



JOINT PRESS STATEMENT
REVIEW OF THE EXPORT INCENTIVE FOR TOBACCO GROWERS FOR THE
2018 TOBACCO MARKETING SEASON

The Reserve Bank of Zimbabwe (the Bank) recognises the growing significance of tobacco as a key foreign currency earner for the country. Given this significance and the need to ensure sustained growth of the sector to enhance its contribution to foreign currency earnings, the Bank has reviewed the export support given to the sector. This review is consistent with reviews of support prices on other agricultural products to enhance production.

Accordingly, and following consultations with tobacco industry stakeholders, the Bank advises that the export incentive scheme for tobacco growers has been reviewed upwards from 5% to 12.5% for the 2018 tobacco marketing season. In line with practice, the revised 12.5% export incentive shall be paid directly into the respective tobacco growers' bank accounts on a monthly basis upon submission of tobacco sales information to the Reserve Bank by the Tobacco Industry and Marketing Board (TIMB).

Tobacco growers are, therefore, implored to have active bank accounts, with banks of their own choice, prior to the start of the 2018 tobacco marketing season so as to avoid inconveniences on delayed payments at the start of the tobacco selling season. Furthermore, in order to promote the use of plastic money, and at the same time decongesting the Tobacco Auction Floors, tobacco growers are encouraged to use their respective bank branch networks, and the points of sale across the country. The Reserve Bank has engaged banks to facilitate the opening of low cost bank accounts for tobacco growers, which accounts shall remain active during and after the tobacco selling season.

Tobacco growers are further encouraged to desist from selling their tobacco to middlemen, as doing so would result in them losing out on the 12.5% Export Incentive.

Dr J P Mangudya
Governor
Reserve Bank of Zimbabwe

Dr A E Matibiri
Chief Executive Officer
Tobacco Industry and Marketing Board