

## A new beginning

### National unity moves the country in the right direction as it opens up for business

With the Southern African Development Community set to become a common market within three years and a monetary union by 2016 — and with the launch of a single currency among the 15 member states by 2018, Zimbabwe is poised to receive great economic benefits in the near future.

Having recorded growth of 6 percent last year, the southern African country of 12.6 million people continues to show the international community it is ready to do business. The Zimbabwean dollar was decommissioned in February 2009, and the US dollar, the euro, the British pound and South African rand accepted as legal tender, which opened many doors for investors, and transformed the country into Africa's new investment hotspot.

In fact, according to the "Into Africa: Institutional Investor Intentions to 2016" survey, published by Invest AD and the Economist Intelligence Unit, Zimbabwe ranks behind only Nigeria and Kenya as preferred destinations on the continent.

The coalition government has been implementing a number of initiatives to improve the investment climate, including setting up a one-stop shop investment center, a new investment promotion and protection law and the conclusion of negotiated Bilateral Investment Promotion and Protection agreements.

Thanks to a "look east" policy, the resource-rich country is partnering with China in many areas to help establish the nation on a path to a dynamic and lucrative future.

Prime Minister Morgan Richard Tsvangirai, head of the Movement for Democratic Change (MDC) said: "Africa is going through an



Morgan Tsvangirai, Prime Minister

optimistic phase, and Zimbabwe is well placed to attract Chinese investment. We need investments in infrastructure, such as railways, highways and energy to keep the country going. Zimbabwe is a logistical hub for east and west, and in terms of infrastructure rehabilitation, we attract a lot of partners. Zimbabwe is also a financial hub, and it is able to create the best financial services.

"Above all, our agricultural infrastructure is among the most developed in Africa, and the future of Africa is agriculture, so for Chinese agricultural companies, Zimbabwe is an area for interesting investments.

"Our land is full of minerals, particularly nickel, platinum, and iron which are fundamental for the economic activities that China needs. If we improve our investment strategy and create the necessary political agreements, I am sure Zimbabwe will grow at double-digit rates over the next 10 years and this is the greatest attraction."

The prime minister signed a power-sharing agreement with President Robert Gabriel Mugabe in Septem-

ber 2008, to form a coalition government whose aim was to create a healthy and united multiparty democratic state.

"The political negotiation after the election of 2008 was a positive step for Zimbabwe; the introduction of the multicurrency system and a stable and peaceful coexistence were key elements for us," Tsvangirai said.

"We have survived a difficult period, but we have restored the social sector, giving new strength to the public education and health sectors. The formation of the new government was a sample of collaboration, and gave us a nudge in the right direction."

Tsvangirai, who attended the executive leadership program at Harvard University in 2001, is keen to seize on the optimism that is currently engulfing Africa, and to encourage and attract investments.

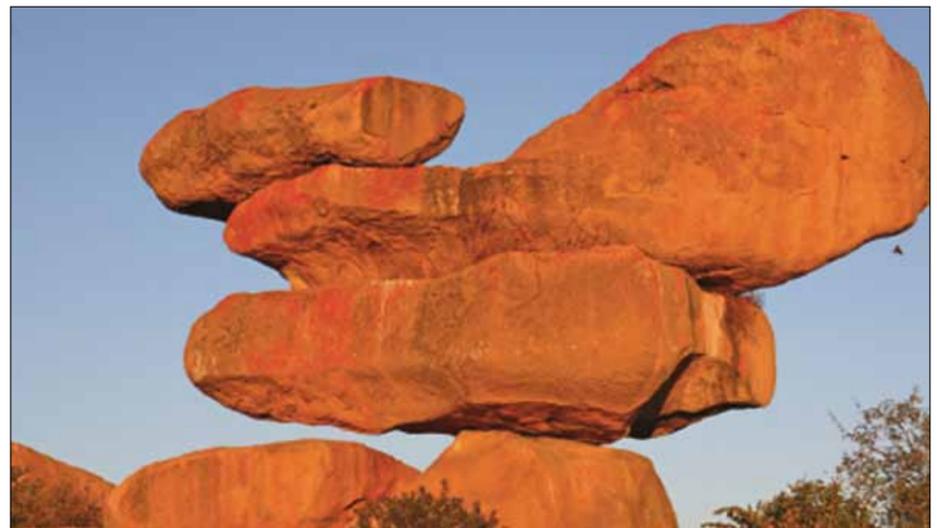
"We have a mid-term development plan that can be accessed within specific areas and sectors of economic

**“If we improve our investment climate, Zimbabwe will grow at double-digit rates over the next 10 years.”**

MORGAN RICHARD TSVANGIRAI  
PRIME MINISTER

activities. Chinese finance could be useful to Africa's development and China is welcome here. They are not strangers, and that is how our partnership will be developed."

Joice Mujuru, vice president of Zimbabwe, a member of Mugabe's Zanu-PF party, was appointed as a cabinet minister at the age of 25 after Zimbabwe's Independence



Zimbabwe's famous Balancing Rocks found at Matopos National Park and throughout the country.

from Britain in 1980.

