

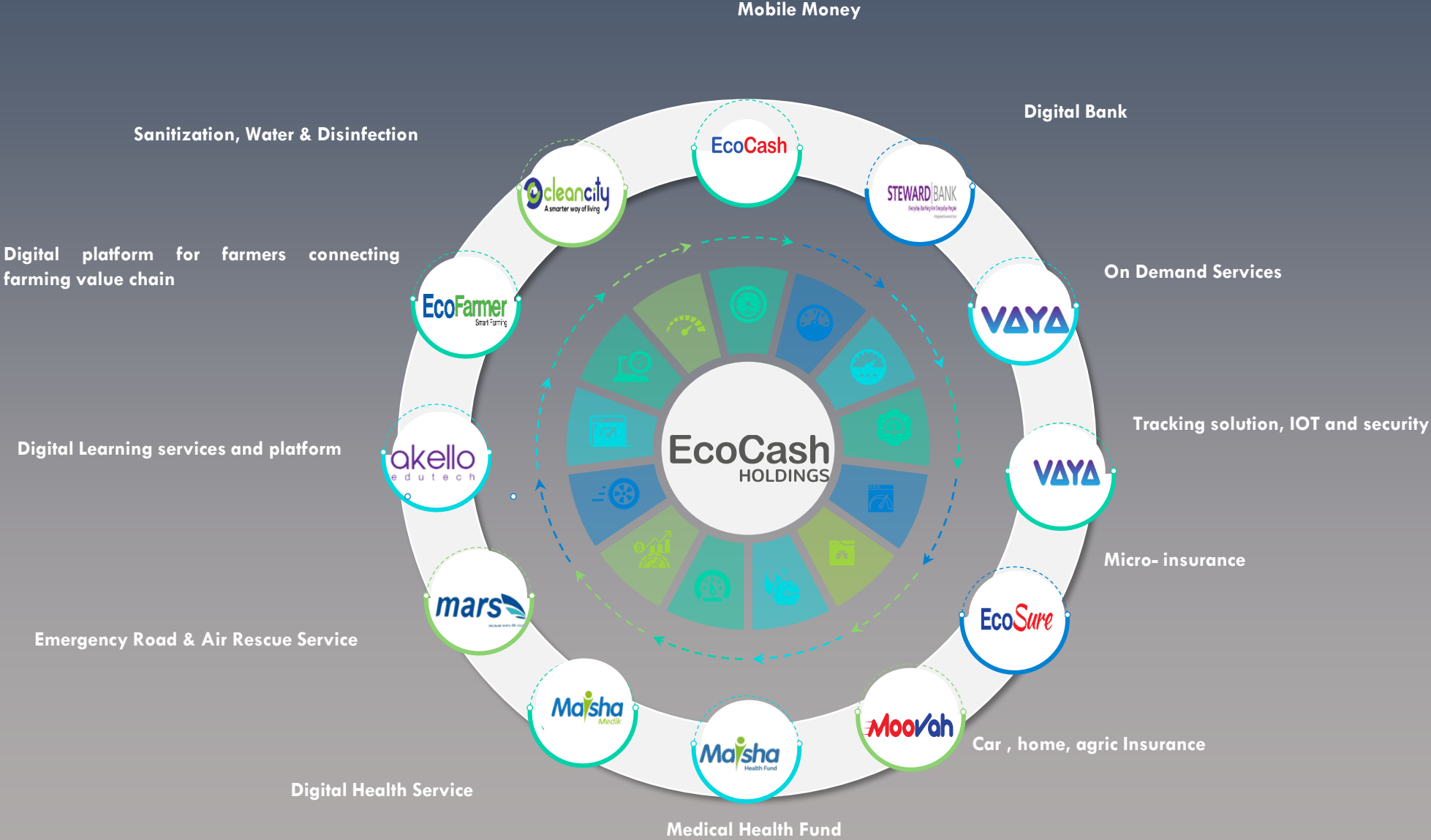


EcoCash

EcoCash Bulk Payments

January 2024

EcoCash Holdings Group Overview



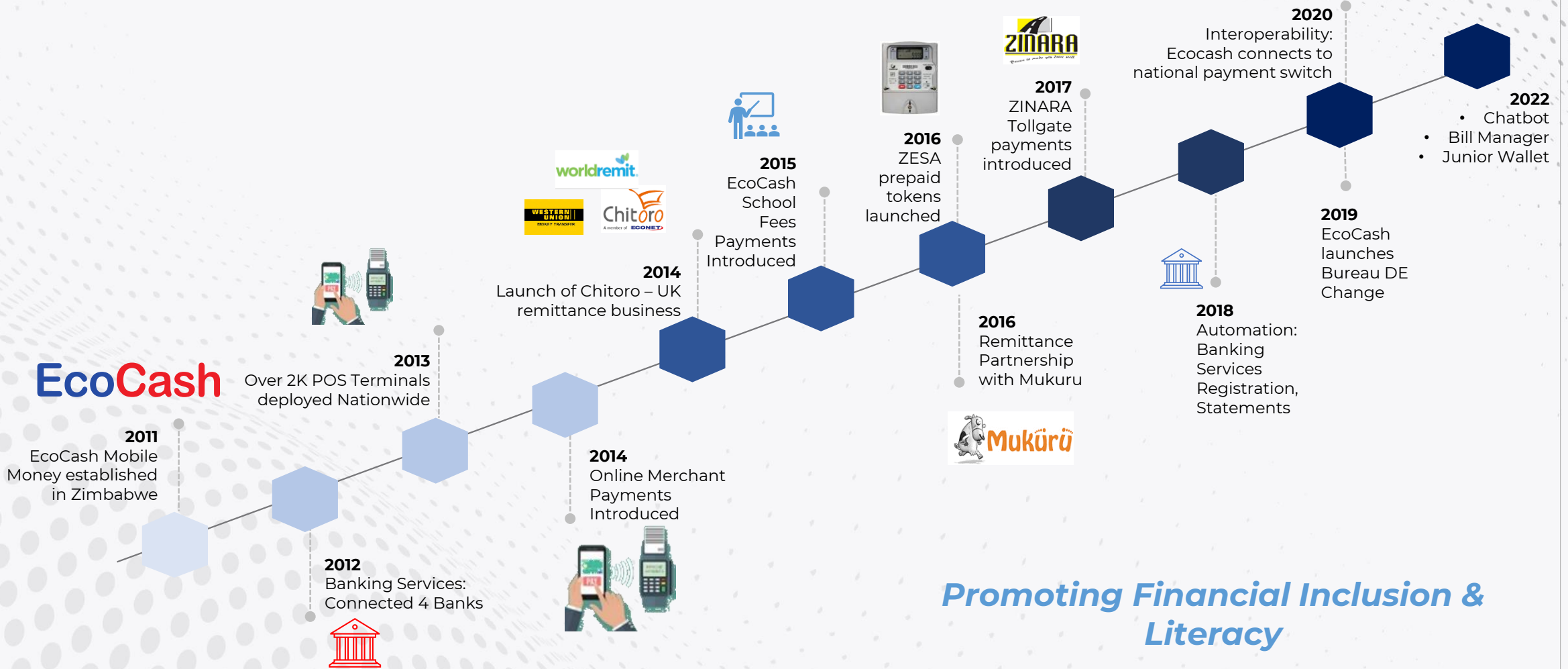
EcoCash Innovations Journey

- EcoCash is an innovative mobile payment solution that enables customers to complete financial transactions directly from their mobile phone! Customers can send money to loved ones, buy airtime, pay for goods and services and much more.

