



Baseline Assessment Report

Support the
Zimbabwe Diaspora
Policy

TA/017/2015

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Date: 22th March 2016

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List of acronyms

AAAA	Addis Ababa Action Agenda
ACP	Group of African, Caribbean and Pacific States
AIR	African Institute for Remittances
BA	Baseline Assessment
CBZ	Commercial Bank of Zimbabwe
EU	European Union
GoZ	Government of Zimbabwe
ICT	Information and Communications Technology
ILO	International Labour Organization
IOM	International Organization for Migration
MFA	Ministry of Foreign Affairs
MHA	Ministry of Home affairs
MMEPIP	Ministry of Macro-Economic Planning and Investment Promotion
MPS	Ministry of Public Service, Labour and Social Welfare
MTA	Money Transfer Agency
NGO	Non-Governmental Organisation
POSB	People's Own Savings Bank
RBZ	Reserve Bank of Zimbabwe
RGO	Registrar General's Office
TA	Technical Assistance
USD	United States Dollar
ZCBTA	Zimbabwe Cross-Border Traders Association

Executive summary

The baseline assessment (BA) for the International Organization for Migration (IOM) is conducted under the framework of the ACP-EU Migration Action. The Government of Zimbabwe is developing a Zimbabwe Diaspora Policy while IOM's proposed Technical Assistance (TA) request focuses on Remittances. The general objective is to support the Ministry of Macro-Economic Planning and Investment Promotion (MMEPIP) in developing the diaspora policy to ensure increased remittances flow.

This report briefly outlines the observations gleaned from desktop research and a short field visit to Harare with regard to the state of affairs relative to Zimbabwean diaspora engagement and remittances, and proposes baseline indicators that can be used in the assessment of the Technical Assistance intervention.

The report relies on scarce data available on both diaspora and remittances in the region, but identifies a number of indicators that can in the future provide a measure of the progress regarding remittances. In addition, it provides the list of relevant stakeholders that can be mobilised to improve and develop diaspora engagement and remittances.

In terms of the relevant legislation and/or regulatory framework, the government is drafting the National Diaspora Policy, currently submitted for approval and expected to be released in the coming months. The Government of Zimbabwe also approved in 2015 the Exchange Control Authorised Dealers with Limited Authority statutory Instrument. The MMEPIP is the steering official structure in charge of diaspora policy related issues and will create a specialised Diaspora Unit following the approval of the Diaspora Policy. The Labour Migration Policy is also currently under analysis for approval.

Remittances are of particular importance to Zimbabwe because they allow dealing with major constraints of the country regarding access to foreign currency and consequently the country's liquidity is highly dependent on them. Due to the higher costs charged by banks, an estimated 50% of remittances are circulating through private channels or informally. Currently, 33 bank and non-bank agents are authorised by the Central Bank of Zimbabwe to handle money transfers.

There is a recognised need for diaspora profiling and mapping in Zimbabwe, namely through the creation and development of diaspora databases, registries and data treatment.

Several changes took place in the economy and technology in Zimbabwe that contribute to more players to come on board in the area of international money transfers, particularly the mobile technologies. Telecommunications are playing an increasingly important role in diaspora engagement, banking and the processing of remittance transactions, especially in the context of new applications of phone credits to remittances, local financial transaction, and emerging internet-based tools for the transfer of remittances. There is today in Zimbabwe a varied set of mixed state and private schemes, private and market oriented mechanisms and innovative schemes. The government created the main existing investment schemes.

The proposed baseline indicators for the Technical Assistance intervention are:

Remittances – Costs and volume

Remittances – Institutions and partnerships

Diaspora profile

The relevant stakeholders identified through the Baseline Assessment are both state and non-state actors. There are varied possibilities of engaging both types of actors in an effective collaborative set of activities targeting the diaspora and remittances.

A few adjustments are proposed for the TA intervention:

- a) Remittances cost assessment;
- b) Consultations with the diaspora;
- c) Include in the drafting of the Remittances Mobilization Strategy a strong component of information for the diaspora;
- d) Work with the relevant ministries for mechanisms for the transfer and repatriation of social security benefits for retired returnees;
- e) Elaborate on possible collaborations with the Diaspora Unit of the MMEPIP, including a strong support to the development of statistical and data monitoring systems and for capacity building within this unit in terms of diaspora and remittances' issues.

1. Introduction and background

The baseline assessment (BA) for the International Organization for Migration (IOM) is conducted under the framework of the ACP-EU Migration Action. Background on the Action and its organisational set-up can be found in the Action's website <http://acpeumigrationaction.iom.int/>.

The BA consultancy is the result of a request for technical assistance (TA) intervention from Zimbabwe through its Ministry of Macro-Economic Planning and Investment Promotion, received on 18/01/2015 and further approved by the EC and the ACP Secretariat on 26/01/2015.

Context of TA intervention

Over the past ten years, Zimbabwe has witnessed an unprecedented flight of skilled, semi-skilled professionals and unskilled labour across all sectors of the economy with negative effects on development. It is estimated that more than three million Zimbabweans are living in various countries across the globe and contribute immensely to national development through remittances. The Government of Zimbabwe (GoZ) recognizes the importance of remittances with regard to economic development. According to the *Migration Labour Remittances in Zimbabwe 2009* report, the capacity of Government of Zimbabwe to manage the multi-faceted elements of remittances so as to maximize their positive impact has been constrained by the lack of accurate information and comprehensive and coherent policy framework for implementing migration practices in an integrated manner.

There is insufficient current data on the location, size and profiles of the Zimbabwe Diaspora but according to UNDP 2010 report, there is more than three million Zimbabweans living in countries such as Australia, Botswana, Canada, New Zealand, South Africa, the United Kingdom and the United States of America, among others. The UNDP *Comprehensive Economic Recovery in Zimbabwe* (2012), Working Paper Series reported that in the year 2009, the Diaspora remitted USD 1.4 billion, which constituted approximately 10% of Gross Domestic Product (GDP) which was higher than the country's exports (GoZ, 2015). In addition, the *Zimbabwe Monetary Policy Statement* (2014) reported that between January and December 2013 the Diaspora remittances were equivalent to USD 1.8 billion.

