

## ZIMBABWE

ALFRED OBED RANKOMISE

June 2015

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## RBZ Demonetise Zim Dollar...

The demonetisation of the Zimbabwe dollar will begin on June 15 and end on September 30 the Reserve Bank of Zimbabwe (RBZ) said on Thursday.

RBZ said after September 30 bank notes that would not have been exchanged shall be considered demonetised or decommissioned.

In a statement, RBZ Governor John Mangudya said the process will deal with all non-loan bank accounts as a December 31, 2008 as well as cash held by the public.

rency system dispelling rumours of a Zim dollar return.

"For the local currency to return government needs foreign exchange reserves equivalent to one year import cover, sustainable government budget, low and stable interest rate environment and sustainable levels of consumer and business confidence," he said.

Banks will pay the equivalent US\$ for each account balance as at December 31. Accounts with balances of zero to US\$ 175 quadrillion will be paid a flat US\$ 5. Accounts with balances above US\$ 175 quadrillion will be paid the equivalent value after applying the UN exchange rate of US\$/\$ 35 quadrillion or US\$ 35,000 (revalued)

Mangudya said this policy intervention was necessary to buttress

"Cash holders can exchange their holdings at any bank, building society, POSB and Zimpost.

The banking public should visit their banks to establish the balances which were in their accounts. We have interacted with banks and they still have all the information, which we as the Reserve Bank also authenticated," he said.

RBZ said it will exchange ZW\$ cash for US\$ equivalent for walk in customers at an exchange rate of US\$ 250 trillion to US\$ 1 for 2008 notes and ZW\$ 250 to US\$ 1 for 2009 note series."Cash payouts under the demonetisation process shall be exempted from bank charges and Govern-

government's commitment to the multiple cur-



Konrad-Adenauer-Stiftung e.V.

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ment tax. Payouts will be disbursed on a 'no questions' asked basis. The bank has already discussed the payment modalities with the banks," said Mangudya.

Cash customers will get their exact US\$ equivalent of the converted amount, starting from US\$ 1 cent up to US\$ 50. Where the US\$ equivalent exceeds US\$ 50, payment will be made through their respective bank accounts. Corporate customers' US\$ equivalent will be credited into their respective bank accounts.

**Alfred Obed Rankomise is an independent South African writer and analyst. The opinions and views expressed in this article are the responsibility of the author. The Konrad-Adenauer-Stiftung does not necessarily subscribe to the opinions and views.**



**DEMONETISATION OF THE ZIMBABWE DOLLAR (NOTES & COINS) JUNE 2015**

The Government of Zimbabwe through the Reserve Bank of Zimbabwe will between June 15, 2015 and September 30, 2015 demonetize all Zimbabwe Dollar notes and coins.

**ZIMBABWE DOLLAR ACCOUNT HOLDERS**

The Bank shall pay any person who was a holder of a Zimbabwe dollar denominated bank account as at the 31st December 2008 in the following manner:

- (a) Five United States dollars for every account that was held with a balance of zero up to one hundred and seventy-five quadrillion Zimbabwe dollars;
- (b) For any Zimbabwe dollar balances above one hundred and seventy-five quadrillion Zimbabwe dollars at the rate of one United States dollar to thirty-five quadrillion Zimbabwe dollars.

**ZIMBABWE DOLLAR CASH HOLDERS**

Holders of Zimbabwe Dollar notes can approach any bank, building society, POSB and Zimpost to exchange their notes as indicated below:

**PART I**  
The following notes issued in 2009 are hereby demonetised, called in and paid for at the rates shown below:

Denomination (Front View)	Denomination (Back View)	Amount Paid (US\$ Equivalent)
		2.00
		0.40
		0.20

**PART II**  
The following notes issued in 2008 are hereby demonetised, called in and paid for at the rates shown below:

Denomination (Front View)	Denomination (Back View)	Amount Paid (US\$ Equivalent)
		0.08
		0.04
		0.02
		0.40
		0.20
		0.08
		0.04

As provided for by law, all other notes and coins issued in 2009, 2008 and before are hereby demonetised.

For further information on demonetisation contact the RBZ on:  
 - 04 703 000 or 086 77 000 477  
 - 09 72142-4

RESERVE BANK OF ZIMBABWE  
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On the notes issued in 2009 Walk in Customers will be paid US\$ 2 for ZW\$ 500, 40c for ZW\$ 100, 20c for ZW\$ 50, 8c for ZW\$ 20, 4c for ZW\$ 10 and 2c for ZW\$ 5. On the notes issued in 2008, 40c will be paid for ZW\$ 100,000,000,000,000 (ZW\$ 100 trillion), 20c for ZW\$ 50 trillion, 8c ZW\$ 20 trillion and 4c for ZW\$ 10 trillion

He said banks will accept all notes with or without value from customers on behalf of the Reserve Bank Zimbabwe.

The exercise will cost US\$ 20 million.