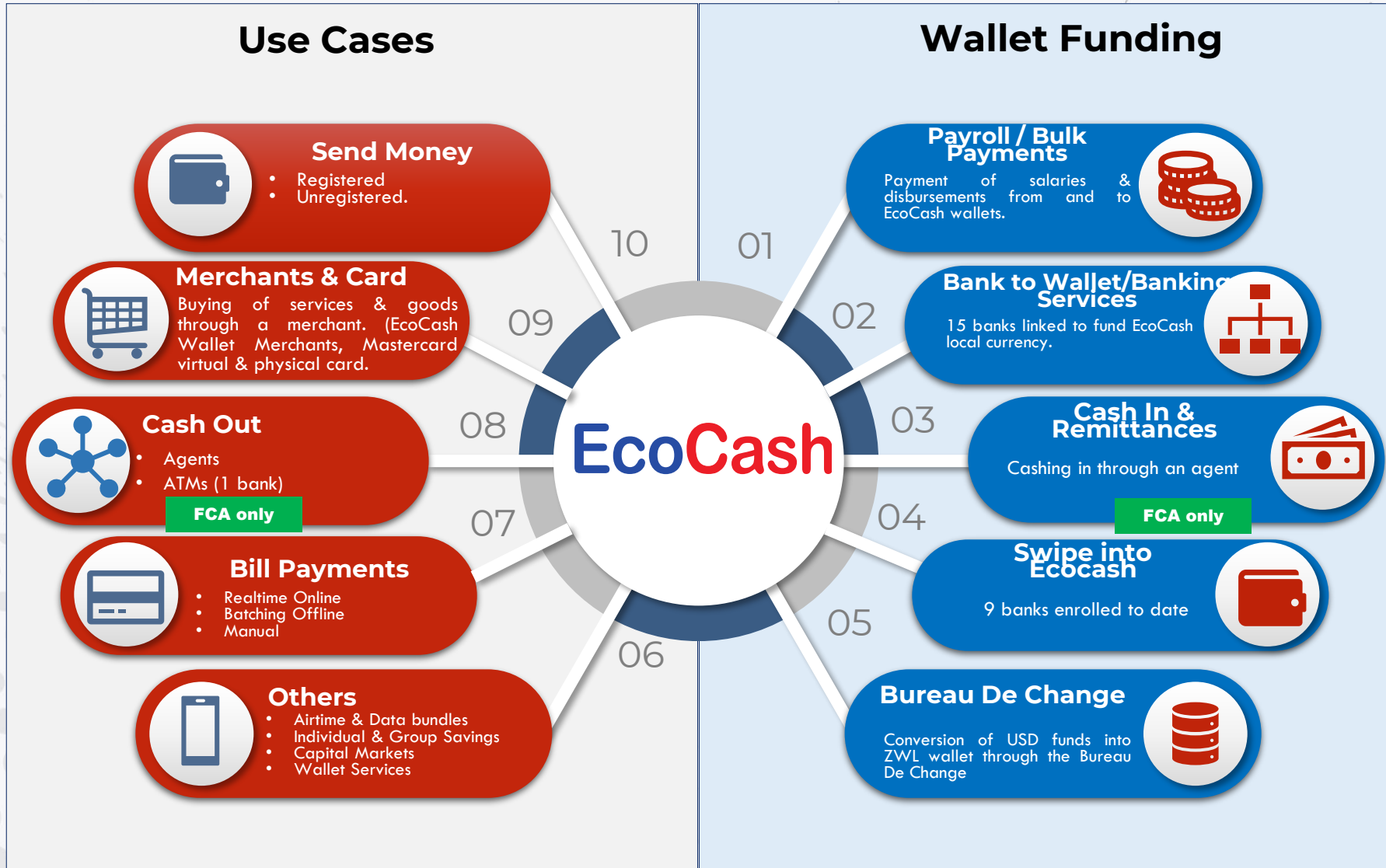
Foundation

Establishing Verticals

Scaling Up



EcoCash Services for Customers On USD wallet



Notes:

- Bureau De Change an innovation launched in Aug 2019.
- The first ever Bureau De Change on mobile money and it works from foreign currency to local currency only.
- Remittance funding goes only into the USD wallet then one converts using the bureau de change.

Introduction



EXCHANGE CONTROL CIRCULAR NO. 3 OF 2020

ISSUED TO AUTHORISED DEALERS AND AUTHORISED DEALERS WITH LIMITED AUTHORITY IN TERMS OF SECTION 35 (1) OF THE EXCHANGE CONTROL REGULATIONS STATUTORY INSTRUMENT 109 OF 1996

Introduction

1. In line with the Press Statement of 26 March 2020 by the Governor on various interventions in response to the financial vulnerabilities caused by the Covid-19 pandemic and in terms of Statutory Instrument 85 of 2020, we advise as follows:-

Use of Free Funds for Domestic Transactions

2. As authorised through Statutory Instrument 85 of 2020, individuals may now pay for goods and services chargeable in Zimbabwean dollars, in foreign currency using free funds at the ruling exchange rate of the day of payment. The payment may be done through cash, transfers and/ or electronically.
3. Consistent with the provisions of Exchange Control Circular No. 8 of 24 July 2019, International Organisations, Non-Governmental Organisations (NGOs) and Embassies holding free funds, shall continue to transact in line with the provisions of the said Circular.
4. Free funds include all diaspora remittances, funds held and paid by International Organisations, Non-Governmental Organisations (NGOs) and Embassies, as well as salaries paid in foreign currency by exporting entities including cotton, tobacco and gold producers.

