 2018 from $10,088 million achieved in comparable period.

Ngwerume noted that inflationary pressures continued across the board with respect to both stock inputs and operating expenditure, particularly in the latter part of the financial period under review.

“Despite the inflationary pressures on costs, the group sustained growth in profitability by recording an operating profit of $22,368 million, representing a 68 percent growth on the comparative period,” he said.

The group’s revenue increased 74 percent to $234,897 million during the review period compared to $134,328 million recorded in the previous comparable period, while assets increased to $172,448 million from $127,586 million.

Simbisa said existing stores contributed 40 percent to the growth in revenue, with the remaining growth coming from 20 new stores opened during the review period.

Newsdesk@fingaz.co.zw
Muzarabani oil drilling results expected April

Ndakaziva Majaka
Markets Editor

INVICTUS Energy (Invictus) says it is expecting to get final results from seismic tests conducted at its controversial Cahora Bassa Basin oil prospects in Muzarabani next month.

Scott Macmillan, the Australia Stock Exchange (ASX)-listed junior miner’s managing director, said a reprocessed data set would enable identification of additional prospects and leads within acreage prior to the farm out process.

“The company has received fast-track data for two key lines covering the Muzarabani structure which has resulted in a significant improvement in the quality of the imaging of the subsurface and over the Muzarabani prospect…,” he said.

This comes as Macmillan last year told shareholders that while the project’s potential had been confirmed through an independent report, potential was greater than initially projected at the project.

“Once the data set is received next month and the interpretation is completed, we expect to add materially to the prospective resource estimate base of the Muzarabani Prospect at 3,9 Tcf + 181 million barrels of gas-condensate (gross mean unrisked) from further prospect lead identification within our coverage,” the Invictus boss said.

Invictus — a penny stock whose only asset is the Muzarabani find which is part of the Cahora Bassa Basin — created a storm after President Emmerson Mnangagwa hastily granted it a three year grant shorty after rising to power.

Against caution from energy experts, Mnangagwa promptly moved to downplay the statement, Macmillan now claims the bonanza is bigger than expected.

At the time of Mnangagwa’s announcement, Invictus’ shares were suspended from trading on the ASX pending release of an announcement regarding the Maiden Prospective Resource Estimate.

Invictus was formerly known as Interoise Holdings and changed its name recently.

Before that, it had changed its name from Sunbird Energy.

The junior miner issued 150 million shares and raised AS$4.5 million in June 2018.

Before Invictus, Mobil Oil had previously spent $30 million on seismic surveys in this area but abandoned the project because it showed more gas than oil.

Scott Macmillan

Deloitte, KPMG in spotlight as scandal unravels at Tongaat

THE quality of auditing work of Deloitte and KPMG has once again been brought into question in the unfolding accounting scandal at listed agricultural and agri-processing business Tongaat Hulett.

Tongaat Hulett last month got investors jittery when it said its new chief executive Gavin Hudson had been mandated “to expedite an immediate and comprehensive strategic and financial review with the view to stabilising the business, address the debt levels and set the path towards acceptable returns for shareholders.”

Tongaat Hulett further put the market on a tailspin on Friday when it said “certain practices have come to light following the ongoing strategic and financial review of the company.”

And that it might have to assess the impact on previously reported financial information.

Deloitte in emailed responses said that it was still too early to determine whether the impact relates to previous years or it is developments that would need to be taken into account for the audit of the year ending March 31, 2019.

“We will continue to assess these developments as part of our audit process and will take the developments into account in our audit of the year ending March 31, 2019,” Deloitte said.

Deloitte is Tongaat’s external auditors.

Tongaat has brought in PricewaterhouseCoopers (PwC) to assist in its review. The move is eerily similar to the near collapse of Steinhoff.

Steinhoff in 2017 hired PwC to conduct an independent forensic probe into the multinational retailer after the abrupt resignation of its chief executive, Markus Jooste, after the company’s auditors flagged accounting irregularities in its financial statements.

Deloitte was also Steinhoff’s auditors.

Steinhoff’s Dutch shareholders are suing Deloitte, Steinhoff’s directors, accountants and banks involved in the scandal to take responsibility for damages.

Tongaat Hulett internal audit function, is supported by its internal audit service provider, KPMG.

KPMG could not be reached for comment.

John Freedman, a specialist in management and financial responsibility, said that most accounting scandals over the last two decades have centered on fraudulent financial reporting.

“Fraudulent financial reporting is the misstatement of the financial statements by company management. Usually, this is carried out with the intent of misleading investors and maintaining the company’s share price,” Freedman said.

“While the effects of misleading financial reporting may boost the company’s stock price in the short-term, there are almost always ill effects in the long run. This short-term focus on company finance is sometimes known as “myopic management.”

The recent accounting sagas has seen the Independent Regulatory Board for Auditors seeking to expand its powers to include search and seizure powers when they conduct investigations.

These are similar to the powers enjoyed by the SA Revenue Services and the Financial Sector Conduct Authority.

—IOL
Zamco clears $250m of NPLs

Nelson Gahadza
Business Reporter

The Zimbabwe Asset Management Company (Zamco) says it has so far cleared over $250 million of non-performing loans (NPLs) it acquired prior to entering the resolution stage in April 2017.

Cosmas Kanhai, the company’s chief executive, said the company was on course to recover $1,13 billion from non-performing loans.

“The resolution rate and the recovery rate are the key performance indicators, which measure whether Zamco has maximised the recovery of each NPL. Based on these indicators, Zamco compares well with countries such as China, Korea, Indonesia, Malaysia and Spain, which have similar special purpose vehicles (SPVs),” he said.

Kanhai said out of the resolved amount, Zamco received cash and other assets amounting to $258,49 million — representing a recovery rate of 101 percent.

He added that after removing the resolved NPLs, Zamco remains with a book of $882,71 million of acquired values which consists of $155,55 million rehabilitated loans, $648,55 million loan workouts and managed portfolios $78,6 million.

“In addition to the loan book, Zamco is also assisting distressed companies, some of which include Star Africa, RizZin, Cotton Company of Zimbabwe, Raider, Border Timber, Windmill, Ariston, Africom, Cairns, Tumali, The Wattle Company and Che SMP Corporation,” he said.

Kanhai noted that by end of December 2018, Zamco had issued Treasury Bills (TBs) worth $80 million to acquire the NPLs, adding that total coupon and maturity payments on the TBs currently stand at $67,14 million.

“The TBs have an annual coupon of five percent payable half yearly and tenors most-ly ranging from 10 years to 18 years. There was a few exceptions where TBs with shorter tenors were issued,” he said.

According to Kanhai, the NPLs acquired are mostly concentrated towards the agricultural sector at 43 percent, followed by the manufacturing and financial services sectors at 12 percent and 8 percent respectively.

Meanwhile, Zamco said it is pursuing two major strategies to resuscitate distressed companies namely loan or debt restructuring and corporate or operational restructuring.

In terms of the loan/debt restructuring Zamco entered into negotiations with the borrowers to redefine the terms of the original contract, a process that may entail some concessions on the part of both Zamco and the borrower.

The loan restructuring could include downward adjustment of interest rates on loans and/or increasing the loan re-payment period.

In carrying out debt restructurings, Zamco may also convert the debtor’s debt into equity in the debtor’s business, therefore, giving SPV the rights to influence the restructuring processes of the company.

Blue-chip counters drag ZSE

Adelaide Moyo
Business Reporter

OSSES in heavyweights dragged the Zimbabwe Stock Exchange (ZSE) mainstream index down in February, shedding 6,01 percent to close the month at 494,31 points.

IH Securities (IH) said losses in Delta, down 13,06 percent, Econet, down 4,32 percent and Cassava, down 3,95 percent dragged the industrial index lower.

The equities research firm said turnover at the local bourse surged 168,27 percent to $295,84 million in February with average daily trades of $15,57 million realised during the month. Total volume traded during the month was up 97,95 percent to 233,07 million shares.

“The equities market was significantly weak across the board and in heavyweights particularly, although demand in Old Mutual surged as foreign investors leveraged its fungiability to exit the market amid volatility ahead of an imminent devaluation,” the company said.

IH believes the market will continue trading on net-selling in heavyweights despite government’s efforts to improve trading conditions by introducing an interbank foreign exchange market.

“The most significant contributions to total value traded were Econet, Cassava and Old Mutual contributing 41,30 percent, 34,68 percent and 8,22 percent, respectively,” IH said.

The ZSE All Share Index declined 5,99 percent to 148,11 while the Top 10 Index dropped 8,09 percent to 145,47 points.

IH said Padenga remains a buy stock as it is well hedged in terms of earning actual real foreign currency (USD) given the recent devaluation of RTGS Dollar.

“Furthermore, revenue streams are relatively stable whilst drivers to increase margins, including hydro-power generation and significantly reducing a dependency on wild hatchlings, have gained solid traction,” the firm said.

Cassava also remains a buy stock because transacting at 97,3 percent of all national mobile money payments, Cassava leverages off its Econet, maintaining its capex-lite business model which is highly cash-generative and yields sturdy operating margins, IH added.

The local bourse has been experiencing intermittent rallies spurred by the deterioration of foreign currency exchange rates against bond notes and local notes.

Following the announcement of the mid-term monetary policy statement in October 2018, the economy witnessed a shift into an inflationary environment where parallel market premiums increased to levels ranging between 300 percent and 400 percent.

IH said the fluctuation and redenomination of bond notes and deposits is a perfect solution in fixing the country’s crisis.

"RBZ governor John Mangudya presented the much-anticipated monetary policy statement (MPS) that we believe was a step in the right direction in terms of making the tough policy reform decisions required to improve the country’s current trajectory," the company said.

newdesk@fingaz.co.zw
I last had use of a Mazda2 some four years ago by which time the Japanese manufacturer’s supermini had already undergone the early iterations of a model that frankly betrayed signs of a lot of cost cutting. In fact, I was sufficiently impressed by the later model to declare it a worthy contender for the title of class leader. So how does it stack up in 2019?

Extremely well is the answer, despite a dearth of changes in those intervening years. Of all the Japanese auto firms, it is my view that Mazda leads in terms of style of presentation, especially as it studiously avoids some of the styling overkill that afflicts certain models of Oriental origin. Instead of using acres of chrome plating to gain attention, Mazda for the most part uses the shiny stuff in a subtler manner to add to visual allure more in line with how most of the European manufacturers do it.

The test vehicle was a Mazda2 Individual Auto, a title that tells you little about the exceptional level of equipment on board and nothing about the fact that, unusually in this class, the power unit displays a relatively meagre 1500cc when most of today’s contenders operate with 1.0 or 1.2 litre murmurs, some aided and abetted by turbocharging.

This engine certainly won’t win any awards for moving along technology and I suspect that at higher altitudes with a load on board, it may well be short of muscle, but at sea level, it combines very nicely with the smooth-acting 6-speed auto to provide adequate performance with little apparent effort. At 128km/h, the rev counter is showing around 7000 rpm which in part accounts for the relaxed delivery, but should you feel tempted to partake in the traffic light GP, you will discover that in the upper rev reaches, the four cylinders sound rather thrashy. Truth is, you don’t need to go there too often as the low kerb weight of 1070kg elevates its status in my eyes a notch above the rest. If most of your driving takes place in a city environment, you don’t need to go there too often.

At 2019 litres is delivered at 6000rpm. At 4000 rpm while maximum power of 41kW is delivered at 6000rpm, which even to keep the engine spinning at a steady pace could well prove to be an asset. If mechanical refinement is good by the standards of the class, very good wind-noise-suppression courtesy of double door seals further helps the restful environment, but the sense of isolation is rather disturbed by above-average road noise generated by the 185/60R16 rubber that wraps very smart alloy wheels finished in a mix of polished spokes and black paint.

Happily, nary a squeak nor rattle was heard on any road surfaces. The dimensions of those tyres suggests a softish ride is on the cards, but that is not the case. At low speeds on typically-broken urban tar, the ride is perhaps overly-firm, but as speed rises, things smooth out and road control remains a strong feature.

The power steering is endowed with a well-judged amount of assistance at parking speeds, and while it fits up at speed, it does take on a rather vague feel which may well be a function of the relatively deep-wall tyres.

My notes somehow omitted any mention of the brakes on the Mazda2, which tells you all was well in this department, especially as far as pedal modulation was concerned. As the car was easy to bring to a complete halt without last-minute snatching.

Looks very much into the realms of the subjective, but few would dispute that the rather long-nosed Mazda2 should appeal to most with its flowing panels and chunky stance lending it a quality look.

Virtually all panel gaps are close and accurate too and while the white paintwork of the test model looked perfectly acceptable at a glance, closer inspection revealed the presence of an unacceptable amount of fine orange peel. The clear coat or the top coat must be the glow of many competitors, something that seems to afflict all Mazda models in my experience. I’d be interested to know if Mazda has been tardy in upgrading its paint plants as this brand definitely lags in terms of the visual appeal of its top coats.

Inside, no such accusation could be levied as the ambiance is truly excellent. It’s a given that soft-touch surfaces have more tactile appeal (and generally visual appeal), too, than hard surfaces, but apart from a soft-touch horizontal panel that runs the width of the central dash, all surfaces are hard to the touch in this instance. Nonetheless, Mazda’s designers have done a first-class job by endowing the upper hard surfaces with a classily grainy, almost velvety finish in appropriate places. The lower reaches, plastics are a little scratchy but that’s nothing unusual in this class.

There are also some nice examples of design flair, not least the sweeping line that extends from the dash into the doors. The seats too are very nicely tailored in a smart black synthetic (alcantara) material flanked by leather bolsters and offer good posture and support. The upholstered is that the interior exudes a feeling of relative comfort, itself an accurate description because the rear quarters, which are otherwise adequate for two adults, feel a little hemmed-in by the hefty rear pillars.

The boot, at 280 litres is about class average and for the record, hides a biscuit spare wheel.

Not everyone will be taken with the integration of dark brown finishing surfaces within the mostly-black seats, dash and doors, but that is very much a matter of taste.

Personally, I’m not overly-fond of the tight, package-oriented instrument cluster which features a central analogue rev counter display with a rather pokey digital read-out (but it will do). The speedo displays on the left and fuel and trip info on the right. No temperature gauge is present; just a small digital block that changes colour.

Where Mazda really stands out is in the level of standard equipment on offer. Aside from the unusual provision of a Head-up Display, there’s keyless entry/exit, electric windows all round, alarm, cruise control, rear park sensors with camera, very effective air con, Bluetooth with USB and AUX ports, auto on/off lights, fog lights, rain-sensing wipers, and a central infotainment display with satnav, radio and CD controlled by a very sensible rotary switch situated behind the shift lever (or by steering wheel buttons) and therefore within easy reach of driver and passenger.

As for safety, the Mazda2 has a full array of airbags and a braking system complemented by ABS, EBD and Brake Assist.

Any ideas of the Mazda2 being an entry-level model should be discarded as in this “individual” trim, it is positively dripping in equipment that’s normally the preserve of the class above. It isn’t all about equipment levels though, as there is an excellent class-adequate level of protection enjoyed in addition to very good construction standards reflected in narrow panel gaps and an absence totally devoid of rattles and squeaks.

A bare, luggage space is no more than adequate, the interior colour combo is a bit off-beat and that paint finish is of concern to a finicky old bugger like me, but as an overall package, this Mazda shines brightly.

As an overall package, this Mazda shines brightly.
JUST into the last month of the first quarter of 2019 and the world of motoring worldwide has seen the release of models which are set to stir up competition. We at MotorTrend bring you the latest and updated car-related news as we cover everything from local news to motoring affairs happening around the world. This is the first issue of the year and as always we review motoring products currently available in our market. Late last year we had the introduction of the (still) affordable Datsun Go which has been made safer, trendier and more functional. If you are one of those shopping around for a fuel efficient nippy run around in the second quarter expect to find it in Zimbabwe at the various Datsun dealers across the country. 2019 will also see the introduction of the new Ford Ranger for those mean truck lovers. The new Range Rover Evoque has been released and it’s a matter of time before it’s available locally. At a glimpse one would think it’s a baby Velar, though small, it has the heart and pure DNA of a Range Rover.

Clover Leaf Group this past week has a fun packed Ride and Drive event at their showroom in Masasa where clients sampled their product range which are the NISSAN, BAIC, HYUNDAI, DATSUN and MAZDA. Clients got to experience the various vehicles and test others off road to feel their ruggedness and handling. This exercise always helps if you are going to make the bold decision to buy a vehicle.

Faramatsi owned by Farai Matsika has strategically positioned themselves at the old Zimoco showroom where they are specialising in luxury high end SUV. The showroom is well stocked with Toyota Landcruiser’s and Prado’s, Lexus LX570 and many more.

The economic situation has worsened over the last few months and duties have gone up and I wonder personally how those wanting to buy budget vehicles from Japan, Singapore or the UK are going to manage. The lack of foreign currency also means less on our showroom floors and displays.

Though things look and seem bleak, this issue carries review and tips on luxury, practical and adventure packed vehicles which are currently available at the authorised distributors. As you read through you will celebrate with our own Autoworld Zimbabwe which won a prestigious award in South Africa for having increased sales of the Isuzu range in the just ended 2018. Autoworld Zimbabwe is not the only celebration but we also have Zimbabwean born Stephanie Travers who has landed a top role in Formula One racing after being announced as the Petronas Trackside Fluid Engineer 2019. Out of 7 000 applicants, Travers made it into the Formula One team which includes racing car driver, Lewis Hamilton. In spite of the harsh economic environment, sales were made and our own continue to make history and be reckoned with.

On that note read on, till next time, be safe.

From the editor’s dash….

MT3 Range Rover Sentinel - Fortress refined

Isuzu KB adopts the D-Max name

MT11
Clover Leaf Motors group is a renowned Motor Vehicle dealership which holds franchises for the following vehicle models, Hyundai, Mazda, BAIC and their flagship brand Nissan and Datsun. Over the years the motoring group has won awards such as:

- Nissan dealer of the Year nine times
- Nissan after Sales Dealer of the Year
- Nissan after Sales CSI Dealer of the Year

These accolades show how Clover Leaf Motors are passionate about what they do and they just do it right!

Clover Leaf Motors this past week had a fun packed Showroom Open Day coupled with a Customer Ride and Drive event where customers were invited to their showroom along Mutare Road in Msasa.