She became vice president in December 2004, and has worked hard on the empowerment of women and young people through projects such as sugar cane production, horticulture, poultry and pig husbandry, as well as re-greening

our friendship strong and fast. The principal areas to expand through Zimbabwean-Chinese collaboration are mining, agriculture and infrastructure development.

"Zimbabwe needs to adopt the Chinese work ethic because it will give us a lot of savings. Time is money. We need to promote tourism in Zimbabwe; we are one of the best tourism destinations in the world. Places like Victoria Falls, the Domboshawa Caves and Lake Kariba are unique in their nature, and offer tourist attractions that can be found nowhere else.

"Zimbabwe is a place that has to be visited. Our sunshine and our warm hearts will welcome everyone that comes here. The literacy rate in Zimbabwe is 97 percent, the highest in Africa. Even people in rural areas are able to speak English and we are very proud of that."

She concluded: "We are sitting on a land full of minerals, one of the richest in the world. Zimbabwe is a unique country and our people are



Joice Mujuru, Vice-President

our best resource. For people who come here and see who we are, the sky is the limit."

In all of this, the two leaders are showing their clear commitment to a new and improved Zimbabwe, a promising country where the only way now is forward.

*InFocus provided the story*

## Econet's innovation brings customer satisfaction

### Giving the community world-class products is a key motive for Zimbabwe's leading telco

As Zimbabwe's largest provider of telecommunications, Econet Wireless provides services for mobile and fixed telephony, Internet access, mobile money transfers and payment solutions.

Launched in July 1998, and listed on September 17, 1998, it is one of the largest companies on the Zimbabwe Stock Exchange, with a predicted investment sum of \$1 billion this year.

It has a 70 percent stake in Zimbabwe's mobile market and continues to grow its subscriber base. Econet Wireless CEO Douglas Mboweni explained the rapid rise of this leading telecommunications provider.

"When we first launched Econet, our services were immediately over-subscribed. We were the third entrant into the market, but six months' later

became the market leader. The main reason was the introduction of pre-paid services and immediately we knew that the Zimbabwean market was right in terms of having an appetite for technological services.

"The shift to a multicurrency economy by the minister of finance, and the creation of the national unity government opened up a world of new opportunities for Zimbabwe, and certainly for the ICT sector. We had new resources, thanks to the dollar, coupled with access to equipment coming from China, Europe and so forth.

"To best illustrate the impact of these moves, our penetration rates in terms of telephony were 13 percent, but after three years have risen to 74 percent.

"I compliment the government

because they came up with new policies that pushed the ICT sector, — they understood how ICT could benefit Zimbabwe. I was tremendously encouraged by that kind of development."

#### Toward full penetration

With its mission to see Zimbabwe with a 100-percent penetration rate by 2015, Econet is spearheading the digital revolution of the country. Full penetration will provide the perfect platform for electronic transactions to be made by each and every citizen.

"I do believe we'll achieve that goal before the deadline because of Zimbabwe's high literacy rate," Mboweni said. "More than 90 percent of the population over the age of 15 can read and write in English, which

means that even in remote villages, people can understand the products. The government's education policy is paying dividends and we are seeing excellent results."

Mboweni's view of the Sino-Zimbabwean relationship is of a positive bond that can only continue to prosper and grow. It is based on three levels, he said:

"The first one is government to government, which is already impressive, and that is a fundamental pillar for what happens within the country.

"The second level is a consequence of the first, because the cordial relationship established between the two countries is a useful platform to coordinate business interactions.

"The third level is specific organizations having direct links with Chinese companies. I was part of a Zimbabwean delegation that went to China and we were very well received. Through cordial relations, everything is easier: we work very well with companies like Huawei and

ZTE and there are lots of ties being fostered with other companies. Most of our equipment now comes from China; the infrastructure that we have built for connecting our major cities comes from China, and our major contractor is Huawei.

"I would like to remind readers that we are coming out of a situation where it was very difficult to establish a business relationship with Zimbabwe, but now I am very confident about our future."

For the Econet Wireless CEO, an innovative spirit has been the key to the company's success.

"Our major advantage is customer service, based on a wide range of products and services," he said.

"We were the first organization to bring pre-paid services to Zimbabwe and within six months became the market leader, so innovation is what differentiates us from our competitors. Behind every innovative idea or product there is a person. We consider people our biggest asset and our team is driven by passion and a desire

to achieve the objectives.

"However, the true test of a company is its ability to live beyond its people, the institutional capability is absolutely fundamental. We are working on building a reliable system in order to create a culture of excellence so we will continue to offer the very best services and products to our customers.

"Zimbabwe has tremendous resources and our human capital is excellent. Here, there is a desire to do the best and in terms of being open to investors and tourists, we are one of the best destinations. Econet's desire is to do the best we can; my personal desire is that people will come to Zimbabwe and find us to be a company that is able to transform their lives here."

Econet plays a very active role in the local community and champions social, health, education, scholarships and faith initiatives as part of its corporate responsibility.

*InFocus provided the story*

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