The World Bank Migration and Remittances Factbook 2016 (World Bank 2016) identified South Africa-Zimbabwe and Canada Zimbabwe as the highest cost corridors of receiving remittances for USD 200 at 13.6 and 13.2 percent respectively. As of the third quarter of 2015, the average cost of worldwide remained close to 8 percent, far above the 3 percent target set in the Sustainable Development Goals.

Consequently, the Government of Zimbabwe is developing a Zimbabwe Diaspora Policy. The proposed Technical Assistance (TA) request focuses on Remittances and will consolidate the findings and recommendations from the various initiatives undertaken by Government of Zimbabwe in supporting the implementation of the Diaspora Policy. These initiatives include:

- I. The remittances study titled *The Flow, Impact and Regulatory Framework of Migration Labour Remittances in Zimbabwe*, of 2009
- II. The Zimbabwe Diaspora Policy implementation.

The GoZ has realized the volume of remittances flow into Zimbabwe, which contributes to the livelihood of hundreds of thousands of households and its potential to develop the country. In light of this, many efforts have been committed to promoting remittances flow, accounting and

investments but the efforts have largely been fragmented. Presently, the GoZ has committed efforts to finalize and implement the Zimbabwe Diaspora Policy.

The technical assistance will help in facilitating an increase in diaspora inflows from the current USD 1.8 billion to USD 3 billion in remittances per annum through providing recommendations for reducing the cost of sending remittances and channelling the receipts to productive investments.

Rationale for the baseline assessment

Several countries initiated official programmes dedicated to mobilising their diasporas for development namely through the creation of specific institutions, establishment of communication channels and introduction of incentives to encourage contributions to the home country. A varied set of policies and measures includes legal, institutional and policy reforms, which in turn focus on dual citizenship, voting rights, property rights, pension and social security benefit transfers, saving schemes, lowering costs of remittance transfers, tax incentives for diaspora investors, etc. (MMEPIP & IOM, 2009: 3).

The general objective is to support the Ministry of Macro-Economic Planning and Investment Promotion (MMEPIP) in developing the diaspora policy to ensure increased remittances flow through the reduction of the cost of sending remittances and channelling remittances into productive investments.

The specific objectives of the present baseline assessment are to:

1. Provide an overview of the state of affairs on the specific subject of the request of the Zimbabwe government prior to the actual implementation of the TA intervention, to be used as a reference against which to compare the results achieved through the TA intervention and with the objective of evaluating its impact and contribution to the improvement of the initial situation. Specifically, this should also include a review of the funds transfer policy and mechanisms and a short assessment of the sustainability of the possible TA;
2. Offering inputs and guidance useful to fine-tune TA intervention. Hence, the baseline assessment will help further defining the work plan for the TA intervention;
3. Identifying the major stakeholders and Non State Actors (NSAs) working in the thematic area of the request; this will result in the identification and mapping of potential NSAs in Zimbabwe that might be asked to submit target project proposals through a dedicated facility of the Action.

2. Baseline assessment methodology

Due to the limited time available for the preparation of this report, primary research methods were limited to desktop review of relevant documentation and in-depth structured interviews with key informants, in particular relevant government stakeholders, potential non-government national partners in the area of remittances, IOM staff and consultants. The Ministry of Macro-Economic Planning and Investment Promotion has organised the meetings with the relevant stakeholders, including with government key stakeholders: Ministry Foreign Affairs, Ministry of Public Service Labour and Social Welfare, Ministry of Home Affairs, Reserve Bank of Zimbabwe.

The literature review was conducted prior to a four-day field mission (March 8-11, 2016) to Harare to develop a basis for stakeholder mapping, baseline indicators and specific data relative to the diaspora outreach and the impact of remittances in Zimbabwe. Additional literature, including key documents and reports was accessed and is referred in the report.

Time constraints demanded adaptation of information collection methods when necessary. Some information, such as the organisations' profile forms (Annex 2), was collected via email and clarifications, when necessary, were requested via email and / or phone.

3. Assessment results

3.1 State of affairs

Regionally, the African Institute for Remittances (AIR) project led by the African Union with the support of the World Bank and the European Commission, and in cooperation with the African Development Bank and the International Organisation for Migration provides the broad framework for issues related to remittances in Africa. One of the core objectives of the African Institute Remittances project is to build the capacity of the Member States of the African Union, remittance senders and recipients and other stakeholders to develop and implement concrete strategies and operational instruments to use remittances as development tools for poverty reduction.

In Zimbabwe, the acknowledgement by the government of the need of a diaspora strategy led IOM to the definition of a Migration and Development Strategy in Zimbabwe for the 2007-2010. Among the several areas, diaspora participation in national development was a central one.

IOM also supported the drafting of the National Diaspora Policy, currently submitted for approval and expected to be released in the coming months.

The Government of Zimbabwe also approved in 2015 the *Exchange Control Authorised Dealers with Limited Authority* statutory Instrument (104, CAP.24:20). The authorised dealers with limited authority are financial services providers not necessarily licensed under the Banking Act but authorised by the reserve bank to carry out small value person to person cross-border cash transfers or buy and sell foreign currency through money transfer systems designated by the Reserve Bank. These dealers have to make a minimum deposit of – 100,000 USD for Tier one; 50,000 USD for Tier two. These operations include payments, money transfers and currency exchange.