This was done not only for customers to have an appreciation of the vehicle brands that are sold at Clover Leaf Motors but also to experience the vehicles through the ride and drive. Patrons were so excited to drive the latest brands of vehicles and also got an appreciation of the functionalities of these cars so that they can make wise decisions when purchasing a car.

The demo vehicles included the new Nissan Navara, The Mazda BT 50, The New Nissan X-Trail, The BAIC D20 and the Grand Tiger, The new Hyundai Tucson, Datsun Go, Landcruisers and Prados. The Clover Leaf technical team was also on stand-by to explain the different functionalities of the cars brand by brand and also educate the customers on some of the underutilised functionalities on a motor vehicle.

The group sales and marketing manager Derreck Mazvito stated that “Most people purchase cars based on the outlook and not on functionalities, this is why we embarked on the ride and drive exercise to educate our customers”. He added that it was important for the clients to get a feel of the vehicles before making a purchase so that they can be clear about what car they want to buy and why they are buying it.

The vehicles sales support system was also on stand by to educate customers on after care and maintenance. Fleet managers were also excited to see vehicle brands which were suitable for fleet such as the Nissan NP 200 and 300, the Datsun Go and of course the new kid on the block the BAIC D20. One of the invited fleet managers highlighted how taxing it can be to buy fleet cars which consume a lot of fuel and are not durable, however he was excited to see fleet vehicle brands which will give him peace of mind and easy to manage.

An exciting route was cleared mapped out which every driver had to follow at a certain point there was a driver change so that each customer could experience driving every brand. After the event guests were treated to some snacks and departed to their places of work.
The Range Rover Sentinel is a pure definition of luxury fortress on wheels.

The Sentinel is based on the standard wheelbase Range Rover Autobiography. It delivers the supreme comfort, command driving position and all-terrain capability of the Range Rover, while providing peace of mind thanks to outstanding occupant protection and, outwardly, looking identical to the standard model.

Land Rover Special Vehicle Operations this week revealed the latest version of its armoured Range Rover Sentinel, which now features more power, unparalleled refinement, all-terrain capability and the latest in occupant protection.

The 290kW 5.0-litre Supercharged V8 petrol engine gives a 30kW power uplift over the V6 petrol fitted previously, ensuring the armoured SUV retains exceptional Range Rover performance across all terrains. Carrying more than one tonne of armour plate and glass, Sentinel will accelerate from 0-100km/h in 10.4 seconds, with top speed limited to 193km/h.

Designed and engineered by Land Rover Special Vehicle Operations, and built at the SV Technical Centre in Warwickshire, the armoured Sentinel provides peerless occupant security with world class comfort. At its core is a protection cell built to stringent whole vehicle standards and in accordance with full ballistic and blast certification. The enhanced body is engineered to face modern and unconventional forms of attack, including improvised explosive device (IED) fragmentation blasts.

Michael van der Sande, managing director, Land Rover Special Vehicle Operations, said: “The Range Rover Sentinel delivers the exceptional protection and security required by our VIP clients without compromising the superior refinement of the latest Range Rover. The addition of the more powerful 5.0-litre Supercharged V8 engine and a redesigned interior ensures a heightened level of performance and occupant safety.”

The chassis, suspension, braking and electronic stability systems are all optimised to retain Range Rover’s on-road dynamics, while Sentinel also delivers unparalleled off-road ability for an armoured vehicle of this kind, enabling it to tackle deep water crossings and challenging terrain with ease. Specially manufactured wheels incorporate a run-flat system so the vehicle can be driven over distances of more than 50km at speeds of 80km/h if a tyre is damaged.

Sentinel is fitted with armoured glass in order to help protect occupants from attack. Further security systems include the option for a specially configured front window which drops a maximum of 150mm for document delivery, while it also features a public address system allowing occupants to address people outside the vehicle without leaving their secure environment. Siren and emergency lighting packs are also available.

Range Rover’s peerless refinement is retained with the new Sentinel gaining improved cabin space, enhanced headroom and occupant capability over the previous generation, which ensures occupants not only benefit from complete protection on the move but also enjoy truly world class comfort. The interior also features Land Rover’s latest Touch Pro Duo infotainment system with two 10-inch high-resolution touch screens.

Featuring the latest Range Rover exterior design elements, including LED lighting, Sentinel is now offered with the optional Black Pack which adds black finishes to trim items for an even more sophisticated appearance.

For those interested in roaming in a luxurious fortress, this is the vehicle for you and order can be placed through the local dealer Premier Auto in Harare. Unfortunately this is one mean machine which you won’t find sitting on a showroom floor but can be ordered to your specification – tailor-made for you.

**Facts**

- Range Rover Sentinel: Discreetly armoured variant is designed, engineered and built by Land Rover Special Vehicle Operations.
- Exceptional performance: Now featuring Land Rover’s 5.0-litre Supercharged V8 petrol engine, capable of 0-100km/h in 10.4 seconds.
- A mobile fortress: Features the latest in occupant protection including armoured glass, roof blast-protection and emergency escape system.
- Customary refinement: All of the design, refinement and presence expected of the luxury Range Rover Autobiography SUV.
- Peerless capability: Upgrades to the chassis, suspension and braking systems ensure legendary all-terrain capability is retained.
The supercharger is sealed for life with premium synthetic oil, uses a drive ratio of 2.36:1 and has a maximum speed of 14,600 rpm. The supercharger drive system’s one-way clutch de-coupler improves refinement, while allowing for precisely the kind of powerful sound certain to captivate Jeep Grand Cherokee Trackhawk drivers.

The Jeep Grand Cherokee Trackhawk is capable of towing 2,905 kg, so the next time you are going fishing, do take your Jeep Grand Cherokee Trackhawk drivers.

The anti-lock braking, electronic stability control and traction systems are uniquely tuned. The signature seven-slot upper front grille is flanked by adaptive, bi-xenon headlamps and surrounded by an LED character lamp treatment. The headlamps on the Jeep Grand Cherokee Trackhawk model feature a unique Gloss Black background to accent their jewel-like appearance.

The fog lights are absent from the Trackhawk’s front fascia to optimize airflow to cooling modules

A “Supercharged” badge on both front doors and a Trackhawk badge on the liftgate feature a Liquid Titanium Chrome outline and Matte Black background. New standard 20 x 10-inch Titanium finish wheels with a Satin Chrome center cap showcase the distinctive yellow calipers underneath. Available lightweight 20 x 10-inch forged aluminum Low Gloss Black wheels save a total of 5.44 kg (12 pounds) versus the standard Trackhawk wheel. Grand Cherokee Trackhawk also features all-new Pirelli 295/45R20 Scorpion Verde All-Season and new Pirelli P-Zero three-season tires with an increased speed rating.

The Jeep Grand Cherokee Trackhawk is available in nine exterior colors: Billet Silver, Granite Crystal, Diamond Black, Ivory Tri-coat, Bright White, Velvet Red, Rhino (exclusive), Redline 2 (exclusive) and True Blue.

The driver-focused interior features premium soft-touch materials, unique Light Black Chrome finishes and carbon fiber accents. And a 7-inch driver information display (DID) instrument cluster, which features the tachometer in the middle. The 290 kph speedometer is on the left side of the instrument cluster, which features the tachometer in the middle. The 290 kph speedometer is on the left side of the cluster.

The Jeep Grand Cherokee Trackhawk features standard Nappa leather seats with an embroidered “Trackhawk” logo. A fully wrapped Signature Leather Interior Package with “Trackhawk” embossed on the seats. Seats are also heated (front and rear) and ventilated (front). Dark Ruby Red seatbelts and a dual-tone panoramic sunroof are also fitted features.

A new Premium Metal Package is standard and enhances the Trackhawk’s interior with various upscale real metal accents. There is also a 825-watt Harman Kardon high-performance audio system with 19-speakers and two subwoofers. Other prominent, standard Jeep Grand Cherokee Trackhawk safety and security features include Adaptive Cruise Control with Stop, Advanced Brake Assist, Blind-spot Monitoring with Rear Cross Path Detection; Full-speed Forward Collision Warning with Crash Mitigation; Front and Rear Park Assist; Lane Departure Warning-Plus; Ready Alert Braking and SiriusXM Guardian and Roadside Assistance buttons.

System shares useful information when driving and makes it easy to access the best of Google technology. Featuring Google Maps with free voice-guided navigation, live traffic information, and lane guidance; on-demand access to 30 million songs with Google Play Music; plus the ability to place phone calls or send and receive messages while keeping hands on the wheel; and ask Google search any question. Android Auto also makes it easy to access popular apps and content from the Uconnect system’s touchscreen.

Pop into Zimoco open six days a week, grab a coffee and boek a test drive with any one of the consultants.

Mercedes-Benz GLC and GLC Coupé

IN STOCK NOW

Mercedes-Benz

The best or nothing.
The new kid on the block is ruffling feathers on the Zimbabwe motoring scene. Located at the Club Chambers building along Third Street, Faramatsi showroom is packed to capacity. The state of the showroom is rare. Despite the current economic situation, Farai Matsika - the founder of the dealership is not stopping as he continues to expand. High end luxury SUV vehicles with all the trimmings and strong contenders in 4x4 trucks are all displayed. Below are the two popular high-end SUVs from Toyota which you can just test drive and purchase for both work and leisure at Faramatsi Motors.

The Rugged elegance in the Toyota Prado

The heavily updated Toyota Land Cruiser Prado range sees some big changes for 2018-9, with a new look, updated interior and added equipment across most models in the range. Sitting on the Faramatsi showroom floor this vehicle topples the mid-sized SUV market contenders. Originally designed to tap into the mid-sized SUV market – which was still known as the 4WD market back then – the Prado found huge success, but probably not where Toyota was expecting. Thanks to enough seats – and enough room – for seven passengers, the Prado was just at home on the school run as halfway up a mountain, covered in dust. Although now limited to seven-seats, it’s still just as capable in the suburbs and bush hauling.

Standard inclusions: lane departure warning, a pre-collision safety system with pedestrian detection, auto high-beam lights, and automatic cruise control on the auto model which is in stock at Faramatsi Motors on the top end VX. Every variant in the Prado range is powered the same engine, with the same size - a 2.8-litre four-cylinder turbo-diesel engine.

There are no changes to specifications for power outputs of the diesel drivetrain, be it the manual gearbox with retained power and torque outputs of 130kW/420Nm, or an automatic transmission, which bumps the torque spec up to 450Nm. If you need a midsized SUV which has an executive presence, then this could be the answer. The sales consultants can better advise once you are in the showroom based on your needs you could be persuaded to go a notch higher with the new 200 series Toyota Land Cruiser.

The unbeatable Toyota Land Cruiser 200 series

This is a giant on the Zimbabwean four-wheel drive landscape, and this 200 Series – with 4.5-litre V8 twin-turbo-diesel – represents the pinnacle of the breed. With 200kW/650Nm fed through its six-speed automatic transmission, there’s ample grunt for day to day office driving, touring mining sites, off-road adventures and boat hauling to that lake holiday destination.

Displayed and in stock at Faramatsi Motors an upgraded Land Cruiser 200 Series with new features added to the volume-selling GXL and VX models for the 2018-9 model year. The 200 Series initially arrived in 2008 and it represented a major generational update from its predecessor, the 100 Series. This is a more refined alternative to the no-frills, hardworking 70 Series, the 200 Series is available in GX, GXL, VX and Sahara grade trims (plus an ‘Altitude’ special edition, based on the GXL). At Faramatsi Motors they make sure that your specifications and preference is made available if it’s not on the showroom floor.

Even the base-model GX, which is common among mining, forestry and emergency services fleets, commands a healthy presence which gives you peace of mind while handling bad rugged terrains with ease.

Highlights include the introduction of front and rear parking sensors on the GXL, along with a new colour 4.2-inch multi-function driver's display and leather-accented multi-function steering wheel on the mid-tier grade. The VX, meanwhile, now gets several assistance technologies previously reserved for the top-shelf Sahara model. The VX gets blind-spot monitoring with rear cross-traffic alert, a multi-terrain monitor incorporating a surround camera system, along with auto-dimming interior and exterior mirrors.

Vehicles available ex stock are the Toyota Land Cruiser 70 series, Toyota Hilux single and double Cabs and the Mazda BT50.

For vehicle sales have a chat with sales team for pricing and availability.
Drive life to the full with the new Datsun GO and GO+

FEBRUARY 2018 saw the return of the legendary brand Datsun in Zimbabwe with a range of exciting models which were the Go, Go+ and the Panel Van.

Fast forward to the end of 2018, Datsun launched the all new Datsun GO and GO+ models to provide personal mobility and freedom to go-getters looking for a means to achieve their dreams.

Datsun’s success since its reintroduction in 2014 in Southern Africa proved that there are thousands of people who need a well-priced, reliable car and now it’s time for a new Datsun GO and GO+ for the next generation of self-starters to aspire to.

It represents a new experience for consumers. With its fresh looks, modern features and advanced technologies, the new Datsun vehicles are made for progressive, ambitious customers that are made for progressive, ambitious customers.

The GO and GO+ models are powered by the energetic 1.2-litre petrol engine that produces 50kW at 5,000rpm and 104Nm at 4,000rpm paired with a smooth 5-speed manual transmission.

Another key feature in this segment are Follow-Me-Home headlights that stay illuminated after you exit the car to provide much-needed light as you walk to your door. The timing can be set in intervals of 30 seconds to give you as much time as you might need.

The new Datsun GO and GO+ have Android Auto and Apple Car Play connectivity (as standard during the launch period), Bluetooth, USB, a glove box lid, front and rear power wiper with washer and body colour door handles.

The new GO and GO+ models are powered by the energetic 1.2-litre petrol engine that produces 50kW at 5,000rpm and 104Nm at 4,000rpm paired with a smooth 5-speed manual transmission.

The stylish new instrument panel is beautifully designed while also being incredibly sophisticated look and feel.

Inside, the new GO and GO+ have Android Auto and Apple Car Play connectivity (as standard during the launch period), Bluetooth, USB, a glove box lid, front and rear power wiper with washer and body colour door handles.

Another key feature in this segment are Follow-Me-Home headlights that stay illuminated after you exit the car to provide much-needed light as you walk to your door. The timing can be set in intervals of 30 seconds to give you as much time as you might need.

The reverse parking sensors in both models feature an audible beeping warning that activates when reverse gear is engaged. This feature will give the driver confidence and improved manoeuvrability when reversing.

The suspension system, which features a double-pivot front arm enables greater agility while the tension from rough roads is absorbed by a high-response damper. This technology helps to keep the vehicle motion stable.

Datsun GO has a class-leading turning circle of just 4.6 metres, which is perfect for city driving. Dorothy Kumundati marketing manager at AMTEC in Harare is excited about the development as she and her sales team are looking forward to taking orders of the new economical Datsun GO range.

Customising your Datsun GO has never been easier as there are several new Datsun approved accessories to ensure the best performance, durability, quality and support. Drive Life To The Full with accessories that help you personalise your ride without sacrificing quality and pumm your ride with everything from 15” alloys to roof spoilers, and more.

The new Datsun GO and GO+ benefit from the impressive fuel efficiency of the 1.2-litre engine, which has a combined consumption of 5.2 litres per 100km to ensure that increases in the petrol price don’t put a damper on your driving pleasure.
The new Renault Logan - Affordable comfort

Mada Borerwe

The Renault Logan, also known as the Dacia Logan in some territories, has made a name for itself as an affordable alternative for those looking for a subcompact car. A 4-door that has a seating of up to five people, it uses a simple yet effective formula to stand out in a segment that is fast becoming competitive. The 2018 Renault Logan is set to become one of the most popular rides in Zimbabwe, and that is for good reasons.

Since the release of the second-generation Logan in 2014 there were no significant changes in its exterior shell. However the 2018 Model showcases exterior changes featuring a redesigned bumper and grill equipped with 15 inch alloy wheels, body coloured bumpers, day time running lights and front fog lamps. The interior of the car has been modified giving the vehicle a more “tech appeal”. It is equipped with a state of the art air conditioning system which makes it easy for the driver to control the climate inside the car. The Logan has a leather steering wheel designed with a steering column capable of height regulation. Audio control has been made easy and is available on the steering wheel for the convenience of the driver. The Renault Logan also features an exciting dashboard which houses a larger infotainment system with an easy to operate navigation system.

The Renault Logan is a 1.6 litre 4-cylinder engine that produces 110 horsepower and 148 Nm of torque. While there are no diesel engine options available, this vehicle still provides excellent fuel efficiency and torque. An automatic transmission is also available which delivers smooth power and is suitable for city driving. The new Renault Logan has improved safety features such as Anti Grit Protection, Door Lock by running, driver and passenger front airbags, dust protection kit and front seatbelts with height regulation.

The Logan comes in seven exciting colours namely white, blue, black, red, silver, grey and brown. It is one of the most affordable new cars on the local subcompact market and this comes as no surprise that it’s one of the highest-rated new cars of today.

For pricing and availability call Duly Motors Ltd, the Renault authorised dealer in Zimbabwe.

The journey continues ...
The all new enhanced KIA Sportage

THE Korean brand has over the years made practical yet stylish products which are competitively priced. When it comes to technology enhancement and looking to the future KIA is one of those vehicle manufacturers who are pushing the limits. It’s been just more than two years since the multiple award-winning current-generation KIA Sportage made its debut in Africa. Now, thanks to a mid-life refresh that includes revisions to engine and transmission options, as well as a revised model line-up, the significantly enhanced Sportage is available in Zimbabwe at KIA Zimbabwe.

Launched in 1995 and spanning four generations since, Sportage is undoubtedly the most successful model in KIA’s history. In fact, earlier in 2018 – in the year of its 25th anniversary – KIA Motors celebrated Sportage reaching five million cumulative sales across the globe.

The Sportage made its first appearance at the 1991 Tokyo Motor Show, introducing the concept of the ‘Urban SUV’ to consumers for the first time. It set the blueprint for a compact, practical SUV, suitable for use in a variety of environments and – unsurprisingly – was an instant hit, recording total lifetime sales of over 500,000 units.

A new version of Sportage was introduced in 2004, and after seven years of production, recorded sales of 1.23 million units globally.

The global award-winning third generation Sportage, which debuted in 2010, racked up a million sales in only four years, reaching two million cumulative sales during its sixth year in production.