Treatment of proceeds from domestic transactions by corporates

5. In line with these new arrangements, corporates receiving free funds from domestic transactions, will be required to deposit such funds in Nostro (Domestic) FCAs for own use, either for foreign or for domestic payments.
6. This means that inter-FCA transactions have been enabled to facilitate these payments. These domestic transactions by corporates should continue to be done

through bank transfers, as well as using plastic money such as Point of Sale (POS) machines.

7. In light of the above, Banks and payment providers are encouraged to ensure that their infrastructure and systems are equipped and configured to handle the new payment arrangements and further promote electronic payments so as to minimise the handling of cash and foster social distancing.

Other Exchange Control support measures

- i. The 30-day liquidation requirement on unutilised foreign currency balances for exporters has been suspended until further notice when markets stabilise from the effects of COVID-19;
- ii. All exporters shall, therefore, be treated as "green flagged" for the smooth administration of all export receipts until further notice;
- iii. The flagging of importers and penalty system has also been suspended until further notice;
- iv. All payments processed shall continue to be reported on the CEBAS system and all supporting documentation should be filed separately for onsite inspection after the lockdown period;
- v. Authorised Dealers shall continue to process applications for extensions of acquittal period, cancellations, amendments and exceptional acquittal of foreign payments in line with the existing Exchange Control framework.

Submission of Exchange Control Returns

8. Consistent with the current Exchange Control compliance monitoring framework, Authorized Dealers shall continue to submit Exchange Control returns in the usual manner and prescribed formats. Any challenges in obtaining information to ensure compliance with these reporting requirements, should be communicated to Exchange Control.

Please be guided accordingly.

F. Masendu
Director
EXCHANGE CONTROL

Comments

- RBZ Circular 3 of 2020 allows individuals to pay for good & services in foreign currency using free funds.
- Payments can be done in cash or electronically.
- The process herein details how organizations can use the EcoCash FCA wallet and recipients access USD cash via Econet shops, and Econet Franchises.
- Cash is guaranteed at any Econet shop and EcoCash franchise.

Payroll Pain Points



Industry Pain Points	EcoCash Mitigations
<ul style="list-style-type: none">• High payroll processing fees	<ul style="list-style-type: none">• A flat rate is charged regardless of amount paid
<ul style="list-style-type: none">• High account maintenance fees eating into pensions	<ul style="list-style-type: none">• No account maintenance fees. Costs are transactional giving more value to the pensioners
<ul style="list-style-type: none">• Risk of robberies for companies paying cash to recipients	<ul style="list-style-type: none">• Payments are processed to pensioners' wallets which are PIN protected
<ul style="list-style-type: none">• Limited access points for pensioners requiring cash	<ul style="list-style-type: none">• EcoCash has a wide agent distribution footprint across the country at major business centres and rural locations

Comparison with banks

EcoCash

Banks

Account opening	Free of charge	Minimum deposit for account opening. US\$5 - \$10
Account Service charge	No monthly account maintenance fee	Monthly bank service charges minimum US\$3
Minimum account balance	No minimum account balance, customer withdraws all cash	Banks require a certain minimum balance minimum of US\$5
Account registration	Registration is instant	Banks require some time for account activation. Timelines vary from 24hrs to 72hrs.
Distribution channel	Wide channel distribution that covers rural and urban with over 1 500 cash out outlets	The presence of some banks is limited in the rural areas.
Withdrawal charges	1,7 % cash out charge	3% charge of the transaction amount. Minimum withdrawal charge of US\$5.