There are three types of authorised dealers with limited authority:

- Tier one: a money operator that partners with an approved international partner or uses its own system duly approved by the Reserve Bank to carry out inward and outward small value person to person cross-border remittances or buy and sell foreign currency on a spot basis;
- Tier two: a money transfer operator that partners with an approved international partner or uses its own system duly approved by the Reserve Bank to carry out inward and outward small value person to person remittances only or buy and sell foreign currency on a spot basis;
- Tier three: the bureau de change only buys and sells foreign currency on a spot basis.

The Ministry of Macro-Economic Planning and Investment Promotion is the steering official structure in charge of diaspora policy related issues. In order to further develop this role, the Ministry will create a Diaspora Unit following the approval of the National Diaspora Policy to coordinate diaspora related policy and programs, mitigating the so far fragmented approach. This Unit will be based on the existing department already dealing with these issues.

The Labour Migration Policy, currently under analysis for approval by the government will also be a key legal instrument in the process of increasing and facilitating remittances.

Diaspora relations and remittances have been recognized as areas for action and further coordination. Current efforts to develop the National Diaspora Policy are leading to a more concrete perspective on how to facilitate and improve relations and transfers.

In terms of implementation, which would require not only coordination among national government actors but also the engagement of private sector and other NSAs, there are currently efforts for the identification and selection of NSA partners for project implementation.

While the Diaspora Policy is not yet approved, no constraints have been identified in terms of the implementation and enforcement of the policy. There are, however, concerns about the time needed to operationalise and implement the policy once it is approved.

The main programme with specific relevance to diaspora outreach and remittances is the ACP-UE Technical Assistance to the MMEPIP.

3.2 Key baseline indicators

As of 2014 data, Zimbabwe is a Low Income country according to the World Bank, with a population of 15.2 million.

Information suggests that Zimbabwe is in receipt of US 1.6 billion in remittances during January-November 2013 (Government of Zimbabwe, 2013). Recent figures of the Reserve Bank of Zimbabwe, however, indicate that the numbers can be higher.

Table 1 – Comparison of remittances and GDP in USD Million

Year	Total remittances	GDP	% remittances to GDP
2009	726	8,157	8.9
2010	993	9,457	10.5
2011	1,831	10,956	16.7
2012	2,031	12,472	16.3
2013	1,822	13,168	13.8

Source: Reserve Bank of Zimbabwe, 2013

Remittances are of particular importance to Zimbabwe because they allow dealing with major constraints of the country regarding access to foreign currency and consequently the country's liquidity is highly dependent on them.

Indications, however, are that the majority of remittances is spent on consumption (Maphosa 2009), channelled through informal networks and used at household level. There is a shared notion of the relative importance of remittance income within the economy but funds transferred informally or the potentially greater impact on poorer households are not captured by the statistics.

Table 2 – Zimbabwean Diaspora facts

Population	15.2 million (2014)
Emigration	<ul style="list-style-type: none"> • Stock of emigrants, 2013: 973.2 thousands • Stock of emigrants as percentage of population, 2013: 6.5 percent • Top destination countries, 2013: South Africa, the United Kingdom, Malawi, Australia, Botswana, Mozambique, the United States, Canada, New Zealand, Zambia • Tertiary-educated as a percentage of total emigrants in OECD countries, 2011: 44.0 percent • Tertiary-educated women as a percentage of total women emigrants in OECD countries, 2011: 44.9 percent • Number of refugees, 2014: 22,455 • Second generation diaspora in Australia, Europe, and the USA, 2012: 23.5 thousands
Immigration	<ul style="list-style-type: none"> • Stock of immigrants, 2013: 361.0 thousands • Stock of immigrants as percentage of population, 2013: 2.4 percent • Top source countries, 2013: Mozambique, Malawi, Zambia, the United Kingdom, South Africa, Botswana, the Democratic Republic of Congo, Rwanda, Burundi • Women as percentage of immigrants, 2013: 43.0 percent • Number of refugees, 2014: 6,066

Source: Migration and Remittances Factbook 2016,
http://siteresources.worldbank.org/INTPROSPECTS/Resources/334934-1199807908806/4549025-1450455807487/Factbook2016_Countries_M-Z_Glossary.pdf

The higher number of emigrants residing in other African countries – namely South Africa and other neighboring countries – compared to other continents, could explain the comparatively small number of second-generation migrants in Australia, Europe and the USA.

Percentages regarding tertiary-educated men and women emigrants are impressive compared to those found in the country, which indicates a generally skilled migrant population and the consequent brain-drain that affects the country.

The main countries where the Zimbabwean diaspora is residing are South Africa (around 70%), followed by the United Kingdom, United States and Australia. The United Kingdom and the United States are the countries from where more remittances are deemed to come. Of the total diaspora, it is estimated that only some 30% of them are effectively sending money to Zimbabwe.

Since 2013, with the approval of the new national Constitution, dual citizenship is recognised. Despite not yet aligned and regulated, it is foreseen to facilitate remittances in the future. Some efforts though are still needed in terms of the status of migrants in receiving countries and regarding the possibilities of dealing with official documentation such as passports in the countries where they have moved to.

Beyond the size and location of the diaspora, the skills available within these populations is also of primary importance. Indications provided by several studies and by the interviews suggest that Zimbabwean migration is both skilled and unskilled but that the impacts of high-skilled migration have led to brain drain over the last years. In terms of the analysis of the expatriate populations, it would be therefore important to accurately assess their composition in terms of skills and identify the gender and age composition of these populations to inform policy and project design.

Although accurate knowledge about the amounts, frequency or channels for remittances in Zimbabwe is presently scarce, some indications can be inferred from practical experiences and accounts.

Due to the higher costs charged by banks, an estimated 50% of remittances are circulating through private channels like money transfer agents or telecommunication systems. However, transportation agents (road and airline) and private / family networks are still handling informally an estimated important part of the transfers, despite the higher risks of fraud the migrants are exposed to. There is also an uncalculated portion of non-monetary transfers to the country.