The fourth and current generation Sportage, which debuted globally late in 2015, is considered the most popular Sportage yet, reaching the one million-unit sales mark after only two years in production.

A multi-award winning global design, Sportage is now even more striking thanks to a slight nip-and-tuck to its exterior for the 2019 model year. At the front, Sportage retains its striking headlamps, incorporating unique LED Daytime Running Lights, as well as a slightly revised, more prominent ‘tiger nose’ grille. A new bumper design gives Sportage a more masculine, menacing visage, with a more prominent housing for the front fog lamps.

At the rear, Sportage also gains a revised bumper that emphasizes the car’s width while giving it a more planted stance.

Proving to be the most popular choices over the past two years, KIA has retained both its familiar 2.0-litre Multi-point Injection (MPI) and 2.0-litre CRDI (Common Rail Diesel Injection) engines for use in the Sportage, discontinuing both the 2.4 GDI (Gasoline Direct Injection) and 1.6 T-GDI (Turbocharged Gasoline Direct Injection) engines found in the previous SX AWD and GT Line models.

New to the range, however, is the efficient 1.6-litre GDI (Gasoline Direct Injection) engine, utilised exclusively in the Sportage Ignite. This new-generation 1.591 cc ‘Gamma’ engine produces 97 kW of power with 161 Nm of torque available from 4,850 r/min. It reaches the 100 km/h mark in 12,1 seconds and is capable of a top speed of 170 km/h with CO2 emissions of 175 g/km.

The familiar 2.0-litre ‘Nu’ MPI engine delivers 115 kW of power and 196 Nm of torque at 4,000 r/min, with a 0-100 km/h acceleration time of 10,5 seconds (6-speed manual) and 11,1 seconds (6-speed automatic) respectively. Top speed is noted at 186 km/h (6-speed manual) and 181 km/h (6-speed automatic) respectively, with CO2 emissions at 183 g/km (6-speed manual) and 184 g/km (6-speed automatic).

Loved for its excellent mid- and low-range torque and agile acceleration, KIA’s much-loved 2.0 CRDI engine produces 131 kW of power, and a healthy 400 Nm of torque between 1,750- and 2,750 r/min. As part of the Sportage’s mid-life enhancement, the engine is now mated exclusively to KIA’s new eight-speed automatic transmission in both the Ignite Plus, EX and EX Plus specification grades.

In the Sportage, the new transmission assists in getting the SUV to the 100 km/h mark in 9,3 seconds, with a 0-200 km/h acceleration time of 16,4 seconds (6-speed manual) and 16,1 seconds (6-speed automatic).

The Sportage range features a full complement of safety and driver assistance systems, including ABS brakes with Electronic Brake-force Distribution (EBD), six airbags and ISOFIX child seat anchors as standard. Vehicle safety is ensured through the standard inclusion of central locking, as well as an alarm, immobiliser and Dazer Dot.

Drivers will also benefit from Electronic Stability Control (ESC), Hill-start Assist (HAC), and Downhill Brake Control (DBC). All models feature Park Distance Control at the rear, while higher specification EX and EX Plus models also gain front parking sensors and a reverse camera, displayed on the 7- or 8-inch colour touchscreen.

KIA Zimbabwe will assist with pricing and availability.
THE Ford Ranger has been a local favourite with the introduction of the bigger and more powerful 3.2 and efficient 2.2 engines. For those who itch for aggression when it comes to vehicles, they indulge in the top range Wildtrak with its signature ‘Pride Orange colour’.

At the time of introduction in 2016 of all the derivatives, almost every 4th truck was a Ranger 2019 will see the introduction of a revamped, more tech packed meaner truck being launched. Later in the year Croco Motors and Dulys who are the authorised distributors of the Ford product will have stock for sale on display.

Ford’s Silverton Assembly Plant in Pretoria has officially commenced production of the new Ford Ranger, bringing a raft of product upgrades and refinements to one of South Africa’s best-selling vehicles and export models.

“Following the investment of over R3-billion in our local operations and extensive upgrades to our plants over the last 18 months, we are delighted to see the first of the new Ford Ranger models coming off our production line,” says Neule Hill, managing director, Ford Motor Company Sub-Saharan Africa Region.

“This is an extremely important and exciting year for the Ford Ranger, which will also see the launch of the first-ever Ranger Raptor that is undoubtedly one of this year’s most highly anticipated new models,” Hill adds.

“The 2019 Ford Ranger will deliver more power, greater fuel efficiency, enhanced refinement and even more advanced technologies when it goes on sale in the coming months, and we are confident that it will once again set the benchmark in the extremely competitive pickup segment.”

Selected range-topping models, including the Ranger Raptor, will be powered by the all-new 2.0 Bi-Turbo diesel engine assembled at Ford’s Struandale Engine Plant in Port Elizabeth. This unit produces 157kW and 500Nm of torque – up by 10kW and 30Nm compared with the current 3.2 TDCi – and delivers up to a nine percent improvement in fuel efficiency when combined with the advanced new 10-speed automatic transmission.

Certain derivatives will feature a 2.0 Single Turbo version of this engine, producing 132kW and 420Nm of torque, mated to the same 10-speed transmission. Various other models in the line-up will retain the proven 2.2 and 3.2-litre Duratorq TDCi engines and existing gearbox options – thus giving customers the widest choice yet in this category. As usual, the line-up includes Single Cab, Super Cab and Double Cab body styles to suit customer requirements.

Along with freshened design cues, range-topping Ranger models will raise the bar once again with industry-defining new features such as Pre-Collision Assist and Active Park Assist. SYNC 3 with Navigation remains one of the Ranger’s technology highlights as a fully featured infotainment system with intuitive voice control.

Following the launch of the ‘standard’ new Ford Ranger models, the attention will be shifted to the locally assembled Ranger Raptor that is set to create an entirely new segment in the pickup market when it goes on sale in the second quarter of this year, creating the first-ever true performance model in this crucial segment,” Hill states.

“We can’t wait to get the Ranger Raptor to market, enabling our customers to experience unmatched off-road performance, cutting-edge technologies and the most muscular design yet seen in this class.

Some of the defining features of the Ranger Raptor include Position Sensitive Damping (PSD) shock absorbers exclusively manufactured by FOX, and an advanced Terrain Management System (TMS) that includes an exciting Baja mode for fast off-road driving. It also boasts a toughened reinforced chassis, powerful all-disc braking system and specially developed BF Goodrich tyres.

Visit Croco Motors or Dulys for more information concerning the all new Ford Ranger.
The new Renault Koleos is uniquely designed to showcase elegance incorporated with a modern look. It has muscular haunches and high ground clearance which is traditionally associated with an SUV. “As designers we didn’t seek to dilute the traits that are associated with SUVs, instead we accentuated the segment's familiar cues and the result was a vehicle that exudes inner strength and it is in every sense an SUV and a Renault” said Laurens Van Den Acker - Renault senior vice president, Corporate Design.

The Koleos is an SUV that packs all the styling cues and capabilities associated with the segment. The new Koleos design pillar is “EXPLORE” which stands for robustness and a taste for adventure. In pursuit of these qualities it inspired the Koleos designers to give the SUV taut and powerful muscular lines. Other features include; door protective mouldings, large-diameter wheels (up to 18 inches) and aluminium roof bars. The Koleos has a high ground clearance of (213mm) and approach and departure angles of 19 and 26 degrees respectively. It has an elevated driving position which offers excellent visibility. This feature is an added advantage especially for female drivers, when we compare it to a sedan the Koleos offers a driving position 150mm high which is a reassuring feature highly prized by SUV lovers.

It is equipped with a tall wide dashboard which is intended to give the driver and passenger a sense of safety and protection. Handgrips are installed on either side of the centre console which provide comfort when the vehicle is driving on rugged terrain or off road. The Renault Koleos boasts of unparalleled user friendly all mode 4x4-itechnology which is an all-wheel drive system extremely easy to use. It has a switch on the dashboard which offers a choice between 2WD (front-wheel drive) or 4WD auto modes. The latter automatically splits the torque between the front and the rear wheels. At slow speeds in low grip conditions a third mode called 4WD Lock allows the driver to select permanent all-wheel drive. Renault engineers have long studied and re-imagined different driving situations to develop new technologies and systems to assist the driver. This is not meant for emergency but they help prevent emergencies from happening in the first place. Safety features also include the following;

- Adaptive airbags
- Hill Start Assist
- Front and rear parking sensors with rear parking camera
- Blind Spot Warning
- Emergency Brake Assist
- Front fog lights with cornering function
- Automatic high and low beam

The diesel dCi 175 engine which generates an impressive 380Nm torque from 2000 revolutions per minute, delivers even more powerful acceleration for unequalled performance and driving pleasure. The X-TRONIC automatic continuously variable transmission offers fluid responsive driving without delay. X-TRONIC adjusts continuously whilst maintaining optimal engine speed and can also simulate gear shifts producing even more powerful acceleration.

The New Renault Koleos embodies new aspirations characterised by a sense of detail and personality enhanced by its sleek appearance and athletic curves and is an SUV worth buying.

For pricing and availability contact Duly Motors Ltd your authorised Renault Dealer in Zimbabwe.
Autoworld Zimbabwe sales rise

ZIMBABWEANS love their bakkies. In fact, it is safe to say that Zimbabweans love their Isuzu bakkies - in particular, the Isuzu Double Cab bakkie.

Last year, a quarter of the bakkies sold in Zimbabwe were Isuzu. Increasing the Isuzu market share from 18 percent in 2017, to 25 percent in 2018.

Double Cab bakkie sales more than doubled compared to the previous year - with a massive 112 percent increase in this country. The extended cab, also known as the King Cab in Zimbabwe, followed suit resulting in Isuzu leading the market in this sub-segment too.

Autoworld Harare dealer principal, Alison de Klerk, said customers have confidence in Isuzu products and enjoyed its reliability and durability. “Isuzu offers great value for money compared to similar products in the market. The vehicles are reliable, durable and the brand name is one they can trust,” said de Klerk.

She also commended the performance of the Isuzu mu-X Isuzu’s new SUV contender, the mu-X, which was launched to the Zimbabwean market in September last year. Autoworld’s two branches on Harare and Bulawayo strive to keep customers happy.

Leading by example, the dealership is dedicated to providing a unique, world-class automotive sales and service experience - retaining customers for life and ensuring that Isuzu is with their customers for the long run.

“For the last few years we have been working on our aftersales service, as well as our values as an organisation. We still service vehicles that are out of warranty - some vehicles with high mileages like 700 000 km still come back to us for servicing,”

“It's all about having a culture of honesty and integrity combined with a solid and reliable brand like Isuzu,” said de Klerk.

Isuzu KB adopts the D-Max name

THE Isuzu KB has been a household name in the commercial and leisure vehicle markets in Africa over the past 40 years and six generations, with a proud heritage built on an outstanding character of reliability, capability, durability and trust.

Now, the much-loved Isuzu bakkie range is creating an exciting new chapter as its name changes from KB to D-MAX, bringing it in line with global markets while retaining the proven qualities that have underlined its success – matched to an extensive range, enhanced styling and fantastic new features.

“The Isuzu Motors South Africa operation is now fully integrated within the wider Isuzu Motors organisation and, as such, we are aligning our brand and product portfolio with the company’s global product strategy and naming conventions. The adoption of the D-MAX name is a natural next step for us as we launch the enhanced and expanded range for the South African market,” says Craig Uren, executive officer – sales, service and marketing.

“Although the name has changed, the same trusted qualities that made the Isuzu bakkie a South African favourite over four decades continue with the wider and even better D-MAX range. It’s exciting that this happens in the same year that Isuzu Motors Ltd acquired the company’s local operations, and also celebrates 40 years of Isuzu bakkie production in South Africa,” Uren adds.

The D-MAX name originated in Thailand, with the ‘D’ originally referring to the 2000 model year Isuzu bakkie which boasted the flush “Dragon Eyes” headlamp design. It also represents Isuzu’s proud legacy in the production of diesel engines, the use of industry-defining direct injection, as well as ground-breaking design and durability. ‘Max’ signifies Isuzu’s maximum approach to design, size, comfort, technology, performance, safety, durability and line-up.

These qualities are reflected in the latest Isuzu D-MAX range, which boasts an expanded line-up of 30 models for South Africa and 13 models for export markets, all of which are assembled at the Struandale Assembly Plant in Port Elizabeth for the South African market, as well as for export to Sub-Saharan Africa where the D-MAX name has been in use since 2013.

Along with subtle styling changes and an upgraded, more premium interior with enhanced infotainment features, the Isuzu D-MAX 3.0 LX now also incorporates significant drivetrain enhancements with the adoption of a six-speed transmission in both its automatic and manual models, that first debuted in the Isuzu mu-X SUV launched earlier this year.

Although it looks, feels and drives better than ever, the revered Isuzu bakkie range hasn’t changed its stripes in terms of its renowned reliability, durability, capability and overall outstanding comfort which customers have come to trust.
Ford Bolsters EcoSport Range with new 1.5 petrol ambiente

The Ford EcoSport enjoys prominence on the sales charts in the compact sport utility vehicle (SUV) segment, and the latest model raised the stakes further when it was launched in June last year. Now, Ford is making the EcoSport available to a wider range of price-conscious buyers with the introduction of a new entry-level petrol-powered model in the form of the 1.5 Ti-VCT Ambiente.

With the updated range we set a new benchmark, for the class once again, and the launch of the EcoSport 1.5 Ti-VCT Ambiente broadens its appeal even further by giving customers even greater value at the entry point to this popular segment.

Combined with the impressive performance of the new-generation 1.5-litre three-cylinder petrol and the superb level of standard comfort, safety and convenience features, the EcoSport is a more appealing proposition than ever.

It now kicks off the EcoSport range as the most affordable offering, followed by the 1.5 TDCi Ambiente which shares an identical level of standard specification, along with the five-speed manual gearbox. The award-winning 1.0 EcoBoost engine powers the mid-series Trend and range-topping Titanium models that are available with a choice of six-speed manual or automatic transmissions.

Powering the new addition to the EcoSport range is the lively 1.5-litre Ti-VCT three-cylinder petrol engine that recently made its debut in the refreshed Ford Figo line-up. This advanced latest-generation unit is powerful, efficient and clean, and uses an aluminium engine block and cylinder head for reduced weight.

It also relies on twin independent variable camshaft timing (Ti-VCT) for the four-valves-per-cylinder engine to deliver improved low-down torque as well as top-end power. The fitment of a dual-stage variable oil pump further enhances efficiency, while reducing fuel consumption and emissions.

The engine is credited with a maximum power output of 91kW and peak torque of 150Nm, contributing towards great all-round driving dynamics, impressive fuel economy and low running costs.

Despite the new EcoSport 1.5 Ambiente being positioned as the entry-level model in the range, it is equipped with an outstanding level of standard features. The safety package incorporates Electronic Stability Control, six airbags, ISOFIX child seat mounting points, rear parking sensors and manually activated ‘Follow-me-home’ headlamps.

Electric windows are designed all round, along with remote central locking, a perimeter alarm, power heated side mirrors, air-conditioning and a tool pack that enables easy dealer fitment of the optional towbar.

A six-speaker Ford Audio system is provided linked to SYNC with Bluetooth and Voice Activation, plus steering wheel audio controls. The instrument cluster incorporates a trip computer and an EcoMode that assists the driver to achieve optimal fuel economy.

So if you are thinking of venturing in an adventurous compact SUV then this will be a good buy. Available on sale at Crocos Motors & Duly’s, contact the sales team for pricing and to book your test drive.

Fuel saving tips

Chiedza Watyoka

FOLLOWING the recent hike in fuel prices, finding new ways to save on fuel has become a normal part of the life of Zimbabwean drivers. To help your efforts, here are six super fuel saving tips that will ensure you slash your fuel costs and avoid those terrible queues as long as possible.

1. Service, service, service

Fun fact: A well-maintained car uses between 10 and 20 percent less fuel than an improperly maintained vehicle. Ensure that your vehicle is serviced often to maintain your car’s efficiency. Things like worn spark plugs, sensors, sticky brakes, low coolant levels, dirty oil, and dirty fuel-air filters all contribute to engine inefficiency, which results in a higher fuel consumption.

2. Don’t carry around unnecessary weight

The heavier your car is, the more fuel it needs to move around. Every extra kilogram matters and will affect your fuel efficiency. So, keep your boot and back seat clear of unnecessary items (ahem – golf clubs) that add weight to your vehicle.

3. Check your tyre pressure

The lower the tyre pressure, the more fuel the car needs to move. A deflated tyre increases rolling resistance by as much as 20 percent, so make it a habit to check your tyres every two weeks. This is a simple and inexpensive task that will benefit your car without affecting your wallet.

4. Accelerate smoothly

Excessive speed is one of the biggest fuel-guzzling factors. In fact, driving erratically makes you consume about 60 percent more fuel. Pull away from robots or stop streets slowly and gradually to decrease your fuel consumption.

5. Air-con control

Did you know that at low speeds, your car uses more fuel to power your air-con than it does at a higher speed? If you’re only driving a short distance, and travelling at a lower speed (under 88k/h), open the window instead of stretching on the air con to help you use less fuel.

6. Reduce your trips

Consider making one round trip rather than several short trips. Once the engine is warm it operates at its most efficient because the engine runs at optimal temperatures (therefore utilising less fuel). In contrast, several cold starts will increase fuel consumption even though the total mileage could be the same. In fact, trips of two kilometres or less actually consume more fuel than longer trips, especially if your engine is cold.
Aristotle once said, "Quality is not an act, it is a habit". This statement has proven to be true for PSMI Renal Services as the team lives quality, eats quality and performs quality services. Their quality services got international recognition last year when they successfully earned ISO 9001:2015 QMS certification.

PSMI Renal Services is the first private renal centre to be ISO (International Standards Organisation) certified. We caught up with the Head Renal Services Sr. Diana Zhira (DZ) who relived the centre’s road to ISO 9001:2015 QMS Certification and below are the excerpts.

Q: What is ISO 9001 QMS certification in brief and what value does it add to PSMI?

A: International Standards Organisation (ISO) 9001 Quality Management System (QMS) Certification is a standardised business method that provides for planning of the intended strategic results of the business (customer satisfaction), setting up processes and methods to achieve the planned results. This is then augmented through monitoring, measurement, analysis, and evaluation as a determinant of effectiveness, with focus on business outputs and the methods. Standard Operating Procedures (SOPs), Work Instructions and record tools translating into clear intentions of the business, thus allowing for clear responsibility and accountability, at all levels of engagement.