EcoCash Value Proposition



Ubiquitous distribution network of over 100,000 Partners

- Cash in and cashout (cash is guaranteed)
- Merchant and bill payments



Group life Cover for all employees being paid on EcoCash

- Free life Cover Bundle of \$1,000US paid out upon death of pensioners below the age of 70



Self Service Portal where payments can be processed 24/7

- Convenience
- Record of transactions done
- Secure as there are different levels of approvals



In wallet transactions allowing pensioners to transact without having to travel to access physical cash

- Send Money
- Merchant and bill payments
- Mastercard virtual payments
- Airtime



Instant USD Nano Loans accessible on EcoCash on *151# and *153#

- pensioners get assisted before pay day



Dedicated account management and region-based customer support teams

- Increased efficiency



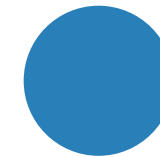
Affordable

- Flat fee processing fee for US\$ payments- \$0.50 per transaction regardless of amount
- 1.7% of the value being cashed out as the cashout fee
- 0.75% min ZWL3,500.00 max ZWL10,000.00 for ZWL payments
- No account maintenance costs- for the employer and employee
- No minimum wallet balance



+8mill customers on the platform

- making send money transactions easier and more convenient



Cash Guarantee

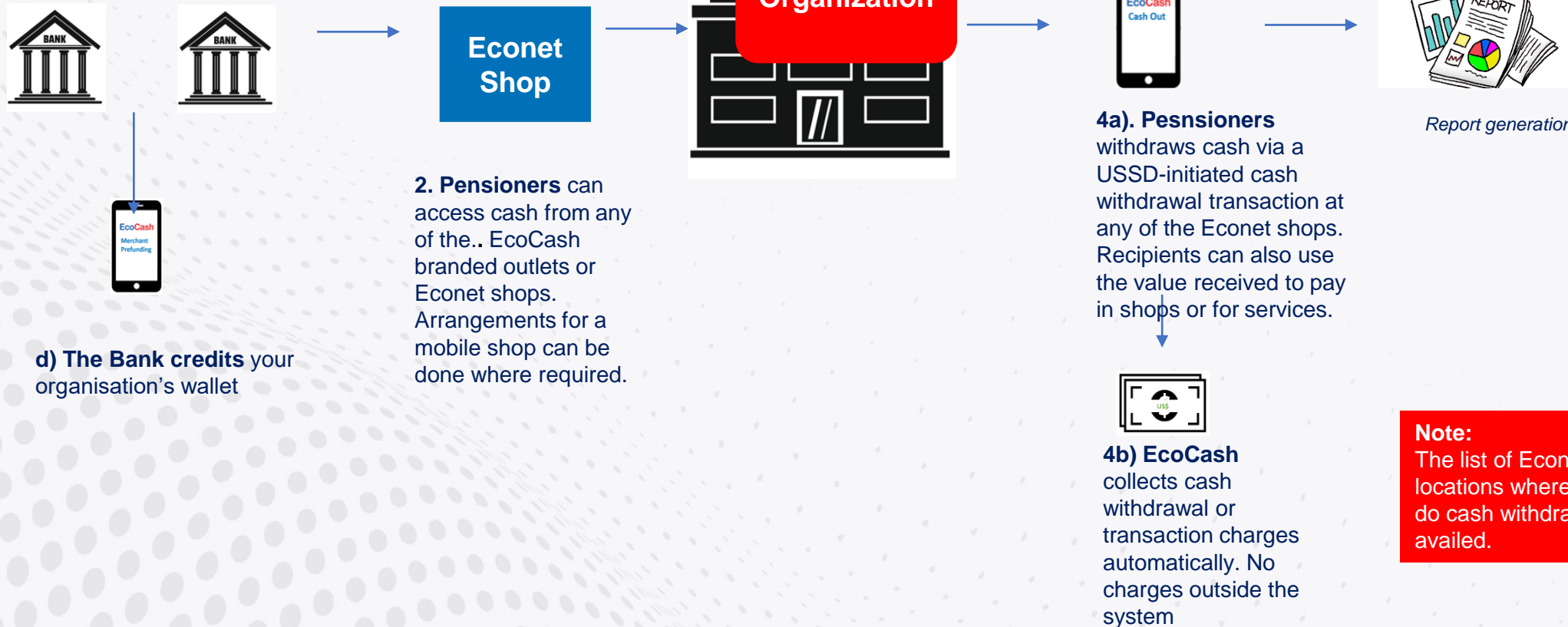
- Guaranteed cash-out funds at any of our EcoCash Franchises spread-out throughout the country Retails Shops across Zimbabwe