Currently, 33 bank and non-bank agents (and around 300 of their branches throughout the country) are authorised by the Central Bank of Zimbabwe to handle money transfers. These are officially operating through a Money Transfer Agency (MTA) licence. Of the total, 16 are banks.

Diaspora databases, registries and data treatment

There is a recognised need for diaspora profiling and mapping in Zimbabwe. For instance, there is poor knowledge about the type of remittances sent to the country, whether they are cash or non-cash, the amounts and frequency of transfer, where they are used and through which channels they are sent (Maphosa, 2009).

Registration through embassies in countries of destination /remittance is often hampered by the asylum status migrants applied to when moving to these countries. In Zimbabwe, there is no systematic and structured treatment of the available data about remittances.

Among the specialized institutions, the Reserve Bank of Zimbabwe (RBZ) input is essential to the treatment of data and the regulation of issues relative to migration and remittances. While there is no specific Memorandum of Understanding relative to statistical and economic data collection and treatment, the Bank and some of the institutions involved in remittances collaborate regularly on formal basis. The bank receives information on a daily basis and consolidates this each month. The RBZ is setting up a system to deal with this information, which is expected to be operational in 2016. While the RBZ has access to this data, there is still no dedicated statistical unit.

Main companies handling remittances collect and store their own data about the diaspora and remittances. The majority of them, however, does not use this information to prepare targeted products or schemes. Exceptions are Easylink (Homelink) that not only resorts to the data regularly provided to the RBZ but also conducts surveys among their clients. With this approach, the company created specialised services related, for instance, with medical aid for diaspora, prepaid electricity schemes or funeral services.

There is currently no established database in any of the relevant ministries, which provide comprehensive data on the location, professional and social activities and institutional affiliations of Zimbabwean diaspora. Of particular importance in terms of the establishment of a national approach to measurement of remittances is the new Unit to be created at the MMEPIP and the collaboration with the RBZ.

Money transfers

Several changes took place in the economy and technology in Zimbabwe that contribute to more players to come on board in the area of international money transfers, particularly the mobile technologies. Telecommunications are playing an increasingly important role in diaspora engagement, banking and the processing of remittance transactions, especially in the context of new applications of phone credits to remittances, local financial transaction, and emerging internet-based tools for the transfer of remittances.

This fact, along with the extension of transfer services to non-banking operators, has contributed to increased trust in the available systems, to the reduction of costs and to the facilitation of the

transfers in general, particularly for un-registered / un-documented migrants remitting money to Zimbabwe.

The regulatory framework of the Money Transfer Agency (MTA) licence is, as mentioned, the legal instrument for the non-bank sector, supervised by the Central Bank of Zimbabwe. Beyond the private banks operating in the country, there are currently varied options for money remittances into the country.

Mixed state and private schemes

POSB – People’s Own Savings Bank – is the national state partner of Western Union, a worldwide private company, for receiving remittances only. Western Union pays POSB a fee for this service and determines all rules regarding limits of transfers or identification of senders. All remittances sent by this channel are daily monitored and information is sent to the RBZ. Average monthly transactions are of 15,000 USD. POSB is the more extended network in the country for money transfers with 34 branches and 50 Zimpost outlets throughout the country, reaching the most remote areas.

Private and market oriented

ECONET is the biggest mobile phone company in the country and has started to work with money transfers. Beyond the international remittances to Zimbabwe, it handles a growing portion of the national transfers. Currently, transfers amount to between 100,000 and 150,000 daily.

Innovative schemes

Bitfinance is the company dealing in Zimbabwe with Bitcoin transfers. This innovative system is currently used daily by millions of people worldwide, particularly due to the negligible costs of the transfer fees (roughly 1%). Customers are mainly Zimbabweans that use it for payments or for collecting online payments but also the diaspora for remittances purposes. Bitcoin transfers are associated to systems such as Ecocash, Telecash or Netcash, that change bitcoins into cash for an average commission of 2%. In Zimbabwe Bitfinance has nearly 400 customers, recording a growth of 15% each week. Some NGOs are also this service for internal transfers for beneficiaries. While no specific regulations apply to Bitfinance under the Exchange Control Authorised Dealers with Limited Authority, it is authorised and encouraged by the Reserve Bank.

Investment schemes

The Reserve Bank of Zimbabwe has created the Homelink program in 2005, which is aimed at tapping into the Diaspora remittances through a mortgage housing scheme for those in the Diaspora. Within Homelink, a number of schemes was developed over the years, such as Proplink (property access, construction and mortgages), Masterlink (loans at 3% for investments in micro-businesses), Easylink (remittances platform with 29 branches in the country) or Investlink (ministries’ projects in which the diaspora can invest). Easylink alone handles between 45,000 to 50,000 transactions each month.

Also within state initiatives, in 2012, RBZ issued its inaugural USD 68 million Diaspora Bond (which expired in 2014) and plans to issue a USD 200 million bond, backed by Afreximbank. This will be its second diaspora bond. Moreover, in 2009 the government launched the Zimbabwe Human Capital Website which focused on providing information on employment and investment opportunities in Zimbabwe for the Diaspora.

In line with the compulsory contribution of civil servants to the National Social Security Agency pension scheme that started in 2016, there is a number of private solutions in this area that may reveal to be appealing to the Diaspora remittances. These include for instance the schemes provided by Old Mutual, First Mutual, Zimnat life insurance, among others. Some banks, like the FBC Bank also created diaspora-targeted products, such as savings accounts.

Associations like ZCBTA – Zimbabwe Cross-Border Traders Association (ZimCross) – are targeted at specific groups of migrants and remitters. ZCBTA, for instance, has created dedicated products according to the sector profile. Given that around 100 buses leave and arrive in the country daily, 60% of them pulling trailers of tons of goods, it is estimated that near 1.5 million valued items circulates each day via this circuits plus the respective profits. In 2012, ZCBTA created cards for cross-border transactions and afterwards a similar scheme dedicated to the acquisition of industrial products. Between 800 and 900 traders currently have these cards. ZCBTA plans to extend the possibilities of these cards to cross-border / international transactions to accommodate the demands of these traders.