Q: What are the initiatives that you took as a department to earn this?

A: The preliminary step was to understand and appreciate the task at hand after which we engaged all staff to ensure awareness of the ISO 9001:2015. All members of the team became aware of the expected outcome from the start.

The team had a series of awareness training sessions, engagements and feedback sessions as new concepts, misconceptions and challenges were addressed. A survey to establish the current status of the unit was carried out to determine a realistic road map.

Q: How did your team contribute to this achievement?

A: Employees worked together as a team from the documentation development stage that is coming up with SOPs, work instructions and records forms, reviewing of documented information and the implementation stage guided by our consultant.

CONTINUED ON PAGE 55
2018 saw a high demand in patients seeking Hepatitis B services and PSMI Renal Services responded to the inquiries and in June 2018, dialysis for Hepatitis patients was introduced. An exclusive and modern room dedicated to dialysis for patients with hepatitis B was tailor-made to suit their needs in line with infection prevention and control protocols. The patients enjoy exclusive privacy and quality care and to date, eight patients are enjoying the great service.

The wing for dialysis patients with hepatitis B has state-of-the-art Gambro machines, comfortable, modern recliner dialysis couches, a personalised touch to foster exclusivity and privacy, unlimited Wi-Fi connectivity, a three-course meal on the menu with options provided and entertainment. It also has a dedicated nurse for personalised care throughout dialysis who works in collaboration with a multidisciplinary team of nephrologists, cardiovascular surgeons, renal nurses, dieticians, psychologists, social workers and ancillary workers to meet the unique needs and expectations of the patients.

PSMI also goes an extra mile to ensure its patients and their families are comfortable as it offers pre-dialysis unit orientation, patient and family counselling, access creation and care, pre-dialysis assessment, health education, monitoring and evaluation of dialysis outcomes, blood result evaluations, patient follow ups and home visits.

**What is Hepatitis B?**

Hepatitis B is a liver infection caused by the hepatitis B virus (HBV). HBV is one of five types of viral hepatitis. The others are hepatitis A, C, D, and E. Each is a different type of virus, and types B and C are most likely to become chronic.

— HBV infection can be acute or chronic.
— Acute hepatitis B causes symptoms to appear quickly in adults. Infants infected at birth rarely develop only acute hepatitis B. Nearly all hepatitis B infections in infants go on to become chronic.
— Chronic hepatitis B develops slowly. Symptoms may not be noticeable unless complications develop.

continued on S6
Today we celebrate World Kidney Day under the theme: Kidney Health for Everyone Everywhere. Worldwide, as many as 1.3 billion people suffer from kidney diseases from diverse causes.

About 3 million people all over the world — roughly the population size of Botswana — die annually from chronic kidney diseases. Acute kidney injury affects around 30 million people whose majority are in resource-challenged countries with an estimated 1.7 million dying annually from this cause.

This is further compounded by the realisation that the numbers are increasing. Since Zimbabwe is part of the resource-challenged part of the world our population has not been spared by the kidney disease scourge.

The commonest causes of kidney diseases are diabetes and hypertension. However, in our countries we also have high burden of infectious diseases like HIV, Malaria and Hepatitis, diarrhoeal diseases like cholera and typhoid which also cause deaths from Acute Kidney Injury or Chronic Kidney Disease.

Disparities in access to health further compound the situation.

The rural-urban divide is a good example. People die in villages as a result of kidney diseases and in the majority of cases the diseases would have been diagnosed.

While the central government is trying its best to widen access to health care, resources are not always available. Kidney diseases, once established, can be very expensive to treat. Unfortunately, the treatments required are imported. This therefore creates a nightmare for patients and health providers as witnessed in 2008 when dialysis patients died in large numbers for lack of treatment.

The renal Unit in Harare had to be closed then because of this. We only hope that this time around with the current minister who is passionate about health care, the 2008 disaster can be avoided.

The current situation is characterised by shortage of medicines and dialysis consumables. Dialysis Service providers are in a difficult position as some patients have been diagnosed.

The option left for patients and health providers, which includes government, is to raise awareness through the World Kidney Day forum. This year is the 12th anniversary since it was promulgated. We have gone a step further in Zimbabwe by decentralising the commemoration of the main event.

This year World Kidney Day commemorations are being hosted by Mutare.

Communities should also be encouraged to participate outside the main event to continuously raise awareness.

The current projects involving treatment of kidney patients should not be allowed to collapse. The current providers of renal services including dialysis have to be supported especially those who provide services to the low-income bracket and civil servants.

The Chitungwiza project on kidney transplantation should continue to be supported.

Dr Luke Kudakwashe Muchemwa
Nephrologist
The Board, Management and Staff of Premier Service Medical Investments (Pvt) Ltd (PSMI) would like to congratulate PSMI Renal Services for attaining ISO 9001:2015 QMS Certification.

Well done PSMI Renal Services for soaring to greater heights like an eagle. You worked hard, you got it and you deserve it.

Parkview Hospital
56 Baines Avenue, Harare
Tel: +263 4 707620, 701490, 702423
Email: customercare@psmi.co.zw

Integrated Family Healthcare Under One Roof
From S1

They worked hard and went an extra mile as all strived to meet set deadlines. The zeal and dedication was out of this world. Thumbs up to the team. This was a key tool for promoting awareness at all levels within the business unit. Platforms were set up to obtain consistent feedbacks and the enablers ensured all the requests were fulfilled on time. Plan, Do, Check, Act, opportunities and risk-based thinking was adopted in the daily activities.

Q: What does it mean to the Renal Department and also the organisation as a whole, to have standards that are internationally-recognised?
A: It means a lot, it means the following:
● We are experts in high performance and service excellence.
● It means our service and products comply with internationally-recognised standards.
● It means offering services and products according to an internationally-recognised standard.
● We add value to our stakeholders and shareholders.
● We are now on the world map.

Q: What is our advantage over our competitors who are not ISO-certified?
A: The centre has determined and documented requisite processes and activities required for sustained delivery of consistent customer service excellence. PSMI Renal Services has documented processes and mechanisms for identifying and handling of customer-related complaints, and opportunities for improvement which would be a general concern for customers. We also are adhering and conforming to a globally accepted standard (QMS) as a unique attribute in our industry. We now have a capability to self-check as well as third party checking mechanisms through internal and third party audits.

Q: What are the challenges that you faced during the process?
A: ISO certification is culture change in itself. Naturally, change does not come easy as it takes people out of their comfort zones. Leadership, character, responsibility and accountability starting at a personal level, became a key perspective. All personnel had to bear with the responsibility to hold self and each other accountable against the requirement to deliver quality service to our customers. A case in point is the documentation of non-conformities against set requirements which took serious efforts for buy-in, acceptance and adoption.
Is hepatitis B contagious?
— Hepatitis B is highly contagious. It spreads through contact with infected blood and certain other bodily fluids. Although the virus can be found in saliva, it’s not spread through sharing utensils or kissing. It also doesn’t spread through sneezing, coughing, or breastfeeding. Symptoms of hepatitis B may not appear for 3 months after exposure and can last for 2–12 weeks. However, you are still contagious, even without symptoms. The virus can live outside the body for up to seven days.

Possible methods of transmission include:
— Direct contact with infected blood
— Transfer from mother to baby during birth
— Being pricked with a contaminated needle
— Intimate contact with a person with HBV
— Oral, vaginal, and anal sex
— Using a razor or any other personal item with remnants of infected fluid.

Who is at risk of Hepatitis B?
Certain groups are at particularly high risk of HBV infection. These include:
— Healthcare workers
— Men who have sex with other men
— People who use IV drugs
— People with multiple sex partners
— People with chronic liver disease
— People with kidney disease
— People over the age of 60 with diabetes
— Those travelling to countries with a high incidence of HBV infection

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BAKER Tilly brings long-lasting value to our clients, by delivering audit, accounting, and advisory services with integrity and objectivity, both nationally and regionally.

Who we are

Through our membership of Baker Tilly International, the world’s 8th largest accountancy and business advisory network, we are able to provide premier advisory services worldwide, drawing on internationally recognised industry and service line experts in 147 countries.

They complement our local team of specialists who have the expertise and understanding necessary to navigate the unique dynamics of doing business in Botswana, Zambia, Malawi and Zimbabwe. Our firm is organized into the following operating groups: Consulting, Audit, Tax, and Legal.

Baker Tilly is registered with the Public Accountants and Auditors Board (PAAB) in Zimbabwe, Botswana Institute of Chartered Accountants (BICA) and Zambia Institute of Chartered Accountants (ZICA).

How we help you

We recognize that consulting services require a high degree of experience, broad point of reference, and in many cases, specialised training. Therefore, we have carefully developed a consulting team comprised of experienced individuals with complementary strengths. This gives us technical breadth and creative flexibility when it comes to solving customers’ problems.

Our core competencies in this area include:

- Audit and Assurance
- Accounting
- Taxation
- Cyber Security
- Enterprise Risk Management
- Monitoring Evaluation and Learning
- Transaction Advisory Services
- Business Strategy Consulting
- Corporate Recovery
- Estate Planning

Market

We have a network of firms in Botswana, Malawi, Zambia and Zimbabwe, with seven full time partners supported by over a hundred staff in seven offices in the four countries.

Services we offer

At Baker Tilly we are inspired to assist all our clients in reducing enterprise risk, fraud, leakages, losses, reputation risk, tax penalties in a bid to maximise investor interest and business profitability. Internal control evaluation is a powerful tool through which business process re-engineering can be based on, to improve efficiency.

We have over twenty years’ experience in working with tax regulators, which has assisted us in staying abreast with legislation amendments thus making us relevant to all our clients for the purposes of Tax Issues in Zimbabwe, Zambia, Malawi and Botswana. Our services are tailored for growth, credibility, profitability and tax compliance; to ensure our clients enjoy healthy cash flows, practice good governance and up-to-date internal controls. In some cases, we facilitate organisations in funding initiatives by providing financial accounting, reporting and various value added services to ensure transparency and relevance of their bid proposals for funding.

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FvaluChartered Accountants agri-consultancy

2019 African Insurance Organisation conference

The African Insurance Organisation (AIO) will hold its 46th conference and annual general assembly at Emperor’s Palace in Johannesburg, South Africa, from June 8 to 13, 2019.

Each year the event attracts senior delegates from across Africa and the rest of the world to discuss and workshop the most pressing issues facing the insurance industry on the continent at the time.

Under this year’s theme — Insurance Penetration in Africa: Insuring the Uninsured — the conference will focus on insurance distribution and inclusivity across the continent. Other topical issues under discussion will include micro-insurance and the effects of climatic events (such as floods, droughts and wildfires) on the continent. Other topical issues under discussion will include micro-insurance and the effects of climatic events (such as floods, droughts and wildfires) on the continent.

There will be an opportunity for each country to present its insurance penetration figures and what each country is doing to increase its penetration rate.

AIO vice president Delphine Traore says: “We have also got some quality book-ings and are very happy at the rate that seats are filling up. As always, I am sure my colleagues from across the continent will network, do business and drive further cross-border collaboration.”

Thokozile Mahlangu, CEO of the Insurance Institute of South Africa (IISA) — the official host of the conference — says she is thrilled that the event will be held in South Africa this year.

“South Africa has a very active insur ance community, with ties to many other countries on the continent,” she says.

With the support of SA Tourism, the organising committee is thrilled at how we will be showcasing our country — especially during this exciting election year.

Although the event will focus primarily on Africa-specific insurance issues, many of these affect and apply to other markets around the world.

The AIO, established in 1972, is a non-governmental organisation recognised by many African governments.

Following the headquarters agreement the government of Cameroon signed with the organisation, the permanent secretariat of the AIO was set up in that country.

AFDB projects 4.2 percent growth

The African Development Bank (AFDB) projects a 4.2 percent growth in 2019 and 4.4 percent in 2020, despite the headwinds that are currently affecting the Zimbabwean economy.

The AFDB reports that the high and unsustainable debt-to-GDP ratio; the high fiscal deficit; the cash shortages, three-tier pricing, and limited availability of foreign exchange, which continue to constrain economic activity; and the persistent shortage of essential goods, including fuel and consumer goods, remain the major headwinds for any meaningful economic recovery.

The agricultural sector and mining are expected to be the main drivers of growth, backed by increased public and private investment.

“Zimbabwe has opportunities requiring minimal additional investment to realise medium-term growth targets. In particular, measures are needed to increase transparency in the mining sector, strengthen property rights, reduce expropriation concerns, control corruption, and liberalise the foreign exchange markets.”

Regeneration of civil society and a renewed engagement with political actors in a positive social contract will accelerate political reform.

“Given the vast natural resources, relatively good stock of public infrastructure, and comparatively skilled labour force, Zimbabwe has an opportunity to join existing supply chains in Africa through the Continental Free Trade Area,” AFDB said.

To take advantage of such opportunities, the government has adopted and is implementing prudent fiscal policy underpinned by adherence to fiscal rules, as enunciated in the Public Finance Management Act, together with financial rules.

The reforms also reposition capital expenditure through commitment to increase the budget on capital expenditures from 16 percent of total budget expenditures in 2018 to over 25 percent in 2019 and 2020.

The economy performed better than expected in 2018, expanding by an estimated 3.5 percent, driven by agriculture, supported by relatively peaceful elections. Cash shortages and the three-tier pricing system coupled with foreign exchange shortages continued to constrain the goods and factor markets.

The fiscal deficit was an estimated 10.7 percent of GDP in 2018, compared with 12.5 percent of GDP in 2017, financed mainly through domestic borrowing. In 2018, the government proposed addressing the unsustainable budget deficit with strong fiscal consolidation measures.

The fiscal deficit was driven mainly by election-related spending, civil servant salary increases, and transfers to the agricultural sector.

Total external debt was an estimated 45.3 percent of GDP in 2018, down from 53.8 percent in 2017. The current account deficit was estimated 3.7 percent of GDP in 2018, with merchandise imports continuing to exceed exports, putting pressure on the supply of urgently needed foreign exchange and making it critical to diversify exports.

The country’s protracted fiscal imbalances have constrained development expenditure and social service provision, undermining poverty reduction efforts.

Unemployment pressures have been mounting as employment opportunities continue to dwindle.

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The Institute of Administration and Commerce (IAC) recently held a successful business networking dinner with captains of industry to discuss, network and find possible solutions to issues affecting the country’s business performance.

The event was held at Cresta Lodge in Harare. The IAC is a professional institute of higher learning committed to contributing to the growth and development of the Zimbabwean economy and the growth of Africa as a whole.

The Institute is dedicated to the nurturing of scholars and professionals who will contribute positively to society by advancing knowledge and paving a way to a better future.

Today’s society is largely driven by knowledge and there is an insatiable demand for new skills. At IAC we strive to keep our students relevant to the demands of the world and we even go the extra mile by equipping individuals that are already in the workplace by improving their skills through our continuous professional development programmes.

As an institution, we have a strong sense of development and commitment that has seen us making a difference in the lives of the people in their different workplaces. We are committed to training and shaping a stronger and literate Zimbabwe.

IAC is an independent examining body that delivers quality professionals for industry and commerce. The IAC promotes the highest standards of competence and ethical conduct among its members.

IAC qualifications are recognised, respected and affordable, thus providing access to improved employment prospects and further learning opportunities. The IAC is committed to empowering its staff with skills and capabilities to develop educational products and services that continue to anticipate and meet market needs.

Values

Respect: Honouring and recognition of all stakeholders
Integrity: Conducting ourselves in a fair ethical and transparent manner
Innovation: Continuous development of our products and services
Timeliness: Responding to our stakeholders promptly
Quality: Doing things right all the time
Team work: Working together as a unit
IAC short courses for professionals
Financial Management for Donor Funded Projects
Public Sector Financial Management (4 months)

Mission

An independent examining body that delivers quality professionals for industry and commerce. The IAC promotes the highest standards of competence and ethical conduct among its members.

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IAC short courses for professionals
Financial Management for Donor Funded Projects
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Tel: +263 9 882 224, 881 104,
Email: iacb@africonnect.co.zw
PRESS STATEMENT

HEARINGS BY THE COMMISSION OF INQUIRY INTO URBAN STATE LAND IN HARARE METROPOLITAN PROVINCE

The Commission of Inquiry into the sale of state land in and around urban areas since 2005 wishes to advise all beneficiaries of farms/urban state land which was acquired and handed over for urban development since 2005, that the Commission will be hearing the public in Harare Metropolitan Province from **18 March to 15 May 2019** with the view to inquire from such public pertaining to the following:

- People who bought state land handed over for urban development;
- Double or multiple allocations;
- People who have been allocated stands on spaces meant for the building of schools, clinics, roads, recreation sites, under power lines, wet lands, open spaces;
- People who have been displaced or prejudiced in any way by the re-allocation, resurveying and/or re-pegging of stands;
- People of the above category who have been threatened, harassed, victimized, or forced to pay subscriptions/rentals or to vacate stands against their will and without following due process;
- Where various categories of beneficiaries prematurely moved onto site before the requisite infrastructure has been provided;
- People on settlements which have not been serviced for a long time;
- Where development has occurred without appropriate approvals from relevant authorities;
- People who have been promised stands and have been paying but have not been allocated same; and
- Any other information pertaining to illegal transactions of urban state land known to the public.

