



Remarks

by

Dr. C. L. Dhliwayo

Acting Governor, Reserve Bank of Zimbabwe

on the occasion of the official launch of National Building Society
Limited

18 May 2016

Salutation

The Guest of Honour, Vice President of the Republic of Zimbabwe,
Honourable Emmerson Mnangagwa

The Minister of Public Service, Labour and Social Welfare,
Honourable Prisca Mupfumira

The Minister of Local Government, Public Works and National
Housing, Honourable Saviour Kasukuwere

Permanent Secretaries and Government Officials here present

The Chairman and Board of the National Social Security Authority

The Chairman and Board of National Building Society

Distinguished Guests

Ladies and Gentlemen

Introduction

1. It is an honour to address this gathering on the occasion of the official launch of National Building Society Limited.
2. Today marks a significant milestone in the history of our banking sector as we usher in a new player, with a primary focus on the provision of affordable mortgage loans and related financial banking services. This brings the number of building societies to five.
3. I would like to commend the Government, board and management of National Building Society for the tremendous effort put towards the establishment of the building society.

4. By embarking on this ambitious project to establish a building society, Government as the shareholder of National Building Society has demonstrated commitment to the provision of affordable banking services and delivery of low cost housing.
5. The entry of National Building Society into the banking sector today, signifies the scope and opportunities for players to identify niche markets and design appropriate products and services to meet the needs of those segments.
6. Ladies and gentlemen, as you would be aware, the core mandate of National Building Society, which is the provision of affordable housing, is in line with the Government's economic blueprint, ZimAsset.
7. In addition, National Building Society's vision to become a market leader in the provision of affordable housing resonates well with the National Financial Inclusion Strategy which aims to provide affordable financial services to the majority of the Zimbabwean population.
8. As National Building Society commences operations, the board and management of the society need to be cognisant of the fact that financial institutions have a role to play in offering financial services and products at reasonable and affordable terms and conditions.
9. As part of implementation of the National Financial Inclusion Strategy, the Reserve Bank has engaged the banking sector through

the Bankers' Association of Zimbabwe to explore means of rationalizing bank charges to levels that promote the use of the formal financial system.

10. As regulatory authorities, we implore the banking sector to adopt innovative ways to enhance operational efficiencies and lower the cost of banking services. In particular, banks are called upon to scale up the use of digital delivery channels including mobile banking and internet banking.
11. Against this background, I wish to encourage the board and management of National Building Society to promote the use of plastic money, which reduces reliance on cash and is a less costly channel for transacting.
12. Further, management should continuously interrogate and align the business model and other strategic variables to the evolving operating environment in order to remain relevant and meaningfully contribute to stability of the sector and economic growth of the country.

Conclusion

13. With these few remarks, ladies and gentlemen, I wish to conclude by noting that there are very high expectations from the stakeholders for the building society.
14. This underscores the need for high level of diligence in risk management systems and corporate governance practices on an ongoing basis.

15. It is our sincere hope that National Building Society will live to its vision and mission and fulfill the attendant stakeholder expectations.

I Thank You