Proposed baseline indicators

In terms of relevant indicators, it is recommended that the Technical Assistance intervention addresses systemic issues involving effective and inclusive governance with regards to remittances and related monetary system reform, including elements drawn from the Addis Ababa Action Agenda (AAAA). Proposed indicators are:

Remittances – Costs and volume

- Average costs of remittance for migrant workers
- Number and volume of transfers
- Developed costs assessments and monitoring systems
- Estimated percentage of community members receiving remittances via new technology

Remittances – Institutions and partnerships

- Number of non-bank institutions authorized to provide remittance transfer services in the country
- Number of private sector and NSA institutions identified as potential partners
- Number of international agreements on remittances
- Extension of systems to more regions and countries
- Number of diaspora products created and subscribed

Diaspora profile

- Existing agreed framework for collection and treatment of data at regional level, including gender disaggregation
- Data collection systems in place
- Number of products targeted for the diaspora

Remittances cost and volume

Regularly assessing the average costs of remittance for migrant workers will allow monitoring their variation systematically. Decreasing transfer costs will indicate increased competition and supply and demand market trends. Through the monitoring of the estimated percentage of community members receiving remittances via new technology it will be possible to assess on a regular basis the expansion of available services for transfers.

Remittances – Institutions and partnerships

By assessing the number of non-bank institutions authorized to provide remittance transfer services in the country it will be possible to monitor the market evolution of these services and its trends. Also, the indicators of the number of private sector and NSA institutions identified as potential partners, the number of international agreements on remittances and the extension of systems to more regions and countries will provide information on the growth and coverage of the transfer networking. This is particularly important in the Zimbabwean diaspora case as its members are located in almost all countries of the world.

By measuring the number of diaspora products created and subscribed it will be possible to assess the percentage of remittances invested beyond consumption needs, which continue to be high.

Diaspora profile

Given the current paucity of data regarding the characteristics of the diaspora, the monitoring and evaluation of Technical Assistance relative to the collection of data at the national and sub-regional levels on diaspora skills should involve capitalization of the experiences of countries that have already advanced their diaspora policy or institutional development.

More importantly, it should elaborate from the existing means and possibilities of data collection, namely through the transfer operators who already have access to this information.

Within an agreed framework for collection and treatment of data at regional level, including gender disaggregation, functional and effective data collection systems can be developed which will support the creation of products targeted for the diaspora.

3.3 Stakeholders mapping and analysis

The relevant stakeholders identified through the Baseline Assessment are both state and non-state actors. There are varied possibilities of engaging both types of actors in an effective collaborative set of activities targeting the diaspora and remittances.

Actor	Relevance
Government	
MMEPIP	Steering the policy; creating the Diaspora Unit
MFA	Relationship with diaspora at international level
MHA	Registry and authorisations
MPS	Labour Migration policy in preparation
Financial and Private Sector	
Reserve Bank of Zimbabwe	Has access to relevant and up to date information on remittances and remitters' profiles; transfers' regulation
Commercial banks (CBZ, FBC)	Access to costumers, access to information, financial products
Bitfinance	Innovative money transfers with no intermediation of multinationals; low cost of transactions
POSB	Agent for Western Union, access to clients, country-wide reach
Zimcross	Targeted linkages to cross-border small-scale traders
Econet	Mobile transfers, high number of users, trust with client
Homelink / EasyLink	International linkages, targeted products, marketing, number of clients
RIZE Zimbabwe	International linkages, targeted products
Celsoft	Financial modelling training and model development
Career Aid	Career advisory and training

While the number of NSA working in this area is still low, the increased volume of transactions and of the number of costumers relying on these services point out to positive trends in the area. Direct contacts made with these stakeholders (Annex 2) contributed to the identification of a number of actors which could potentially serve as recipients of direct support under Component 2. The information provided on Annex 2 identifies their strengths in the field of intervention, capacities and possibilities.

3.4 Feedback regarding the Technical Assistance Fiche

Among the key areas of the TA fiche and the assessed state of affairs are interrelated themes:

- 1) Building and strengthening confidence and trust between government and the diaspora including through the involvement of the diaspora in national development processes;
- 2) Promoting and increasing low cost, secure and formal channels for sending remittances;
- 3) Making available to the general public data on transfer costs in order to improve their transparency and comparability;
- 4) Contribute to establishing mechanisms for the remittances of social security benefits for the retired returnees.

Engagement of these themes would be important for synergies with current efforts in terms of diaspora outreach and local economic development at the national level as well as in terms of the vision priorities and growth and development strategy defined at the sub-regional level.

While the assessment focused more on the available systems for remitting and on the available information, issues related to trust permeated all discussions. Some specialised mechanisms for investment of remittances were mentioned but the specific area of social security benefits was not particularly developed.

Given that the components of the intervention involve: a) costs assessment b) consultation with the diaspora c) drafting of a Mobilization Strategy d) mechanisms for the transfer and repatriation of social security benefits for retired returnees and e) Presentation of recommendations and findings to MMEPIP, the following adjustment are proposed.

- a) Conduct a survey in Zimbabwe to assess the costs of transfers from different diaspora countries and using different existing mechanisms. This survey could be based on data already in possession of money transfer agencies and the RBZ;
- b) Consultations with the diaspora associations in the countries where migrants are based to assess their knowledge about the existing systems;
- c) Include in the drafting of the Remittances Mobilization Strategy a strong component of information for the diaspora;
- d) Work with the relevant ministries for the recommendations to establish mechanisms for the transfer and repatriation of social security benefits for retired returnees;
- e) Elaborate on possible collaborations with the Diaspora Unit of the MMEPIP, including a strong support to the development of statistical and data monitoring systems and for capacity building within this unit in terms of diaspora and remittances' issues.