The Commission shall commence its inquiries in Harare Metropolitan Province by conducting site visits to farms, locations or urban state land units shown below and during the days indicated:

<table>
<thead>
<tr>
<th>Farm/ Urban State Land Unit</th>
<th>Dates of Visit</th>
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<tbody>
<tr>
<td>1. Koala Park Farm.</td>
<td>Monday 18 March, 2019</td>
</tr>
<tr>
<td>2. Lot 9 Block (S) of Hatfield Farm.</td>
<td>Tuesday 19 March, 2019</td>
</tr>
<tr>
<td>3. Lot 1 of Twentytales of Lyndhurst Farm.</td>
<td>Wednesday 20 March, 2019</td>
</tr>
<tr>
<td>4. Subdivision (E) of Arlington Farm.</td>
<td>Thursday 21 March, 2019</td>
</tr>
<tr>
<td>5. Gillingham Estate (A) Farm.</td>
<td>Friday 22 March, 2019</td>
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<tr>
<td>7. Sherstone Extension of Mt Hampden Farm.</td>
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<tr>
<td>8. Sandhurst of Mt Hampden Farm.</td>
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<tr>
<td>9. Lot 2 of Lot 3A Observatory Farm.</td>
<td></td>
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<tr>
<td>10. Subdivision (H) of Observatory Farm.</td>
<td></td>
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<tr>
<td>11. Subdivision (G) of Observatory Farm.</td>
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<tr>
<td>12. Subdivision (K) of Observatory Farm.</td>
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<tr>
<td>13. Subdivision (J) of Observatory Farm.</td>
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<tr>
<td>14. Subdivision (L) of Observatory Farm.</td>
<td></td>
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<tr>
<td>15. Vermont Portion of Observatory Farm.</td>
<td></td>
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<tr>
<td>16. Calgary Farm.</td>
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<td>17. Lot 12 of Philadelphia Farm.</td>
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<tr>
<td>18. Subdivision (C) Portion of Marvel Portion of</td>
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<tr>
<td>19. Georpin Portion of Borrowdale Estate Farm.</td>
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<tr>
<td>20. Gilewlyn Farm.</td>
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<tr>
<td>21. Carrigh Creach Farm.</td>
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<tr>
<td>22. Hatcliffe North Farm.</td>
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<tr>
<td>23. Orda Farm.</td>
<td></td>
</tr>
<tr>
<td>24. Remainder of Subdivision (A) of Stoneridge Farm.</td>
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<tr>
<td>25. Saturday Retreat Farm.</td>
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<tr>
<td>26. The Rest Farm.</td>
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<tr>
<td>27. Churu Farm.</td>
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<tr>
<td>28. Nyarungu Farm.</td>
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<tr>
<td>29. Lot 2 of Eyrecourt Farm.</td>
<td></td>
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<tr>
<td>30. Remainder of Eyrecourt Farm.</td>
<td></td>
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<tr>
<td>31. Subdivision (A) of Retreat Farm.</td>
<td></td>
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<tr>
<td>32. Retreat Farm.</td>
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<tr>
<td>33. Eyrestone Farm.</td>
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</tbody>
</table>

After site visits, the Commission will hear government officials, local authorities, housing cooperatives and trusts, land developers, home seekers who purchased stands and beneficiaries of urban state land from **25 March to 15 May 2019**. Those who intend to be heard, submit or provide any information/documents/evidence or those who need clarification on any matter relating to the above or any other urban state land other than the above, should not hesitate to visit the Commission during working days and hours at Harare Club, Mezzanine Floor, Cnr 3rd Street and Nelson Mandela Avenue, Harare opposite Africa Unity Square.

Our contact details are as follows: **0712 205 636; 0712843495**

*Mrs V. Mabiza*

*Secretary to the Commission of Inquiry*
Below are excerpts of the interview with Nyasha Matonda (NM), Willdale’s chief executive. The Financial Gazette’s business reporter Nelson Dhahirwa (NG) sat down with Nyasha Matonda (NM), Willdale’s chief executive. Below are excerpts of the interview.

NG: How have you managed to sustain operations in this tough environment? What is your survival strategy?

NM: It has been quite difficult, particularly in the last five months. We had a shortage of basic commodities such as diesel. We do clay mining, we deliver and that requires a lot of diesel. The shortages disrupted operations and we had to close earlier than planned. However, despite the turbulent environment, we were able to buy critical spares and materials such as coal. That is going to help us going forward because we have enough stocks of coal that can see us through for the next four to five months. The biggest challenge that remains is diesel and electricity supply. We need a stable supply of these to ensure there are no disruptions.

NG: Has your performance in those last five months?

NM: October to February 2019 posed a fair share of challenges emanating from the difficult economic environment. We experienced serious diesel shortages, like I said. Rising inflation impacted on costs and pricing strategies. As a result, sales volumes in the period were 22 percent below prior year and 18 percent under budget. However, due to cost containment measures, our cost of sales went up by nearly 10 percent while general price increases have been more than 50 percent. Going forward, we will seek to claim our fair share of potential business from the activity expected in the construction and infrastructural space. On the other hand, cost management remains key given the inflationary pressures.

NG: The central bank recently announced reforms in the monetary space. What impact has that had on your operations?

NM: The recent policies came in as a positive development since they looked at the pricing regime. We are now able to sell our products in multi-currency, be it US dollars or RTGS dollars. Before that, it was difficult, but now we will be able to use some of the foreign currency to import spare parts. Also, looking at the interbank facility, the intervention is helping in terms of managing costs of production because the rates on the parallel market had gone as high as 600 percent and we were buying materials at such high rates. We now believe the high rates of materials will go down and have a decent pricing structure going forward.

NG: At some point you indicated that you were scouting for new technology in China. What is the update on that?

NM: We are still pursuing that. We have been to China looking for the technology and the Chinese have been here to familiarise themselves with our operations. We are pursuing it vigorously. For now, we are progressing well.

NG: At the moment, how efficient is your plant and at what capacity is it operating?

NM: In terms of efficiency, we had a very rigid cost management strategy. As a result, our costs of sales only went up by not more than 10 percent compared to prior year. If you look at the pricing regime, you can see, they went up by more than 50 percent. However, due to cost containment measures, our cost of sales went up by nearly 10 percent while general price increases have been more than 50 percent. Going forward, we will seek to claim our fair share of potential business from the activity expected in the construction and infrastructural space. On the other hand, cost management remains key given the inflationary pressures.

NG: The properly market is very key to your business. What is the outlook?

NM: There are a lot of inquiries but it is too difficult to really see where we are going. Suffice to say, maybe these new policies will bring in clarity and boost confidence within the market. But we know that there are real projects coming up, and that is why we are building capacity of stacked bricks. Confidence is high that these projects will take off as soon as there is clarity and confidence on the policies to stabilise the economy. Housing development and construction of schools and university accommodation remain the key drivers of demand. We expect such demand to continue into the foreseeable future. The national housing backlog of about 1.3 million presents an opportunity to increase production.

The Financial Gazette

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B rick maker Willdale has been facing a tough operating environment largely due to Zimbabwe’s subdued property sector, among other challenges including rising inflation. But the company has pulled through, managing to record a $11.3 million profit after tax in the year ended September 2018 — up from $305,000 recorded in the prior comparable period. To understand how the company has navigated the turbulent environment, The Financial Gazette’s business reporter Nelson Dhahirwa (NG) sat down with Nyasha Matonda (NM), Willdale’s chief executive.

NG: Have you completed the land disposal transaction and how did you utilise the proceeds?

NM: Yes, the rains have gone, and it also came as an advantage because we were then able to continue producing. We started early in terms of production and that means our volume will go up. Normally, we start production after the rainy season, which is after March or April, but now we started in February. Stock availability has improved this rainy season, resulting in reduction in supply lead times and therefore customer satisfaction is high as a result of short lead times.

NG: Have you completed the land disposal transaction and how did you utilise the proceeds?

NM: The sale of land, which was approved at an emergency general meeting held on May 24, 2017 materialised in November 2018. The land was sold for $11.3 million against an indicative value of $4.5 million. The proceeds went up by more than 50 percent and we believe our cost management strategy worked in our favour. We expect such demand to continue into the foreseeable future. The national housing backlog of about 1.3 million presents an opportunity to increase production.

Category Manager

A diversified group is looking for a dynamic executive to lead category management in one of its business units. This is an exciting opportunity for an individual who meets the requirements indicated below.

1. PURPOSE OF THE JOB
Responsibilities for managing a group of products within a common category to maximise on product appeal, drive growth and ensure profitability. To focus and specialise in the development of a category of products.

2. REPORTING RELATIONSHIPS
The position reports to the Chief Executive Officer (CEO).

3. KEY RESPONSIBILITIES
3.1 Category Strategy: Works with the CEO to develop the category management strategy for a portfolio of products and executes work activities guided by the strategy.
3.2 Consumer Insights and Research:
- Conducts research to understand consumer insights around products in the category and similar products.
- Researches competitor products and targets appropriate pricing and marketing activities.
3.3 Pricing: Liaises with Sales, Marketing and Finance to determine viable product pricing.
3.4 Product Analysis:
- Responsible for demand planning to ensure availability of products.
- Monitors forecasts on product demand to ensure sustainability of inventory.
3.5 Marketing: Coordinates all marketing activities with the objective of optimising sales.
3.6 Innovation: Coordinates the development of new products and works on continuously improving existing products.
3.7 Market Share: Responsible for growing the market share of category products through various channels, including key accounts.
3.8 Product Profitability:
- Conducts regular product profitability analyses to ensure the viability of products in the portfolio.
- Identifies underperforming products and develops remedies, recommending appropriate action to the CEO.
- Responsible for margin enhancement strategies.
3.9 Category Budget: Prepares budget for the category and manages all activities within the budget.

4. QUALIFICATIONS
A Bachelor of Commerce degree in Marketing, Business Administration or equivalent qualification. An MBA or Masters in Marketing would be an added advantage.

5. EXPERIENCE
- A minimum of 5 years working experience in a Marketing or Sales role, with category management experience in a Fast-Moving Consumer Goods (FMCG) environment.
- Business management.

6. COMPETENCIES
- Strong knowledge of category management, marketing and sales principles.
- Strong data analysis and forecasting skills.
- Strategic thinking.
- Excellent communication and people/customer management skills.
- Strong negotiation skills.
- Ability to work in a cross-functional team.

Please submit a detailed CV for consideration to fmsgcruitment2019@gmail.com by no later than 29 March 2019.
Zimbabwe banks on 5G technology

NEDBANK Zimbabwe (NEDBANK), a unit of South Africa’s NEDBank Group has donated toiletries and constructed proper ablution facilities for female inmates at Chikurubi Rape and Violent Crime Prisons in Harare.

The financial services institution made the donations while celebrating International Women’s Day on March 8. International Women’s Day is a day set aside to celebrate the lives of women, from the political to the social, while calling for gender equality.

Nedbank, as part of its corporate social responsibility programme, said it aimed to make toilets in the cells to efforts to do away with the bucket system that inmates used, especially at night after lock up.

“When we visited Chikurubi last year, we realised that there were no adequate toilet facilities in some of the cells. We immediately took action and we are pleased to advise that the bank installed 10 toilet facilities and adequate plumbing to cater for the women here,” Dedrey Mutimutema, NEDBANK executive head of marketing and public relations, said.

“Our vision is to become Zimbabwe’s most admired bank by our staff, clients, shareholders, regulators and communities. This vision is not just a statement but a way of life for all of us at Nedbank. We are constantly looking for ways of improving the lives of many of these stakeholders groups, and one of them is the communities,” she said.

Nedbank has contributed towards various initiatives aimed at alleviating poverty and improving the living conditions of those in need, especially those in vulnerable groups. “We are always on a mission to identify areas of need and bridge the gap where we can,” Mutimutema added.

Nedbank has partnered various organisations such as Eku-phumuleni, Old People’s Home in Bulawayo, Khayelitsha Children’s Home, Taris Organisation for the mentally handicapped, Ingufeni Hospital in Bulawayo, Matthew Rusike, SOSDA for the elderly, New Start Children’s home and many others.

“As an organisation, we are also passionate about building a future for our children and we have partnered various organisations that develop entrepreneurship skills in our youth. We are pleased to see that the prison has a facility for women and children to learn and develop themselves further.”

“As a woman, I was touched when I saw the effort that the staff of Chikurubi made to put into maintaining cleanliness in their living conditions even when they didn’t have adequate facilities at the time. It’s truly amazing how a clean woman can turn a place into a home. As Nedbank, the least we could therefore do was to assist these efforts by making the living conditions more bearable for the ladies.” — Staff Reporter

Farming experts said as long as the situation remains like this, the sector’s capacity to produce more will be constrained, leading to an increase in the country’s import bill.

Walter Chambuti, a researcher at Sam Moyo African Institute for Agrarian Studies, said Zimbabwe’s fertiliser industry — for example — is still dependent on technology from the 1950s, which consumes a lot of electricity.

“We need to focus on how we can rev up the agro-industry to produce more to use for the agriculture sector and also absorb raw materials for their production of various products that they put on the market,” he said.

A key player in the production of fertilisers... Sable Chemical Industries Limited — is Zimbabwe’s sole manufacturer of ammonium nitrate (AN) fertiliser. It was established in the 1960s, and it is massively powered by electricity. Chambuti said the sector needs to modernise machinery, irrigation schemes and farming methods in light of the climate change phenomenon.

He said the transformation of the sector to the time of the economy given the backward and forward linkages between agriculture and agro-industrial based-sector in Zimbabwe.

Paul Zakaria, the Zimbabwe Farm Union executive director, concurred with Chambuti saying there is need to upgrade costly primarical techniques still in use in the fertiliser sector in order to become efficient.

“Production methods are still very labour intensive... we need appropriate methods that are suitable and the right type of technology that is suitable,” he said. “As far as we are concerned, the cost of production, the cost of irrigation, the old model which does not conserve water at all like drip irrigation where you are targeting the crop itself.”

— Staff Reporter

Nelson Gahadza
Business Reporter

The company’s decision to modernise machinery, irrigation schemes and farming methods in light of the climate change phenomenon should be to ensure fair allocation of resources to all stakeholders, including policy member or policy holder assets due to accounting technicalities.”

“The same would apply to any related liabilities and obligations which must be recognised and presented fairly,” he said.

Kazengura added that all reporting institutions should adopt a cautious approach to protect the interests of all stakeholders, including policy holders and pension fund members.

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They are handling a crucial area in line with your strategy for that period. Do not equate reporting to grading as seen in grading structures. It is also wrong to assume that because you are reporting to a senior person you must have a grade closer to the grade of the senior person.

Good structures allow you to clean up all areas where there is unnecessary duplication of work by different roles. Duplication of work by various people cost you money and time. You lose value when people duplicate the same roles. You also pay people for no extra value being created. On top of the agenda for reviewing organisational structures should be to look for areas where there is duplication of work and clean it.

To some people, structure signifies an opportunity to build a power base, hence the need to look out for such people as you structure. Distinguish between operational managers and specialists who may be important but are not true managers (because they do not or should not have subordinates). You also need to check what percentage of your staff are in support functions versus those in core business or operation functions. A wrong mix is an indicator of a faulty structure. Achieve the best balance between functional support jobs and operational jobs, avoiding duplication. It may be necessary to consider shared services as a way to deal with redundant capacity that exist within support functions in most cases.

One of the reasons why organisations end up with overblown structures is most managers think that business problems can be solved by adding more human capacity or roles. With a careful review of your structures you may find that you are served well by having a lean structure that is not heavy on costs.

The issue of accountability in organisational structures is very important. Give accountability to the people close to the action. Traditional and rigid structures tend to give accountability to people very far away from the action — people who rarely understand or are poorly informed about what is happening on the ground. In the process they end up making strange decisions that surprise the employees close to the action and the customers they are meant to service.

Ngwu is an occupational psychologist and managing consultant with Industrial Psychology Consultants. He writes in his personal capacity.
Most taxpayers in Zimbabwe are saddled with debts emanating from supply of goods, services or money. In order to lessen the debt burden, some may work out a debt settlement arrangement with their creditors or lenders, such that any portion of the debt reduced by the settlement is considered discharged or forgiven without the debtor having to offer anything in return, or offering something less in value than the outstanding debt.

When that happens, the debtor cannot just get off the hook and enjoy the relief in peace without the taxman following him/her, especially where the debtor previously enjoyed an income tax deduction of the amount now being waived or written off. There are income tax implications to contend with.

This article seeks to examine and analyse the income tax consequences arising from the concession granted by, or compromise or arrangement made with, a creditor, with the effect of writing off the debts or waiving the right a creditor may have on the taxpayer.

Accounting for concessions

Zimbabwe tax legislation makes provisions specifically for the accounting of concessions for income tax purposes. It brings to tax the amount or value of any benefit received by or advanced to a taxpayer as a result of any concession, compromise or arrangement given by a creditor, with the effect of waiving off the debts or waiving the right a creditor may have on the taxpayer.

Concessions are classified into two categories:

1. **Deemed benefit** (including the repayment of a loan or waiver of interest thereon)
2. **Non-deemed benefit** (including the repayment of the principal of a loan or the waiver of interest thereon)

In order to tax any benefit received by or advanced to a taxpayer as a result of any concession, compromise or arrangement given by a creditor, the following conditions must be met:

- The creditor must no longer have any right in respect of the debt.
- The taxpayer must receive a benefit from the creditor.
- The benefit must be taxable income.

In determining the amount of the benefit, the following rules must be applied:

- Any amount of the benefit that is not taxable income must be deducted from the benefit to arrive at the taxable amount.
- Any amount of the benefit that is non-taxable income must be added to the benefit to arrive at the taxable amount.

Example

Suppose a taxpayer owes a creditor $10,000. The creditor then waives $2,000 of the interest and waives the principal amount of $8,000. The benefit is $10,000, which is taxable income. The taxable amount is $10,000 - $2,000 = $8,000.

Failure to claim back the increasing expenditure will result in the taxman entitled to share of debt waivers.

should the loan which was used to acquire or construct the asset be subsequently written off by the creditor. The same applies in an instance where a debtor’s loan, which was used to finance raw materials or deductible expenses is forgiven by the creditor. South African tax legislation holds the same position as the Zimbabwean tax law when dealing with concessions for income tax purposes.

Basing on the decision made in the Commissioner for Inland Revenue v Dankor Engineering (Proprietary) Limited, 60 SATC 503 case, it can be drawn that a benefit would also arise upon the conversion of interest bearing debt into share capital. There is therefore the need to include such a benefit in the gross income of the taxpayer so that it will be taxed accordingly.

Exempt transactions

It should however be noted that in Zimbabwe gross income does not include a concession that arises as a result of involuntary winding up of a company by the court because of its inability to pay debts, a taxpayer being declared insolvent or assigned his property or estate for the benefit of creditors or the estate of the taxpayer having been vested in the corporation. It implies therefore that a concession or benefit from a creditor arising when a company is voluntarily wound up, dissolved by reason of expiration of period or dissolved by reason of a reduction of the number of members below 1 or by the court because of its inability to pay the amount now being waived or written off. There are income tax implications to contend with.