Bulk Payments Processing

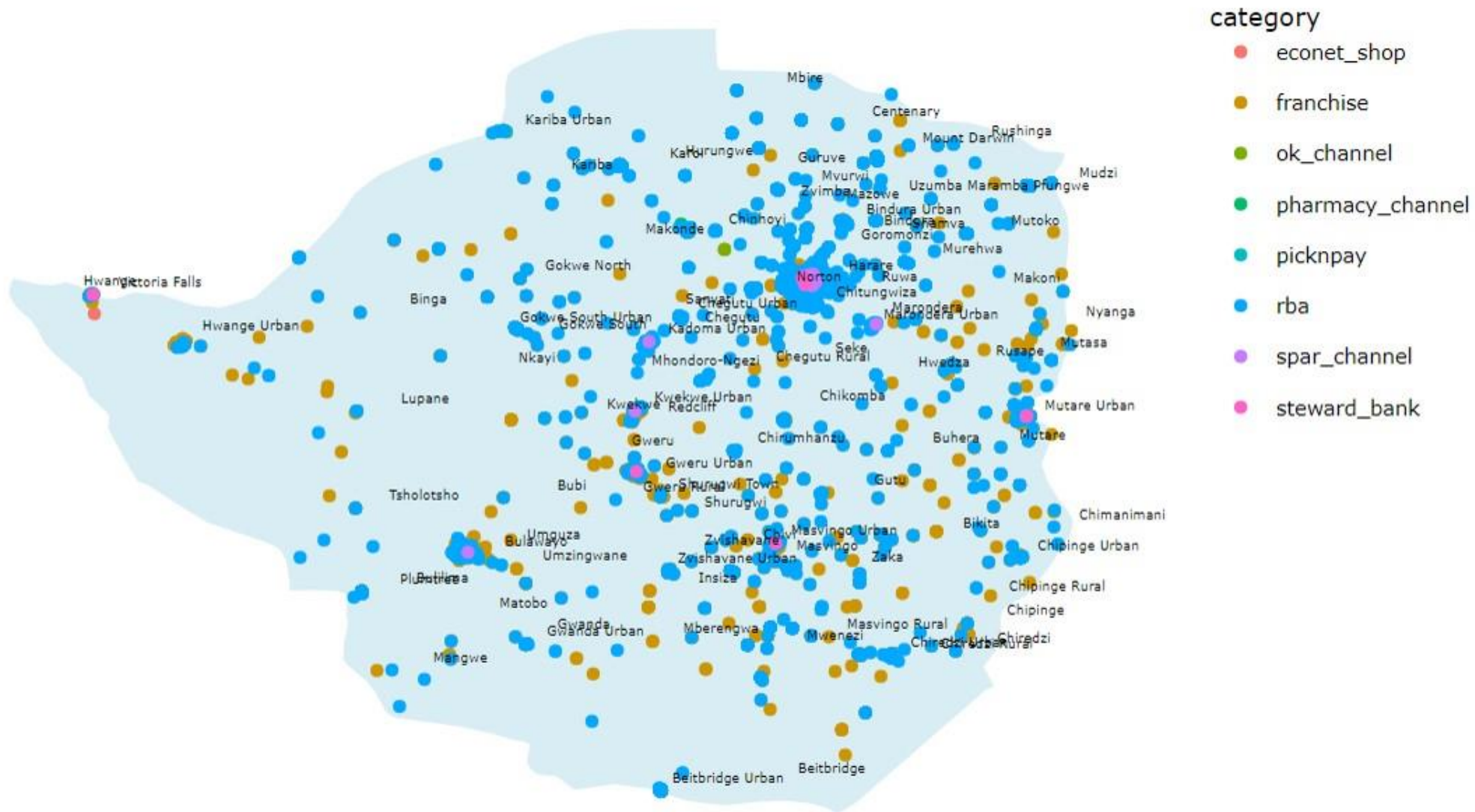
- 1a) **Submit application** Bulk Payer wallet opening
- b) **US\$ Cash Deposit Prefunding.** Organisation deposits US\$ cash in the EcoCash Trust Account at Steward Bank, Stanbic and CBZ or alternatively.
- c) **USD Value Prefunding** Organisation deposits USD value via electronic internal transfer into Steward Bank, Stanbic & CBZ
- d) **ZWL funding-** organizations make an internal transfer to Steward Bank, CBZ or Stanbic

