

# PUBLIC NOTICE



## Increase in Zimbabwean Dollar (ZWL) Deposit Protection Cover

1. Pursuant to the provisions of section 5(f) of the Deposit Protection Corporation Act [Chapter 24:29], the public is hereby advised that, with immediate effect, the deposit protection cover level has been increased from ZWL10, 000 (Ten Thousand Zimbabwean Dollars) to a maximum of **ZWL120,000** (One Hundred and Twenty Thousand Zimbabwean Dollars) per depositor per deposit class per banking institution; and from ZWL500 (Five Hundred Zimbabwe Dollars) to a maximum of **ZWL5,000** (Five Thousand Zimbabwean Dollars) per deposit class per deposit taking microfinance institution.
2. The review of the cover levels is in line with prevailing macroeconomic conditions. The **Deposit Protection Fund** is established under Section 13 of the Deposit Protection Corporation Act [Chapter 24:29]. The primary objective of the Fund is to compensate depositors in full or in part, for losses incurred in the event of closure of a contributory institution. The Fund is vested in and administered by the Deposit Protection Corporation.
3. The reviewed cover levels ensure that every depositor with a deposit balance equal to or below the specified cover level will receive full compensation from the Deposit Protection Fund. Any outstanding balance above the specified cover level is payable through the liquidation process on a pro-rata basis. For the avoidance of doubt, the new cover levels have no retrospective effect, hence will apply prospectively.
4. The increase in the deposit protection cover levels will go a long way in enhancing financial stability and public confidence in the country's financial system.

**V. VUMA**

**CHIEF EXECUTIVE OFFICER**

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