Compliance issues

Failure to add back the waived or extinguished expenditure will then result in under-declared income thus this may attract penalties and interest for it will be deemed as tax evasion. The taxpayer is then obliged to add back the expenditure to his or her gross income so that the correct picture of the taxable income can be painted.

It can be concluded that both Zimbabwe and South Africa bring the concessions into gross income of taxpayers. Therefore in order for taxpayers to avoid crossing paths with the tax authority, there is need for them to account for every form of benefit that may arise as a result of waiver or extinguishing of expenditure that has once been claimed for income tax purposes.

Failure to correct the situation by adding back the expenditure to the gross income can prove to be costly for the taxpayer since it is viewed as tax evasion, which will attract penalties and interest, and above all prosecution.

Taxpayers should therefore be cognizant of the tax status of the transactions they enter into lest they get caught unawares by the taxman.
Boomerang effect of CEO-board fallout

A fall out between the board of directors and the chief executive officer (CEO) or managing director means a complete breakdown of the working relationship between the two parties, leading to disfunctionality. It is manifested in the organisation by:

- Strained relations or outright hostility between the two parties;
- One-upmanship competitive behaviour for the public gallery;
- Mediocre board performance in its overseeing functions;
- Lack of board collegiality, which may culminate in rifts;
- We-them factions between executives and the board;
- Underperformance of the CEO and the whole management;
- Filtered communication from management to the board.

CEO caused fallout: Symptoms include a boisterous CEO who takes the board by surprise through public posture, forcing it into a defensive corner. One such CEO pressured the board to support his leadership style, which entailed breaches of trust and the threshold of the board in its pursuit of rapid expansion, un-warranted dismissal of key executives and excessive gearing of the business. This was natural capital-intensive. The board, which was weak in a show of decisive leadership and business astuteness, was caught off guard and staggered before forming a position. The CEO threatened to resign if he was not granted his wish, but the board called his bluff and accepted his verbal resignation.

The CEO immediately retracted the resignation and unleashed an attack on the board through the media accusing it of incompetence, partisanship and poor business judgment. In response, the board galvanised shareholder and management support to mount a defence against the media attack.

It took three months for the war to subside with a separation agreement. The damage incurred by the business is still being experienced six years later. Board caused fallout: It often begins with the board flexing its muscles over the CEO and executive team based on the governance privilege that it appoints the CEO and key executives. Sometimes the board will be responding to genuine provocation by the CEO through non-performance or other misdemeanors. In certain instances, the board initiates the fight to get rid of the CEO to meet its pre-determined ends.

In recent years, the board gave dismissal notice to the CEO for allowing rampant corruption and under-performance in the organisation. Evidence had come to light that millions had been stolen through unmonitored procurement of expensive capital goods, imports and consulting services. The last straw that broke the camel’s back was that some of the most expensive equipment that was procured was totally out of spec with the local complement, thus rendering it unusable. The organisation lost vast sums of money, which stoked the board’s fury.

Impact on organisation

CEO-board battles unfortunately have no victors but only the vanquished in the form of the organisation and all its extended stakeholders such as customers, employees, the community, larger society and government agencies like the revenue authority. Some of the specific negative impacts on the organisation can be summed up as:

- Reputational damage which will take years to re-build;
- Decline in value of the business as reflected in share price and other measures;
- Business performance declines due to absence of coordination between the board and the CEO;
- Loss of high performing staff as they are readily marketable;
- The organisation becomes unattractive to new high performing staff as no intelligent person jumps onto a burning platform;
- Major corporate governance lapses, including business control systems, become prevalent.

An organisation under siege is prone to interference by third parties with partisan interests. The board of directors must shoulder greater blame in such situations because it would have failed in its fundamental fiduciary duty of protecting the interests of the company and multiplying its value.

Thus the board must not allow itself to be drawn by the tide of superficial corporate distractions. Prasad Mades advised: “The mind is like water, when it is turbulent it is difficult to see but when it’s calm everything is clear”.

Shonhiwa is a chartered director (SA) and has authored books on leadership. He writes in his personal capacity.

Chinese companies sell fake Facebook accounts

Facebook and its Instagram unit sued four Chinese companies and three people based in China for promoting the sale of fake accounts, likes and followers that the social network giant says can be used for nefarious purposes.

The Chinese companies advertised and created the fake accounts over the last two years and marketed them for sale on six websites, selling them in bulk quantities, according to a complaint filed in the San Francisco federal court.

“Fake and inauthentic accounts can be used for spam and phishing campaigns, misinformation campaigns, marketing scams, advertising fraud, and other fraud schemes which are profitable at scale,” Facebook and Instagram alleged. They said fake accounts were also created on Amazon, Apple, Google, LinkedIn and Twitter.

Facebook has come under intense scrutiny over the use of private data and the impact of harmful content on its 2.7 billion monthly users, with governments around the world questioning the company’s policies. The lawsuit, which alleges multiple violations of US trademark law, is one way the company is fighting back against commercial exploitation of its social networks.

Using artificial intelligence to detect fake accounts, Facebook and Instagram disabled 2.1 billion inauthentic accounts from January 2018 through September, “often within minutes of the accounts’ creation,” according to the complaint.

The companies named as defendants — 9 Xiu Shenzhens, 9 Xiu Feishu, 9 Xiufei and Home Net work — are affiliated manufacturers of electronics and hardware, as well as providers of software and online advertising services, according to the complaint.

Facebook is seeking a court order permanently barring the Chinese companies’ alleged conduct and monetary damages. — Bloomberg.
New Insolvency Act goes unnoticed (Part 2)

I

N LAST week’s instalment, I promised that the discussion on the Insolvency Act (Chapter 6:07) would continue since space constraints had restricted me to parcelling out my contributions in at least two or three instalments. Just as a recap, this significant piece of legislation was promulgated for various reasons, with one of the most valuable being to consolidate all legislation on insolvency. Hence, and as an illustration, companies and judicial management proceedings are no longer governed by the Companies Act (Chapter 24:03) but rather, by the new Act. Further, bank liquidations are governed by the Insolvency Act but by the Banking Protection Board to act as liquidator for banks and related institutions, in the case of the new Act, a liquidator can only be a natural person.

A liquidated natural person has certain rights and obligations. Once such a person enters a contract, his state of insolvency does not affect the validity of that contract. However, when it comes to disposal of property of whatever kind, a person whose estate has been liquidated can only make such a disposition with the written consent of the liquidator. Further, a debtor or who is a natural person may only apply for a liquidation once such a person may sue or be sued in his or her own name without reference to the liquidator. The Master of the High Court is overall responsible for overseeing the liquidations be it of natural persons and/or other unnatural persons, be they companies, trusts, partnerships or clubs and societies. The liquidator is, therefore, an agent of the Master. Both report to the High Court. There are strict procedures dealing with creditors’ meetings for affected organisations. These ought to provide for an orderly, peaceful and equitale sharing of the residue or income of the liquidated organisation. When dealing with liquidations of partnerships, a claim must be proved against the partnership estate despite liability of a partner for the debt. In other words, other partners are by virtue of this provision compelled to incur liability on behalf of a truant business colleague. This is more relevant to those practising as lawyers and accountants or for any such other professional organisation practising under partnerships. It turns out therefore, that for those in partnerships, the rule is for one to have serious oversight against his/her colleagues by ensuring that they do not incur liabilities that end up compromising other partners and related parties. Freer review and peer supervision and monitoring should be the order of the day. Where the latter, the Bank Act permits for the Deposits Insurance Corporation to act as liquidator for banks and related institutions, in the case of the new Act, a liquidator can only be a natural person. If property of an insolvent estate is sold in violation of the Act, then such a sale is void and of no legal force or effect. A purchaser acquiring such a property can only succeed in enforcing the contract if he or she can prove to the satisfaction of a court that she purchased in good faith and for value. Any person, who disposes of property of an insolvent estate in violation of the law is liable to make good to the estate twice the amount of the loss that the estate may have suffered as a result of the illegal disposition.

Creditors are compelled to contribute towards costs of liquidation where the free residue is insufficient to meet all the costs incurred in administering the estate. A debtor who is a natural person may apply to the court for an order for his rehabilitation where full payment of all claims proved against his estate have been satisfied. Rehabilitation of a natural person can also arise by passage of time and in this case, 10 years is the stipulated period. In the past, people used to deliberately asset-strip companies or mismanage them and then cause their liquidation. They would, with little effort, set up new organisations and continue business as usual without fear of punishment or liability. The new Act has in with force to put a stop to this unethical conduct. In terms of Section 113, the Registrar of Companies is now compelled to keep a register of directors and shareholders of dissolved companies and other organisations. This register must have details of the full forenames, surname, nationality, occupation, date of birth and last known residential address of directors and/or shareholders. The rationale is obviously to keep track of incompetent business people so as to bar them from operating business organisations in future.

Legal Matters

VOTE MUZA

CITY OF HARARE

WATER DEMAND MANAGEMENT TIME TABLE – (MARCH 2019)

Harare City Council has introduced a water demand management system in light of the current acute water shortages. The idea is to ensure that at least every connected house gets water twice a week.

<table>
<thead>
<tr>
<th>DAY</th>
<th>AREAS EXPECTED TO ACCESS WATER</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monday/Tuesday/Wednesday</td>
<td>Glen Norah, Glen View, Budiri, Kuwadzana, Kambuzuma, Westlea, Warren Park.</td>
</tr>
<tr>
<td>Thursday/Friday</td>
<td>Waterfalls, Hatfield, Chadcombe, Msasa Park and Epworth, Mt. Pleasant Heights, Arundel.</td>
</tr>
<tr>
<td>Wednesday/Thursday</td>
<td>Mavuku/Tafara/Zipire Park.</td>
</tr>
<tr>
<td>Sunday/Monday</td>
<td>Philadelphia, Borrowdale Brooke, Hogerty Hill, ZDI, Alphica Barracks, Highlands, Ballantyne Park, Borrowdale West, Borrowdale, Colne Valley.</td>
</tr>
<tr>
<td>Wednesday</td>
<td>Hatcliffe.</td>
</tr>
<tr>
<td>Friday/Saturday/Monday</td>
<td>Mabrejine, Marborough, Ashdown Park, Mt. Pleasant Heights, Bluff Hill, Westgate, Adivilla, Good hope, Dzivaraseka.</td>
</tr>
<tr>
<td>Monday</td>
<td>Kambanj, Glen Lorne, Greenche, Mandara, Chisipite and Chishawasha Hills.</td>
</tr>
</tbody>
</table>

In the past, people used to deliberate asset-strip companies or mismanage them and then cause their liquidation. They would, with little effort, set up new organisations and continue business as usual without fear of punishment or liability. The new Act has in with force to put a stop to this unethical conduct. In terms of Section 113, the Registrar of Companies is now compelled to keep a register of directors and shareholders of dissolved companies and other organisations. This register must have details of the full forenames, surname, nationality, occupation, date of birth and last known residential address of directors and/or shareholders. The rationale is obviously to keep track of incompetent business people so as to bar them from operating business organisations in future. In terms of Section 116, if during the process of liquidation of an organisation, it is discovered that any past or present trustee, director, shareholder, member or officer has been guilty of an offence for which he/she is criminally liable, then the prosecutor-general should be advised to institute a prosecution. In the event of a refusal to prosecute, then a private prosecution should ensue. Former directors and members are also liable for debts incurred by the organisation due to any fraudulent or reckless conduct of the business of the liquidated organisation.

The judicial management process is now referred to as “Corporate Rescue Proceedings” in the new Act. This is an important area that shall be addressed in next week’s contribution.

Muza, a Harare-based legal practitioner, writes in his personal capacity: muzaalaw@gmail.com
Navigating the business plan through HR

This article is intended to give guidance to human resources (HR) professionals on how the HR plan can navigate the business plan. The plan provides critical questions that HR business partners should ask ourselves and give a step by step guide to help us steer our organisations on this path.

One needs to understand the key strategic leverage areas for the business to navigate the business plan. If one of these areas is people-related, then it is the attitude of the business towards its people. People are the most critical resources in any business. They are the ones that execute setting very good goals, including ease of doing business, what is the attitude of the business towards its people? Is there a deliberate talent pipeline in place? Do you know who to mobilise to increase the impact of the employee profile? Are plans in place to improve performance? All the above questions are mission critical to deliver desired results.

The first question to ask is if the HR function is led by the CEO on HR matters. Secondly, there is need to understand how the business plan unfolds in future — No plan should remain the same particularly as you navigate the volatile, uncertain, complex and ambiguous environments. Either way, the organisation needs to have right talent in place to deliver on the immediate and future business challenges.

The fifth question to ask is how much time on the agenda or the company recruits to fill such positions. The latter kills motivation in the business as well as attracting prospective ones in future or vice versa. Either way, the organisation has all the right elements to enable the people are the most critical resources in any business. They are the ones that execute setting very good goals, including ease of doing business, what is the attitude of the business towards its people? Is there a deliberate talent pipeline in place? Do you know who to mobilise to increase the impact of the employee profile? Are plans in place to improve performance? All the above questions are mission critical to deliver desired results.

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The twentieth question to ask is if the HR function is led by the CEO on HR matters. Secondly, there is need to understand how the business plan unfolds in future — No plan should remain the same particularly as you navigate the volatile, uncertain, complex and ambiguous environments. Either way, the organisation needs to have right talent in place to deliver on the immediate and future business challenges.
The Standard Bank Group, Africa’s largest lender, is predicting it can outpace the continent’s fast-growing economies in which it operates.

Stagnant gross domestic product in South Africa means the lender is having to rely on its business in 20 other sub-Saharan nations to compensate for rising costs and almost zero revenue growth in its biggest market.

Kenya, Uganda and Cote d’Ivoire are all expected to expand more than six percent this year and Standard Bank can do even better, said chief executive Sim Tshabalala.

“Most of these countries are growing at much faster rates than South Africa,” he said in an interview. “That, together with the fact that we are offering our products, means we are bound to grow at much faster rates.”

While the lender’s South African unit was able to accelerate cost-cutting initiatives and lending in the second half of 2018, it was not enough to offset other pressures, such as lower income from interest rates charged on loans. That resulted in expenses growth exceeding revenue growth, contributing to the lender missing analyst’s turnover estimates, and sending the stock down by the most in a month.

Tshabalala, who in September 2017 became the first black person to lead Standard Bank independently, is betting that the lender’s rest of Africa business, which owns a stake in pan-African lender Absa Group, which is in 12 countries in the region, and the Nedbank Group, which owns a stake in pan-African lender Ecobank Transnational, will return to earnings growth with an improved economic outlook for South Africa. The push toward increased digitisation and a reduction in the number of branches and floor space covered by its outlets will help cut expenses.

“We are very serious about cost discipline,” Tshabalala said. “Our client experience, stability, and security metrics are strong. But the bar keeps being raised by new technology, new entrants and increasing competition.”

Microsoft opens Africa data centres

MICROSOFT has announced the opening of its first data centres in Africa, with the general availability of Azure from the new cloud regions in Cape Town and Johannesburg, South Africa.

This makes Microsoft the first global provider to deliver cloud services from data centres on the continent, which will help companies securely and reliably move their businesses to the cloud while meeting compliance needs.

“Microsoft Azure is now available from our new cloud regions in Cape Town and Johannesburg. The combination of Microsoft’s global cloud infrastructure with the new regions in Africa will create greater economic opportunity for organisations in Africa, accelerate new global investment, and improve access to cloud and internet services,” said Yousef Khalidi, corporate vice president, Azure Networking, Microsoft.

Microsoft Azure is now available from our new cloud regions in Cape Town and Johannesburg. The combination of Microsoft’s global cloud infrastructure with the new regions in Africa will create greater economic opportunity for organisations in Africa, accelerate new global investment, and improve access to cloud and internet services,” said Yousef Khalidi, corporate vice president, Azure Networking, Microsoft.

Microsoft has around 10,000 local partners — and a nearly 30-year history of operating on the continent — the new data centres form part of Microsoft’s ongoing investment to enable digital transformation across Africa.

In Kenya, Microsoft is expanding FarmBeats, an end-to-end approach to help farmers benefit from technology. FarmBeats strives to enable data-driven farming, bringing together traditional knowledge, intuition and data to help increase farm productivity and yields. — IOL
Chairman's Statement

Directors' Responsibility

The holding companies are required for the purposes of the presentation and publication of the Group's annual report and financial statements. The report represents an extract. The financial statements themselves present a true and fair view of the financial position of the Group and its performance and cash flows for the year then ended. The financial statements have been prepared in accordance with the requirements of the Companies Act, as amended, and the Companies (Prospective Reporting) Act, 2017. The financial statements are expressed in United States dollars and are the responsibility of the Directors. The perspectives of the Directors are reflected in the narrative sections of the Annual Report.

Releasing the Report

The aggregate of cash balances in the Consolidated Cash Account (CA) at the end of the year, and the performance of the Group as a whole, is reflected in the Consolidated Financial Statements. The information presented is accurate in accordance with the requirements of the Companies Act, as amended. Following the Notice of the Annual General Meeting held on 20 January 2020, we are now pleased to confirm that the financial statements are in good standing and the statement of directors parenthetical to the report in the preceding paragraph has been amended.

Releasing the Financial Performance

The Group provides a detailed performance report for the period, providing information on the Group's performance, financial results, and key performance indicators. This information is intended to provide a better understanding of the Group's performance and prospects. The performance is presented in a comprehensive manner, focusing on the Group's key performance indicators and financial results. The performance metrics include revenue, profit, and cash flow, which are presented in a detailed and comprehensive manner. The performance metrics are presented in a manner that allows for a better understanding of the Group's financial position and performance.

Net Profit

The Group has achieved an increase in profit after tax of 47% at 210 December (2019: 170 December), with the results being record profits. The Group has achieved a significant increase in profit after tax, with a rise of 47% in the period under review. The results reflect the growth in the Company's operations and the successful implementation of strategic initiatives. The Group has also achieved a significant increase in profit after tax, with a rise of 47% in the period under review. The results reflect the growth in the Company's operations and the successful implementation of strategic initiatives.

Net Profit/Loss

The Group has achieved a significant increase in profit after tax, with a rise of 47% in the period under review. The results reflect the growth in the Company's operations and the successful implementation of strategic initiatives. The Group has also achieved a significant increase in profit after tax, with a rise of 47% in the period under review. The results reflect the growth in the Company's operations and the successful implementation of strategic initiatives.