Risk assessment

One of the key issues in the area of remittances is the stated lack of trust in national institutions and mechanisms in Zimbabwe. Diaspora formal transfers have increased in the last years due to the

development of private, simpler and cheaper systems, who have been able to gain the trust of diaspora costumers. Trust in the private sector mechanisms needs therefore to be secured.

Diaspora status abroad is sometimes conflicting with issues of remittances. Relations with the diaspora abroad through the Zimbabwean embassies is at times problematic given that many Zimbabweans have applied for asylum when moving to some countries. As a result, migrants do not want to register at the Zimbabwean embassies and embassies do not have access to these migrants. High-level negotiations and agreements are therefore key for developing and expanding activities in the area of remittances. Negotiations at the international level are considered key actions for the facilitation and increase of formal remittances. These range a broad scope of issues, such as the need to exempt the bureaucracy and requests for documentation for small transfers; or the need to negotiate fees and taxes to be collected by national companies.

Annexes

Annex 1 – List of literature reviewed

Used for data collection purposes (in bullet point format with Internet addresses)

- African Institute for Remittances – African Union. 2015. *Sensitization on African institute for remittances: consultative and networking forum final report*, 10-11 December 2015, Naivasha, Kenya
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Annex 2 – List of key informants

Name	Position	Organisation	Contact details	Date
Ms T. Jonqwe	<i>Principal Labour Officer</i>	MPSLSCO	04-799772 toriejonqwe@gmail.com	9 Mar
S. Tampuma	<i>Deputy Director</i>	MPSLTSW	04-251020 stampuma@gmail.com	
G. Mkwakwami	<i>Deputy Director</i>	MMEPIP	04-250590 mukwag@gmail.com	
G. G. Gapare	<i>Deputy Director</i>	MFA	04-250744 giddiegap@gmail.com	
J. Tizora	<i>Accountant</i>	Registrar General	04-702295-9 jtizora@gmail.com	
G. Tsuru	<i>Provincial registrar</i>	Registrar General	04-702295-4	
B. Rwaveya	<i>Economist</i>	MMEPIP	04-712799111 rwaveyab@gmail.com	
G. Nyagube	<i>Director</i>	MMEPIP	07-73447051 gdneyaguse@gmail.com	
Taguma Mahonde	<i>Principal Director</i>	MEPIP	07-12876200 taguma@topchannel.co.zw	
Admire Mudorihwa	<i>Research Officer</i>	Ministry of Home Affairs	07-72487698 cosmosadmire@gmail.com	
Francis Chigazira		Ministry of Foreign Affairs	07-74999230 tchigazira@yahoo.co.uk	
Uta Wellington	<i>Principal Economist</i>	MMEPIP	07-76752970 wellyuta@gmail.com	
C. Mphambela	<i>Advocacy Officer</i>	Bankers Association of Zimbabwe	07-72206913 clive@bar.org.zw	
B. Bheka	<i>Economist</i>	MEPIP	07-83457627 belindahbehka@gmail.com	
T. Matembo	<i>Divisional Director</i>	CBZ – former Commercial Bank of Zimbabwe	07-72104191 tmatembo@cbz.co.zw	
M. B. Mpofo	<i>Divisional Director</i>	Reserve Bank of Zimbabwe	07-72420320 bmpofu@rbz.co.zw	
V. Mabika	<i>Business Out</i>	Bitfinance	07-73460466 vmabika@driafrica.org	10 Mar
S. Machindza	<i>Legal Advisor</i>	Bitfinance	07-75795303 smachindza@gmail.com	
T. Kembo	<i>Lead Programmer</i>	Bitfinance	07-73264075 tkembo@gmail.com	
Joseph Taziwa	<i>Agency & E-banking Manager</i>	POSB – People’s Own Savings Bank	07-12801714 jtaziwa@posb.co.zw	
Augustine Tawanda	<i>Secretary General</i>	ZCBTA Zimbabwe Cross-Border Traders Association	07-72254620 zuncross@gmail.com	

Learnmore Musunda	<i>Head Sales & Distribution</i>	Econet	07-74222302 learnmore.musunda@econet.co.zw	
Gilbert Tsongorera	<i>Sales Manager</i>	Econet	07-74222655 gilbert.tsongorera@econet.co.zw	
Stellamaris Chorwira	<i>CEO of Easylink</i>	Homelink	07-72105066 chorwiras@homelink.co.zw	
Lily Sayna	<i>Director</i>	IOM		11 Mar
Ben Mbaura	<i>Emergency Coordinator</i>	IOM	07-72102098 bmbaura@iom.int	
Knowledge Mareyanadzo		IOM		