3. **Pensioners** receive USD cash in their EcoCash USD wallet

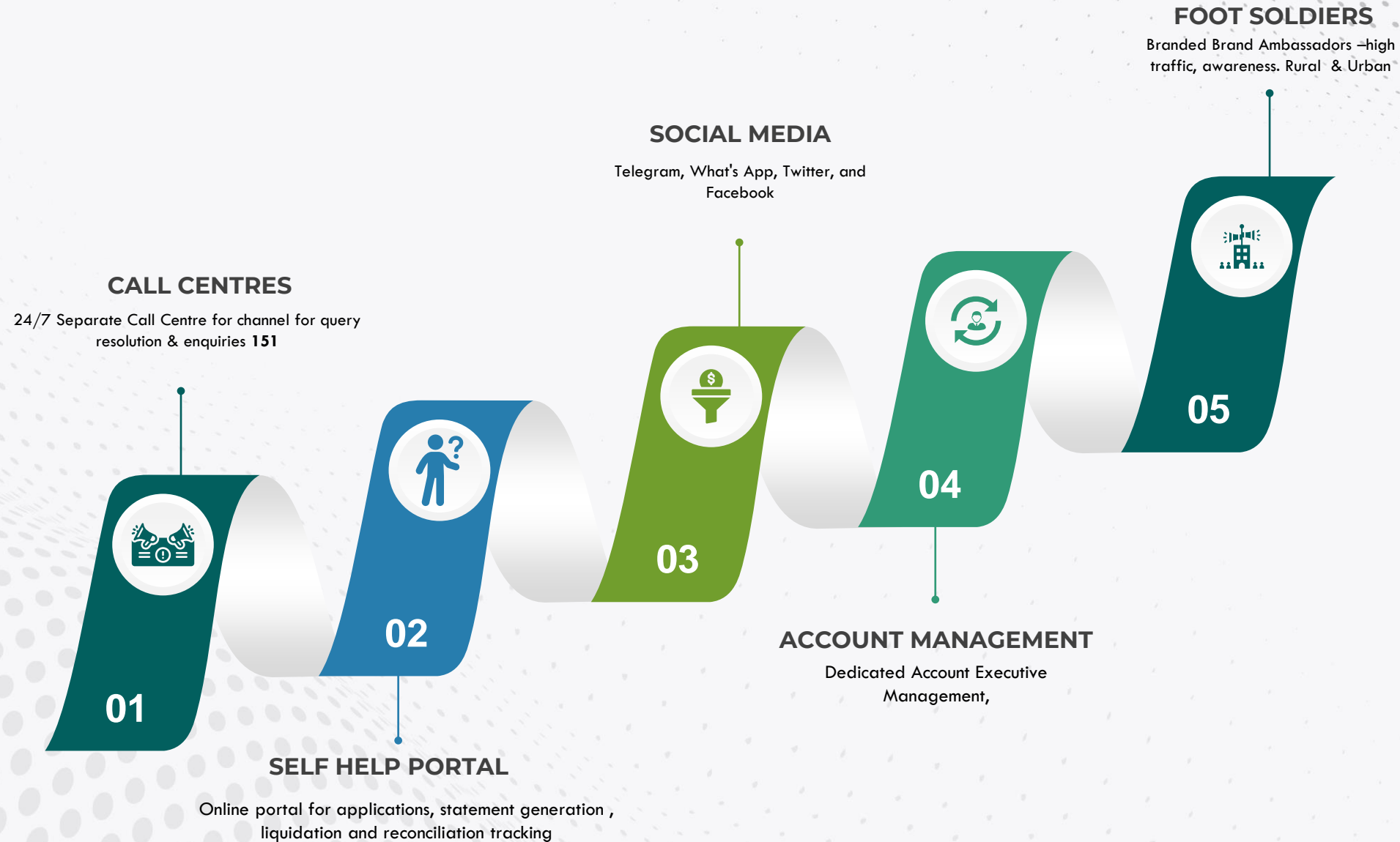
5. **Reports**
EcoCash will share transaction reports within 48hrs.



EcoCash USD Cashout Points



Our Support System





THANK YOU