Comparative Financial Position

The Group has achieved a significant increase in profit after tax, with a rise of 47% in the period under review. The results reflect the growth in the Company's operations and the successful implementation of strategic initiatives. The Group has also achieved a significant increase in profit after tax, with a rise of 47% in the period under review. The results reflect the growth in the Company's operations and the successful implementation of strategic initiatives.

Abridged Group Statement of Financial Position

As at December 31, 2018

Net profit before tax

0.5% increase

Current assets

96.6% increase

Proprietary non-current assets

41.6% increase

Non-current assets

30.2% increase

Total assets

25.5% increase

Current liabilities

11.3% decrease

Proprietary non-current liabilities

2.6% decrease

Non-current liabilities

5.4% decrease

Total liabilities

12.1% decrease

Equity and liabilities

32.8% decrease

Abridged Group Statement of Cash Flows

For the year ended December 31, 2018

Operating activities

Net profit after tax

$ 1,111,111

Depreciation

$ 2,222,222

Amortization

$ 3,333,333

Amortization of financial assets

$ 4,444,444

Interest received

$ 5,555,555

Interest paid

$ 6,666,666

Net cash used in operating activities

$ (7,777,778)

Investing activities

Net purchases of property, plant and equipment

$ 8,888,888

Cash paid for investments

$ 9,999,999

Net cash used in investing activities

$ (18,888,888)

Financing activities

Net proceeds from issuing of debt

$ 10,000,000

Distributions to shareholders

$ 11,111,111

Net cash used in financing activities

$ (1,111,111)

Net change in cash and cash equivalents

$ (10,000,000)

Cash and cash equivalents at beginning of the period

$ 10,000,000

Cash and cash equivalents at end of the period

$ 0

Abridged Statement of Change in Equity

For the year ended December 31, 2018

Shareholders' equity

$ 1,111,111

Additions

$ 1,111,111

Reinvested earnings

$ 1,111,111

Dividends

$ (1,111,111)

Reductions

$ (1,111,111)

Opening balance

$ 1,111,111

Closing balance

$ 1,111,111

Abridged Notes to the Financial Statements

For the year ended December 31, 2018

1. Statement of Financial Position

2. Notes to the Financial Statements

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INNISCOR AFRICA LIMITED
Unaudited Abridged Group Financial Results
FOR THE 6 MONTHS ENDED 31 DECEMBER 2019

SALIENT FEATURES

Revenue 45.1% 140 093 708
Operating profit 10.0% 80 404 951
Profit before tax 16.5% 61 480 934
Basic earnings per share (cents) 19.9% 6.0
Headline earnings per share (cents) 14.1% 5.4
Cash utilised in operating activities 10 214 904
Cash dividend declared per share (cents) 17.2% 1.53

DIRECTORS’ RESPONSIBILITY

The Company’s Directors are responsible for the preparation and fair presentation of the Group’s consolidated financial statements. As the Board, we refer to the International Financial Reporting Standards (IFRS) and the relevant requirements specified in the Companies Act (Chapter 27). The consolidated financial statements are prepared and presented in accordance with the provisions of the Companies Act (Chapter 27). The preparers of the consolidated financial statements are independent of the auditors and the Group’s annual audited financial statements are presented as per annual financial statements.

The financial statements are presented in a currency consistent with the previous annual financial statements.

Following the Monetary Policy Statement on 10 February 2019, we await further guidance on our various regulations as a standard methodology to be adopted for the presentation of financial statements. The financial statements are presented in a currency consistent with the previous annual financial statements.

The Group’s overall headline earnings per share grew by 16.1% on the comparative period to 7.18 cents.

Significant changes in fiscal and monetary policies were introduced mid-year through the period under review, including the conversion of the Namibia DCO and R20 and the introduction of an increased rate of Intermediated Money Transfer Tax (IMTT). A period of steep inflation then took place where the mines adjusted to these changing realities in extreme price and margin distortions, cost-cutting and the need to replace stock with consistently higher-valued raw material.

The financial position of Namibia’s diamond producers has worsened, and this has led to the situation where the Group’s earnings per share have been largely influenced by higher costs and lower production volumes.

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INNISCO AFRICA LIMITED
Unaudited Abridged Group Financial Results
FOR THE 6 MONTHS ENDED 31 DECEMBER 2018

Chairman
28 February 2019

Prospects
In addition to the above, following Government’s relief measures to reduce the pressure on household expenses, increased production of key crops locally is expected to decrease import dependency and support local agriculture. In this regard, the Company has continued to make efforts to manage the cost of inputs to improve profitability. The Company has also improved its debt funding structure by cost-effectively accessing capital markets. The Company is committed to addressing all relevant regulatory requirements to ensure that it remains compliant with all applicable laws and regulations to get a clean audit report.

Interim Dividend
The Board has declared an interim dividend of 21.85% on 31 December 2018, subject to shareholders approval.

Financial highlights
The condensed financial statements were drawn up in accordance with the applicable accounting standards. These unaudited abridged financial results are presented with a view to providing an overview of the financial results for the six months ended 31 December 2018.

Abridged Group Statement of Financial Position

Abridged Group Statement of Cash Flows

Cost of the period attributable to equity holders of the parent
Non-controlling interests
Total comprehensive income for the period
Non-current liabilities
Current liabilities
Total liabilities
Shareholders' equity
Total shareholders' equity
Non-current liabilities
Current liabilities
Total liabilities
Shareholders' equity
Total shareholders' equity
Non-current liabilities
Current liabilities
Total liabilities
Shareholders' equity
Total shareholders' equity
Non-current liabilities
Current liabilities
Total liabilities
Shareholders' equity
Total shareholders' equity
### Abridged Group Statement of Changes in Equity

<table>
<thead>
<tr>
<th>Ordinary Share Capital</th>
<th>Share of Voting Rights</th>
<th>Share premium Reserve</th>
<th>Restructure Reserve</th>
<th>Foreign Currency Translation Reserve</th>
<th>Treasury Share</th>
<th>Share Based Payment Reserve</th>
<th>Total Other Reserve</th>
<th>Distributable Reserves</th>
<th>Total Appropriable Reserves</th>
<th>Total Shareholders' Equity</th>
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<tbody>
<tr>
<td>Balance at 30 June 2017</td>
<td>4,455,974</td>
<td>30</td>
<td></td>
<td>(2,791,962)</td>
<td>197,417</td>
<td>(393,943)</td>
<td>161,313</td>
<td>1,064,951</td>
<td>181,428,502</td>
<td>365,478,779</td>
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<td>Profit for the period</td>
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<td>(361,310)</td>
<td>(394,761)</td>
<td>(104,673,622)</td>
<td>(80,153)</td>
<td>(1,168,604)</td>
<td>(27,659,470)</td>
<td>(109,166,212)</td>
<td>(621,426,082)</td>
<td>(294,331,891)</td>
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<td>Shareholding revaluation</td>
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<td>(27,659,470)</td>
<td>(109,166,212)</td>
<td>(621,426,082)</td>
<td>(294,331,891)</td>
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<tr>
<td>Balance at 30 June 2018</td>
<td>5,557,204</td>
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<td>(178,161)</td>
<td>(509,012)</td>
<td>140,508</td>
<td>(687,792)</td>
<td>831,912</td>
<td>1,420,920</td>
<td>283,531,914</td>
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<td>Profit for the period</td>
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<td>(355,933)</td>
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<td>(694,958)</td>
<td>(766,337)</td>
<td>(1,008,430)</td>
<td>(85,344)</td>
<td>(1,705,434)</td>
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<td>Shareholding revaluation</td>
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<td>Pre-acquisition interest</td>
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### Supplementary Information

1. **Corporate information**
   - The company is incorporated and domiciled in Zimbabwe.

2. **Accounting policies**
   - The consolidated financial statements are prepared in accordance with generally accepted accounting principles (GAAP) approved by the Accounting and Auditing Standards Board (AASB) of Zimbabwe.

3. **Revenue**
   - Revenue is measured in accordance with IFRS 15 Revenue from Contracts with Customers.

4. **IFRS 15 Revenue from Contracts with Customers**
   - IFRS 15 defines a revenue model for entities to use in accounting for revenue arising from contracts with customers.

5. **Operating segments**
   - The Group has identified the following as its operating segments:
     - **Engineering and Construction Services**
     - **Other Light Manufacturing and Services**

6. **Customer relationships**
   - The Group has identified a significant contract with a major customer.

7. **Financial instruments**
   - The Group has identified a non-derivative financial instrument.

8. **Operating segments**
   - The Group has identified the following as its operating segments:
     - **Engineering and Construction Services**
     - **Other Light Manufacturing and Services**

9. **Customer relationships**
   - The Group has identified a significant contract with a major customer.

10. **Financial instruments**
    - The Group has identified a non-derivative financial instrument.
Supplementary Information (continued)

<table>
<thead>
<tr>
<th>31 Dec 2018</th>
<th>31 Dec 2019</th>
<th>30 June 2019</th>
<th>30 June 2018</th>
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<tbody>
<tr>
<td>8 Inventories</td>
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<td>Raw materials</td>
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<td>Work in progress</td>
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<td>Finished goods</td>
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<td>9 Trade receivables</td>
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<td>10 Trade payables</td>
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<td>Trade payables</td>
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<td>Trade receivables</td>
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<td>Total net assets</td>
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<tr>
<td>Total net liabilities</td>
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<tr>
<td>Owners' equity</td>
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11 Assets of disposed group classified as held for sale

The Group continues to dispose of non-core or aging assets in order to apply the value of the statement of financial position more appropriately. Following the disposal of the National Foods Holdings Limited depot operations in October 2016, the Board identified a number of assets that were non-core or aging. The disposal of the assets with a carrying amount of R3,990,336 were disposed of during the period. The remaining assets are held at a value that approximates fair value and were previously recorded under the NFD - Baking operations.

12 Earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity holders of the parent and the weighted average number of ordinary shares in issue for the year.

Earnings per share

The calculation of diluted earnings per share is based on the profit attributable to equity holders of the parent and the weighted average number of ordinary shares in issue after adjusting for potential conversion of share options. The potential conversion is possible when the average market price of ordinary shares during the period exceeds the exercise price of each option.

The share options arising from the Group’s Employee Share Trust scheme and the 2016 Innscor Africa Limited Share Option Scheme were not dilutive as at the end of the period.

The share options arising from the Group’s disinvestment transaction had a dilutive effect at the end of the period as shown on note 32. Dilution.

 diluted earnings per share

Headings earnings comprises basic earnings attributable to equity holders of the parent, reduced for future tax liabilities, and is a capital measure that does not form part of the ordinary activities of the Group, net of their related tax effects and share of non-controlling interests as applicable.

The following reflects the income data used in the basic, headline and diluted earnings per share computations:

13 Contingent liabilities

The contingent liabilities relate to bank guarantees provided in respect of associate company borrowings as at 31 December 2018.

No. of guarantees: 100
Amount guaranteed: R3,500,000
SME Banking... Unlock Your Vision & Growth

FBC Dedicated Towards Financing SMEs at Every Level: Exclusive Interview with Tina Momoge-Mhaka-Head FBC SME Banking Unit

SMEs are essential for the growth and expansion of most emerging economies such as Zimbabwe. Over the years, FBC Bank, a member of the diversif-ied FBC Holdings Limited, has been responsible for spearheading the country’s SME sector by developing the capabilities of small to medium businesses in order to increase the sector’s contribution to the country’s economic growth.

Over the years, FBC Bank demonstrated outstanding success in facilitating regular engage-ment with existing and new SME players, develop-ing attractive and affordable products for small to medium businesses, offering comprehensive business advisory support services and working with all key stakeholders such as government departments, regulators and financiers to ensure sustained growth and development of the SME sector.

In light of the above, our Staff Reporter (SR) caught up with Tina Momoge-Mhaka of FBC and had an exclusive discussion on a wide range of significant small to medium businesses matters and FBC Bank’s involvement in the SME sector. Tina Momoge-Mhaka (TM) is the Head of FBC’s SME Banking Division with over 25 years of experience in the financial services sector. Below are excerpts of the interview.

SR: FBC Bank can be classified on a good case study for SME potential. The bank was founded in 1997 in an industry that has seen many banks come and go, FBC Bank has withstood the test of time and continues to grow from strength to strength. In your view, what enabled FBC Bank to expand and grow over the past 21 years?

TM: FBC Bank is a subsidiary of FBC Holdings which is a diversified financial conglomerate ranking high amongst the top 5 financial institutions in the country. Built on solid risk management principles, the bank has managed to remain resilient and at the top of the global financial ecosystem. With the bank’s portfolio diversified across various segments including retail, corporate, and institutional, FBC Bank has been able to leverage its strength in these areas to offer a wide range of products and services.

SR: What does FBC Bank do to support the growth of SME financing?

TM: FBC Bank is committed to supporting the growth of the SME sector through various initiatives. We have a dedicated SME Banking Division that focuses on providing tailored solutions to SMEs. We offer a range of products and services, including tailored financing options, to support SMEs in their growth and development. We also collaborate with other financial institutions and government initiatives to provide a comprehensive suite of solutions to SMEs.

SR: Can you share some recent examples of SMEs that have successfully secured funding from FBC Bank?

TM: FBC Bank works closely with its clients to understand their needs and provide tailored solutions. We have a wide range of products and services, including term loans, working capital finance, and export financing, that are designed to meet the specific needs of SMEs. Our clients range from micro-enterprises to mid-sized businesses. Specific examples of successful funding include SMEs in the agriculture, manufacturing, and mining sectors.

SR: How are existing and new SMEs identifying opportunities and navigating the regulatory environment?

TM: FBC Bank is committed to supporting SMEs in navigating the regulatory environment. We offer regular workshops and seminars to educate SMEs about regulatory requirements and provide guidance on how to comply. We also work closely with government agencies and regulatory bodies to ensure that our clients have access to the latest information.

SR: What are the future plans for FBC Bank’s SME Banking Division?

TM: FBC Bank will continue to focus on supporting SMEs and enhancing our products and services to meet their evolving needs. We are committed to investing in technology and digital solutions to improve access to our services. We will also expand our reach to remote areas and ensure that our services are accessible to all SMEs.

SR: How can interested parties get in touch with FBC Bank for further information?

TM: Interested parties can get in touch with FBC Bank through our website at www.fbc.co.zw or by contacting our SME Banking Division directly. We are also available on social media platforms and can be reached via email at smebanking@fbc.co.zw.

FBC Bank remains committed to supporting the growth of the SME sector and continues to be a key player in Zimbabwe’s financial landscape.
From SMEs to Large Corporates - The FBC Bank Way

In 2011, the flagship unit of the FBC Group (FBC Bank) established a small to medium enterprises (SME) banking division to respond to calls from various clients and the nature of the country's economic environment. The division is focused on providing relevant financial solutions to address the distinctive needs of small to medium businesses that deserve to be provided with much-needed capital to grow their businesses.

FBC Bank's SME Banking Division has achieved great strides in fulfilling its mandate of providing affordable financial solutions for promoting the sustainable development of the SME sector. Roy Nyakumbwa (FBC Bank Manager) said, "FBC Bank has a fully-fledged SME banking mandate with a division of ensuring that the unique needs of SMEs are taken care of. The division's capitalization role within the SME sector is diverse and not limited to the provision of working capital, capital expenditure, revenue financing, agriculture value chain, chrome value chain facilities, property financing, and most importantly, export finance. FBC SME Bank is unique in its capacity to strengthen over the years, consistently delivering positive results and growing steadily both in its brand stature as well as in instituting its services to meet the requirements of small scale business owners."

Mr Nyakumbwa added that FBC Bank’s SME Banking Division is committed to partnering with SME sector businesses with a view to helping them grow into sustainable large corporates. The SME Banking Division developed affordable, value-driven, relevant and customer-focused products and services for small to medium enterprises. It is imperative that we familiarise ourselves with some of FBC Bank’s special SME financing solutions for financing the sustainable growth of small businesses in various sectors such as manufacturing, agriculture, mining and education.

FBC Women's Desk - Reducing Gender Based Barriers to Access of Formal Financial Services

FBC established a fully-fledged and dedicated Women’s Desk in June 2017. The flourishing unit within the structures of FBC SME Bank has been successful in developing products tailor-made to suit women’s peculiars needs, offering technical support and advisory services to women entrepreneurs and ensuring that they run successful businesses, offering business loans to women and helping them to grow their businesses, offering low cost accounts and collateral loan facilities, training and up-skill women in a bid to ensure that they are enlightened and financially literate engaging with all stakeholders in order to ensure that the businesses case for a profitable women’s market portfolio is accepted throughout the entire nation.

To date, FBC Women’s Desk has managed to achieve the following:
- Assisting women entrepreneurs with formalising their business and ensuring that they are officially registered
- Facilitating the opening of low cost accounts for women
- Working with women’s organisations in educating women in business on products tailored for their needs
- Educating women on how they can access bank facilities tailored for their needs
- Helping women to tap into the FBC Women’s Empowerment fund
- Assisting women in accessing FBC facilities to help them grow their businesses.

FBC Women’s Group Lending Scheme: A Real Game Changer

FBC SME Banking unit offers an exciting and lucrative financing solution for well-established Women’s Groups. The group loans are aimed at capitalising income generating projects for women in various sectors.

FBC Promoting Growth in the Agricultural Sector

Agriculture is the backbone of the country’s economic activities. The agricultural sector has been one of the most marginalized sectors concerning terms of access to finance; which is a major hurdle to the growth and expansion of small scale farmers. FBC Bank’s SME Banking Division, through its Load Agro Power Tractor Scheme, is participating in a $5.5 million funding programme for the purchase of tractors for farmers. FBC Bank’s SME Banking unit is existing nation-wide farmers to procure tractors through the Load Agro Power Tractor Scheme.

FBC Financing Small Scale Miners

The SME Banking Division is offering financing for small scale chrome, gold and other mineral miners that generate foreign currency for the country. FBC Bank’s SME Banking unit financed an exporter for a leading small scale chrome miner in Zvishavane. The Division is also pursuing chrome financing through the Apple Bridge financing model miners interested in accessing finance must have independent claims registered with the ministry of mines and must be registered as a chrome exporter with Apple Bridge Investments, a special purpose vehicle company established by government to export chrome.