Annex 3 – Data on key Non-State Actors

Full name of the organization and acronym (if available)	Zimbabwe Cross Border Traders Association (ZCBTA)
Organization address and general contact details	Suite 106 , Reliance Plaza, No 2 Second Street Harare zuncross@gmail.com
Contact person details	Augustine H Tawanda (Secretary General)
Background	ZCBTA was formed in 2000 and registered in 2001 as a trust It is recognized at regional level by COMESA & SADC and has good working relationship with the government .It has over 7000 members throughout the country 76%of whom are female Years of activities in the country, vocation, area of work, targeted beneficiaries, donors, partners, etc.
Resources	30 sq metre office space /2 laptops / 3desks/12 chairs/filling cabinet 3 trade information desk officers at COMESA borders one finance officer and one Secretary General and 10 volunteer organisers Office/s, staff
Core mandate of the organization	VISION High standards of living and conducive trading conditions for all traders MISSION To enhance the capacity of affiliated traders through provision of services and advocating for an enabling environment
Legal status in the country	A community based organization registered as a trust (DEED NO MA1102/2001
Ongoing activities	Presently campaigning against S I 148/2015 which is discriminatory and anti poor and for Simplified Trade Regime to operate at all border posts Organizing diversification projects to encourage traders to move from trading into valued addition and other value chains Has a Business linkage program with CZI enabling traders to supply to and buy direct from manufacturers Developed social security/Wellness schemes for informal traders Target is cross border Trades & informal economy players Ongoing activities (sector of intervention, activities, beneficiaries, duration, budget, etc.)
Past activities relevant to the subject	In 2008 the organization secured South African business visa concession for its members and in 2015 it managed to get the S A & ZIM governments to commit themselves to address challenges affecting traders at Beit Bridge/Messina border post From 2004 to 2010 lobbied for COMESA Simplified Trade Regime (STR) ZCBTA is now the key non state actor in the implementation of COMESA STR. Thus, it has managed to set up Trade Information Desks around STR implementing borders using the EU FUND supported by COMESA. The association has pioneered a co-branded membership cum bank card with cross border payment functionalities and developed Mukando fund to enhance financial inclusion through saving and credit Organised research on cross border trade with assistance from E U Refer also to attached budget history Previous activities (sector of intervention, activities, beneficiaries,

	duration, budget, etc.) during last 3 years
Field presence in the country	Suite 106 , Reliance Plaza, No 2 Second Street Harare Have over 70 chapters through in all provinces Location of offices in the country/Operational presence in the country

Full name of the organization and acronym (if available)	RIZE Organization Revolutionary Independent Zimbabwe Entrepreneurs
Organization address and general contact details	PRETORIA CENTRAL 0002 info@rizezimbabwe.org
Contact person details	LOVEMORE CHANENGETA - SA Chairman
Background	RIZE Organization is 3 years old operating in United Kingdom, South Africa and Zimbabwe. We a social enterprise that serves to promote self-belief, unity and creative entrepreneurship among young people through Education, Empowerment and Leadership development. We are a social enterprise that use business oriented approaches to serve communities by delivering services that offer long-term sustainable solutions in providing employment opportunities and entrepreneurship skills development for young people to create Economic Value Our target is young people ‘the future bedrock of our nation’ We partnered with Career Aid Organization an organization, which provide Training, Life Skills, Mentorship and Personal Development both in Zimbabwe and South Africa.
Resources	Office in Pretoria: + 6 staff 3 permanent – Chairman, Campaigns Manager, Administrator 3 – Support Staff
Core mandate of the organization	Entrepreneurship and Social development
Legal status in the country	<i>SOCIAL ENTREPRISE</i>
Ongoing activities	<i>RIZE ABOVE XENOPHOBIA CAMPAIGN – Help affected immigrants entrepreneurs to revive lost operation in current setting or assist them relocate and integrate back in the Zimbabwe society. Sectors include small corner food shops, furniture, agriculture, technology) Beneficiaries – Zimbabwean entrepreneurs + families Duration – ongoing + Crisis emergency Project Status – Slow due budgets + require other organizations input Future Plans - Crisis + Emergence funds</i> <i>ZERO UNEMPLOYMENT CAMPAIGN – Is centred at combating and actioning on the high rate of unemployment amongst young people through enhanced training and entrepreneurship skills development</i>

	<p><i>Sectors – All economic sectors (Tech, Mining, Agriculture, Engineering etc)</i></p> <p><i>Beneficiaries – Young Zimbabwe local + Diaspora</i></p> <p><i>Project Aim – Encourage young people to get engaged in rebuilding the country through enterprising.</i></p> <p><i>Funding – The Big Core issue to launch a Global Campaign to reach out to all young Zimbabwean in all corners of the earth</i></p>
Past activities relevant to the subject	CV Building workshops , RIZE Networking HUB
Field presence in the country	262 MADIBA STREET, PRETORIA CENTRAL 0002

Full name of the organization and acronym (if available)	The Peoples Own Savings Bank (POSB)
Organization address and general contact details	6 th Floor, Causeway Building, Corner Third and Central Avenue, Harare jtaziwa@posb.co.zw
Contact person details	The Chief Executive Officer, Admore Kandlela +2634703588 +263712403345
Background	Established in 1904, we are the only Savings bank in Zimbabwe.
Resources	34 branches countrywide with an average of +/- 450 staff members
Core mandate of the organization	We are a Savings Bank providing banking and financial services, as well as encourage saving by the people of Zimbabwe.
Legal status in the country	Parastatal
Ongoing activities	Retail banking, Corporate Banking, Treasury and Investment Services, Agency Banking, International Banking, Money Transfer Services
Past activities relevant to the subject	Remittances of funds from individual persons in the diaspora through Western Union International and Mukuru.com to individual persons in all areas of Zimbabwe. Remittance of funds from individual persons in Zimbabwe through Western Union International to individual persons in the diaspora.
Field presence in the country	34 branches, 220 Zimpost Offices and 34 Meikles Financial Services Agency offices,

Full name of the organization and acronym (if available)	Celsoft Investments Pvt Ltd T/A Celsoft Corporation
Organization address and general contact details	72 Churchill, Alexandra Park , Harare, Zimbabwe Land + 263 -4 293776 , +263 772 746 329
Contact person details	Managing Director
Background	10 Years, Financial Modeling Training and Model Development, Zimbabwe and Zambia, Accountants or Financial Professional in Companies, No Donors, Quantrix , Microsoft, ACCA
Resources	We are a team of 13
Core mandate of the organization	Financial Model Training and Model Development

Legal status in the country	Professional Training Institution
Ongoing activities	Financial Modelling Training and Model Development Targeted at Financial Professionals
Past activities relevant to the subject	Training of all Local Government Directors, Treasures and Finance Officers
Field presence in the country	Based in Harare but operating throughout the country