FBC Offers Payroll Services for SMEs

FBC provides payroll services for assisting SME Business clients with the services it offers. The services enables bulk payments into FBC Accounts, FBC instant cards, other co-branded accounts and any account on the ZimSwitch network securely in real-time. The service is bundled with a considerable number of benefits such as payroll payments, loan disbursements, foreign exchange, and bulk EFT payments. Benefits of the service include the following efficient and reliable outcomes:
- Online and real-time processing
- 24 hours authorization of card debits
- Affordable cost
- Transactions can be initiated from any secure internet connection

FBC Bank remains confident in the future of SMEs as drivers of Zimbabwe’s economy, and wish to reassure all micro, small and medium enterprise business players that FBC Bank remains committed to providing financial, intellectual and technical resources for promoting the sustainable development as well as growth of the SME sector.

FBC Bank’s 2018 SMEs Incubation Seminars - A Great Success!

Webster Ruwere (FBC Bank Managing Director) received certificates to fifty-three (53) Small and Medium Enterprises (SME) business owners who created a ripple effect at the FBC SME Banking bank unit’s Training Seminars held between June and November 2018. The training seminars held widely role in bringing about a major objective of equipping SME Business players with practical business skills and expertise required for the sustainable growth of SMEs.

Last year’s training sessions covered a wide spectrum of important business topics such as primary value chain activities, adoption business environment, leadership, digital and marketing, customer service, basic management of business finance, bookkeeping, business growth strategies and business loan management skills amongst other important topics. The incubation training seminars were facilitated by Patrick Nyauwars (FBC Credit Division Director) and Abel Mapaza FBC Executive Director Finance & Admin. Representatives from the Reserve Bank of Zimbabwe (RBZ), National Social Security Authority (NSSA) and Zimbabwe Revenue Authority (ZIMRA) also trained SME business players in strategic regulatory topics.

Addressing SME business players during the closing ceremony of the “FBC SME Banking Bank” Seminars, Webster Ruwere (FBC Bank Managing Director) said, "We seriously understand that SMEs play a major role in creating jobs, generating income for the economy, fostering economic growth, promoting social-economic stability and driving the development of a dynamic private sector. In response to calls from diverse clients and the nature of the country’s economic and regulatory environment, FBC Bank established a Small to Medium Enterprise (SME) banking division.”

Mr Ruwere also reassured the nation’s SME players that FBC Bank will continue to bolster its SME banking business targeting the significant needs of the SME sector and the abundant opportunities in that segment as part of its financial inclusion strategy. "FBC Bank remains committed in the future of SMEs, as drivers of Zimbabwe’s economy, and wish to reassure all micro, small and medium enterprise business players that FBC Bank remains committed to providing financial, intellectual and technical resources for promoting the sustainable development as well as growth of the SME sector," he said.

The banks SME Banking division is focused on providing financial solutions to the ever increasing needs of small to medium enterprises to ensure that the services to be provided with much-needed capital to grow their businesses. The division’s capitalization role within the SME sector is diverse and not limited to the following:
- Capital provision capital
- Cost financing
- Agriculture value chains
- Chrome value chain facilities
- Foreign exchange
- SME advisory, training and incubation services
- And most importantly, export finance.

FBC Bank’s 2018 SMEs Incubation Seminars played a major role towards improving access of local SMEs to relevant training, boosting their competitiveness and facilitating the transformation of Zimbabwe’s microenterprises from small businesses to large corporations.
SME Banking Incubation Seminars in Pictures

Makorokoto Amtholpe Congratulations to SME Players Who Received FBC Bank Certificates of Achievement!

FBC SME Banking Client Testimonials

Beans and Rays
Beans and Rays is a young company incorporated in January 2015. The company is housed in the industrial hub of Masa. It owns top of the range processes which include film blowing extrusion and conversion of flexible plastics using a combination of materials. Beans and Rays work with various companies to produce customised and branded flexible packaging solutions which meet client specifications and requirements. It has the capacity to work with an array of materials such as BOPP, PET, PVOH, PE, LOPE, and HDPE. Its product line includes: Snacks packaging, sweets and confectionary packaging, biscuits packaging, soaps and detergents packaging, pharmaceutical packaging, seed and grains packaging, tea and coffee packaging, and refrigerated foods packaging, and shrink wrapping amongst others.

Postcorp Glass & Aluminium
Postcorp Glass & Aluminium has over 12 years of vast experience in the shop-fitting and Glazing industry. It possesses design and practical skills in fabrication which allows it to execute clients’ specifications efficiently and effectively. Once contracted, Postcorp Glass & Aluminium takes full responsibility of the whole project by taking actual site measurements, designing, fabrication, site installation and then project handover, thus guaranteeing the standard of our workmanship for 3 years. The company manufactures and assembles a variety of high quality aluminium products such as displays, doors, windows, glass shelving, partitions, and shower cubicles.

FBC Bank's Contribution to Beans and Rays’ Success
"We have been banking with FBC for the past few years. The SME division, we managed to access funding for raw materials which has contributed to increased production capacity and financial growth for our organisation. FBC also assisted us in accessing the fund that was extended to women-run businesses by the central bank. Having come from other financial service providers where the relationship was nothing more than transactional, I have to say we are very satisfied with the support and personalised services we have been getting from FBC to date and hope that they will continue to support us in the future." - Alice Mashero (Beans and Rays Managing Director)

Maka
Maka is a diversified company registered in Zimbabwe but with global links specialising in the installation and repair of irrigation systems as well as the supply and installation of grain handling facilities particularly grain dryers. The company aims to be a leading provider of high quality, cutting edge water engineering, irrigation and grain handling facilities in Zimbabwe working through a superior work ethic that values client and employee alike. Maka offers a variety of products encompassing center pivots, motors, pumps and variable speed drives. Maka has been in business for over ten years.

here's what a representative from Maka had to say about FBC Bank
"FBC Bank has been quite friendly. We have had a good working relationship with FBC Bank. The bank has been quite helpful to us. We can talk to them even over the weekends or after hours. In short, I can say we have a very good working relationship with the bank."

SME Banking...Unlock Your Vision & Growth!

Contact/Office: Nkwepenga: 0773 73 490 - 363 242 719 303 | Siwela: 0773 397 179,
+263 242 733 551 | Future Office: 0713 493 050,
+263 292 806 520 | E-mail: Mukiadzoro@fbc.co.zw | Tel: 014 317 652

+263 772 4 19 65 +263 772 152 647 | EMAIL: help@fbc.co.zw | FBC: Help Desk.
The renewable energy sector in Zimbabwe has vast potential to grow and meet the ever-increasing demands of its populace for power, and the government has made deliberate strides in creating an enabling environment for independent power producers in the green energy sector. This is in line with its transition towards the adoption and access to clean renewable energy for all, and supports the vision of transforming the nation to a middle-income economy by 2030.

The advantages of using green energy generated from renewable sources such as solar, water and bio-energy far outweigh the use of fossil fuels such as coal, which produce carbon emissions, a contributing factor in climate change. In a 2017 report “Perspectives for the Energy Transition: Investment Needs for a Low-Carbon Energy Transition” by the International Renewable Energy Agency (IRENA), it was stated that in 2015 approximately 32 gigatonnes (Gt) of energy-related CO2 were emitted across the world. Although most of this has been attributed to human activity, the good news is in that with focused and deliberate human intervention, CO2 emissions within the energy sector can be significantly reduced by 2050. Adnan Amin, Director-General of IRENA believes that The Paris Agreement reflected “an unprecedented international determination to act on climate” and that “focus must be on the decarbonisation of the global energy system, which accounts for almost two-thirds of greenhouse gas emissions.”

Zimbabwe’s energy profile (2015), indicated that 58% of electricity generation was from fossil fuels, and an estimated 11 million metric tonnes of carbon dioxide emissions were released during energy consumption. In this regard, Zimbabwe has committed to achieving a 33% reduction in greenhouse gas emissions by 2030. Generation of electricity from renewable energy sources such as hydro-electric power was at 37% whilst other renewable sources, were at a low 5%. Currently however, hydro-power accounts for 67% of electricity generation, with a drive towards increasing renewable energy contributions to 50% nationwide. Although there has been a concerted effort towards providing renewable energy investment opportunities, the uptake has been slow.

Analysis into the renewable energy potential within the country has shown that Zimbabwe has a hydropower potential of 17,500 gigawatt hours (GWh), which continues to be a viable option towards contributing to the country’s electricity supply needs. However, the long term impact of climate change may present challenges in harnessing its full potential. With unpredictable rainfall patterns and droughts in the country, caused by climate change, and an ever increasing population that requires water for agricultural, sanitation and consumption, further investments in hydro-power plants systems may be delayed, as WASH efforts take priority. Additionally, hydro-power projects require huge investments in infrastructure development and maintenance, which may lead to social and environmental impacts such as displacement and eco-system imbalance.

The Bio-energy potential, as a source of renewable energy is steadily increasing, and it is estimated that bagasse currently provides 6.5GWh of electricity. Bio-energy, which can be generated from waste material, is advantageous as it can produce both heat and electricity. However, as an energy source, it requires more to produce energy, and in comparison, the constant cost harvesting, transporting and processing of biomass, may be more costly in the long term than other renewable energy sources. With one of the best solar radiation belts in the world, and an average of 300 days of sunshine, it is estimated that in Zimbabwe, solar PV has the potential to harness over 300 MW of electricity. With new technology, increased expertise and viable lease agreement solutions in the solar industry, the cost of solar installations has decreased significantly. Solar plants have a low environmental impact - zero greenhouse gas emissions – and solar energy can be harnessed almost anywhere. Holistically, it is possible the easiest to rapidly deploy and maintain.

As Zimbabwe moves towards global competitiveness and attaining a middle income economy status, the need to embrace the 4th industrial revolution and work towards bridging the digital divide can only be achieved by increasing power generation. Therefore, the use of renewable energy, in particular solar energy, to urbanise rural areas, and implement smart city strategies that reduce the nation’s carbon footprint, has become a necessity. In order for our future generations to thrive and survive, the onus remains on government to continuously craft, effect and implement supportive policies and legislation, whilst providing lucrative incentives that support local and foreign investment into the renewable energy sector.
ZIMBABWE has set up a special outfit under the central bank called the Asset Management Unit (AMU), to investigate individuals and companies who are deemed to have obtained wealth illegally.

The crack unit was established through an amendment of the Money Laundering and Proceeds of Crime Act, as part of the Finance Act of 2019, which was gazetted recently.

"There is hereby established a unit in the administrative establishment of the reserve bank to be known as the AMU," reads the amendment.

Reserve Bank of Zimbabwe governor John Mangudya told The Financial Gazette this week that the investigative arm seeks to bring order and transparency in the economy.

"The unit is under the financial intelligence division of the Reserve Bank that will be responsible for investigating those people and entities with excessive assets, to look at how such people and companies would have acquired those assets," he said.

AMU, which will operate independently of the central bank, will have powers to “make examination and inquiry” as it considers appropriate. The crack unit will also have powers to seize property as it deems fit.

According to the amended Act, inspectors of the AMU "may be accompanied and assisted by one or more police officers or other persons, and those persons shall have the same powers as the inspectors'.

Failure to co-operate with any agents of the unit will attract a fine and/or a jail term.

This comes as President Emmerson Mnangagwa’s administration, which is under pressure to make good on pre-election promises to mend the broken economy, seeks to be seen making moves against corruption and crimes that have been widely blamed for perpetuating the country’s economic distress.

Mangagwa last year gazetted temporary measures, which empower government to seize assets of people who fail to disclose the source of their wealth.

In Statutory Instrument 246 of 2018, the Zanu PF leader decreed that government may issue an unexplained wealth order in respect of properties with no full disclosure.

Parliament however last year shot down government’s attempt to confirm the temporary measures through the Finance Act of 2019.

“Tendai Biti pointed out that it was fundamentally wrong for a Finance Bill to include clauses having nothing to do with revenue matters. The minister of justice, Legal and Parliamentary Affairs intervened to concede Biti was right, and minister Mthuli Ncube accepted the deletion of the clause and said a separate Bill would be introduced to confirm the law," parliamentary watchdog, Veritas said in note recently.

Veritas says the statutory instrument will expire at midnight on May 8, 2019, if it is not confirmed before that time by parliament.
RUNNING a busy flea market is a hungry business, and project developer Davina Berman, whose work keeps her in Harare’s CBD, realised the need for an affordable city centre restaurant serving attractive, well cooked meals.

Before long she found premises at 79 Robert Mugabe Road, and a year ago, Munch Box opened with a flourish, offering an impressive menu to the denizens of downtown Harare.

Many people will remember the popular Bamboo Inn in Manica Road, favourite restaurant for lunches and dinners, celebrations and birthday parties.

Now renamed Robert Mugabe Road, this historic highway is showing signs of fatigue and disrepair, with many shops, including the Bamboo Inn premises, untenanted. The Munch Box is a few metres down from the Bamboo Inn, occupying part of a historic grey-painted building, with sash windows and white painted window frames.

It has two entrances, sharing one with a shoe shop. There’s no decor to speak of, and seating consists of small wooden stools, and cushioned benches against the wall. Tables are covered with easy-to-wipe-down black vinyl.

Arriving just before 1 pm last Friday, I was lucky to find an empty table. The largely male clientele, casually dressed and aged somewhere between 20 and 30 years, were by coincidence all eating the same dish — roast chicken and sadza.

No cutlery is provided at Munch Box, but if you’re a man of the people and accustomed to eating with your fingers, this shouldn’t be a problem.

When my date arrived, we walked over to the bain maries, where Anna and Audrey were taking orders and serving meals.

Neither the tripe or knuckle bones I had seen on Munch Box’s Facebook were on the menu, but attractive-looking choices of chicken stew, beef bones, steak and kidney, roast beef, Hwesa beef and roast chicken were available.

Bearing no resemblance to the small wild mouse of the same name, Hwesa beef ($7) is simmered with muriwo in a rich onion and tomato gravy. Served with freshly made sadza, George found it delicious. Incidentally, male members of the Hwesa totem ‘have an unparalleled culinary skill’ and a ‘highly evolved sense of taste and smell.’

A generous serving of steak and kidney and sadza, with a small spoonful of muriwo, cost only $5. The ultimate comfort food, this was the best steak and kidney I have eaten in a while.

Feeling territorial, I declined to allow George even a taste. All that was missing was a topping of crisp flaky pastry, and perhaps a few more spoons of muriwo. A plastic teaspoon supplied by the dinner ladies saved me from mastering the traditional style of eating.

Paired with a bottle of Pepsi ($2), and a dusting of chilli powder requested from the kitchen, this was a most satisfying meal.

Davina runs a tight ship at Munch Box. When Anna the cook isn’t preparing meals in the kitchen, she assists Audrey in taking orders and cash. The only other member of the team I saw was a tall young man stationed in front of a large barbecue, grilling succulent pieces of chicken for the lunch time rush.

Far from hip, Munch Box is not a place to see and be seen or a meeting place for shefus. A busy take away service, however, supplies all the CEOs and managers who prefer to eat in their own offices.

A self-taught cook, Davina is a stickler for freshly-cooked food and quality produce. To ensure a constant supply of smooth, shiny, steaming sadza, the first pot is cooked at 7 am, and then at different times throughout the day. A runner visits Mbare Musika market early every morning for the day’s supply of fresh vegetables, many of them produced organically by farmers, without insecticides. Standing orders are placed with reputable suppliers for both beef and chicken.

Not everyone is prepared to navigate the traffic and the crowded pavements in the city, but if you want to eat well without paying through the nose, pay a visit to Munch Box the next time you’re in the CBD.

Comments to: cmalakoff@gmail.com
SPORT SHORTS

Djokovic knocked out

WORLD number one Novak Djokovic was knocked out of the BNP Paribas Open in the third round by Philipp Kohlschreiber at Indian Wells.

The Serb, who currently holds three of the four Grand Slam titles, was beaten 6-4 6-4 by the German world number 39.

Djokovic broke his raquette in anger after Kohlschreiber—who had lost his past seven matches against the 31-year-old—took the first set.

Britain’s Kyle Edmund beat Radu Albot 6-3 6-3 to reach the last 16.

He will face Roger Federer, who defeated fellow Swiss Stan Wawrinka 6-3 6-4 to reach the fourth round.

New rules for Formula 1

LEWIS Hamilton begins the defence of his Formula One world championship on Sunday in Melbourne in the first race of the new season.

And he knows he will face competition from rival Sebastian Vettel who has triumphed at the Australian Grand Prix in the last two years.

There are eight new rule changes that come into force in 2019, with the season ending on December 1, longer than any previous championship since 1963.

What is new in F1 for 2019

Front wing — A wider, higher and much simplified front wing, which reduces air turbulence and allows cars to travel closer together, increasing the possibility of overtaking.

New barge boards — The barge boards at the side of the cars have been made smaller. Like the front wing, the idea is to reduce the amount of dirty air created for the cars behind.

New rear wing — The rear wings are higher, wider and simpler.

Just as with the front wing and barge boards, aero-dynamics have been reduced, meaning the cars will also become slower in the corners.

Biometric gloves — Drivers are required to wear biometric gloves which have sensors which feed information back to the FIA. The gloves monitor the driver’s pulse rate and the oxygen levels in his blood to help the medical team before, during and after a crash.

Increased fuel allowance — Drivers may use up to 110kg of fuel — previously 105kg — in the race.

Reduced tyre colours — The rainbow of tyre colours used in 2018 have been ditched in favour of three colours; white (hard), yellow (medium) and red (soft).

Increased weight — The minimum weight of the car, without fuel, has gone up from 733kg to 740kg.

Bonus point — One point will be awarded to the driver who achieves the fastest lap in a race, provided that driver is also classified in the top 10.

Zidane gets more power

ZINEDINE Zidane’s return to the Real Madrid bench comes conditioned by one big change. This time he will have absolute power when it comes to configuring the squad. Both the current one and the one they are designing for the future.

He will buy or sell any players he wants. Zidane returned on Monday, replacing Solari, coming back from Italy where he has been. He has been in touch with club president Florentino Perez and Periquez.

The relations between coach and president have never been broken.

There have been constant calls between the two.

Zidane knows this time his role is total. He was hugely regarded both as a player and coach, especially the latter after his treble Champions League win.

Zidane comes back accompanied by David Bettoni, his right hand man, and his fitness coach Antonio Paturas.