Full name of the organization and acronym (if available)	BitFinance (Private) Limited
Organization address and general contact details	21 Glenara Avenue South, Eastlea, Harare V. Mabika 07-73460466 vmabika@driafrica.org S. Machindza 07-75795303 smachindza@gmail.com T. Kembo 07-73264075 tkembo@gmail.com
Contact person details	Tawanda Kembo, Founder and Lead Developer tawanda@bitfinance.co.zw +263 77 326 9075
Background	BitFinance was started and registered in December 2014. We spent the next 9 months building the product (a website that allows Zimbabweans to use Bitcoin), raising startup capital and making the necessary partnerships. Our product (https://bitcoinfundi.com) went live on 16 September 2015 and since going live we've been growing by at least 15% every week. We have been growing organically (with zero marketing) and our customers love us because not only make it super easy to send money to Zimbabwe but we're almost free (there is a negligible transaction fee).
Resources	1 office, 8 full-time staff members (including 2 interns), 8 computers, 6 servers.
Core mandate of the organization	To make it super easy for Zimbabweans (in Zimbabwe or the Diaspora) to use Bitcoin
Legal status in the country	Private Limited Company
Ongoing activities	Sector of intervention: Our Sector of Intervention overlaps between both the Financial Services and Remittances Sectors. Activities: We are mostly working on developing our online platform to make it easier to use, to add more features that enhance our customer's experience when they use it and make it more secure. Beneficiaries: - Zimbabweans in the Diaspora who want to send money home and want a cheaper, faster, less friction, reliable and convenient alternative. - Local Zimbabweans who receive money are able to receive more - Remote workers who work on jobs abroad and want an easier way to get paid - Local companies that want to employ skills from Zimbabweans in the Diaspora and want a cheap way to pay them. Duration: This is a long term project Budget: Our annual budget is US \$200,000
Past activities relevant to the subject	N/A. We are a new startup.
Field presence in the	I could say we are omnipresent because the internet knows no

country	boundaries and we are an online-based company. However, our physical office is at 21 Glenara Avenue, Eastlea, Harare.
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Full name of the organization and acronym (if available)	CAREER AID ORGANISATION Career Aid
Organization address and general contact details	15 Westminster Court, 146 Kwame Nkrumah Avenue Harare Zimbabwe Website: www.careeraid.org : www.mentorhub.careeraid.org : http://twitter.com/org_aid Email : info@careeraid.org Phone number: +263 4705640
Contact person details	Hardlife Muhamba Director) Phone number: +263 773052273; 773864065 Email : muhambah@careeraid.org
Background	After noticing the discrepancy between what young individuals know and what they supposed to know considering the changing global marketplace, CareerAid was formed in October 2014 to bridge the gap. CareerAid is a Non-Profit an organisation that seeks to broaden the scope for practical career guidance and personal development, and seeks to promote the cultivation of positive attitudes and values to youths' life, studies and careers. CareerAid has one and half years of offering career guidance, lifeskills and mentorship to Zimbabwe. Our target group is teens and youth. Our partners are: Zimbabwe Youth Council: www.zimbabweyouthcouncil.com Zimbabwe Academic and Research Network : www.zarnet.ac.zw RIZE Organization: www.rizezimbabwe.org Capital Link Pvt Ltd: www.capitallink.co.zw
Resources	Our offices are located in Harare Zimbabwe with a staff compliment of 12 people 7 permanent workers and 2 contract workers and 3 volunteer workers.
Core mandate of the organization	Providing the following services: <ul style="list-style-type: none"> • Career Guidance and Development • Life Skills Training • Mentorship
Legal status in the country	Registered Non-governmental organization
Ongoing activities	i. Entrepreneurship Training to Students and School leavers - This project is targeted at students and school leavers to empower them to take entrepreneurship as an important career option. This project is executed by visiting schools, colleges and universities to train on the subject matter. Schools leavers are trained through organized open to public seminars. The project is running for 12 months up to December 2016. The budget is minimal due to cash constraints is was set at USD5000

	<p>ii. National Career fair - The career fair is organized to empower young people on different career paths they can pursue in Zimbabwe and abroad. We invited national and international colleges, universities, private companies to connect with students, school leavers and general public fostering career awareness and networking as well as scholarships, internships and job opportunities. This project duration is 3 months from the initiation to the career fair day. The project budget is UD8000.</p> <p>iii. Life Skills Training – The project is ongoing throughout 2016 and it is targeted at youths in Zimbabwe. The project seeks to empower youths with skills that will assist them to face and overcome challenges of everyday life. Some of the skills which we are covering include:</p> <ul style="list-style-type: none"> • Creative and critical thinking • Self Esteem • Financial Management • Emotional Intelligence • Handling Peer Pressure <p>Because of cash constraints we have budgeted USD6700 and decided to focus in Harare only.</p> <p>iv. Zero Unemployment campaign with partnership with RIZE Organization - The campaign is targeted at youths in Zimbabwe and Diaspora. The project is ongoing up to in the continuous future but will be evaluated from time to time to measure its impact.</p>
<p>Past activities relevant to the subject</p>	<p>I. Assisting students you immigrated to other countries for work and study. This activity forms part of our mandate of giving information to young people that can help them make different career pathways nationally and internationally. The budget is USD2500</p> <p>II. Life Skills and Entrepreneurship training for Zimbabweans and foreign nationals residing in Zimbabwe at the moment but targeting youths. The project budget is USD5000 yearly and the duration is ongoing but reviewed half yearly. We facilitated workshops in different parts of Harare and Mashonaland East deliberating on this subject then connected some promising projects to people who can have the capacity to fund them. We also helped theses youths in idea generation and project proposal write ups.</p>
<p>Field presence in the country</p>	<p>Our offices are located at 15 Westminster Court 146 Kwame Nkrumah Avenue Harare Zimbabwe</p> <p>We offer our services in Harare, Chitungwiza and Mashonaland East but have a vision of expanding into other provinces depending on capacity and need.</p>