



MicroLoan Foundation Zimbabwe

MicroLoan Foundation Zimbabwe (MLF Zimbabwe) launched in April 2017. The operations have two branches in the North East of the country with Harare serving as the Head Office.

MLF Zimbabwe provides pro-poor financial services and focuses on clients living in the rural areas to reach financially excluded and underserved communities. There is high demand for appropriate financial products and services, and a real need for capital, business support and financial literacy training. As of 31st March 2021, the outstanding loan book is ZWL445,279.

Mobile money technology is used to make disbursements, collect repayments and provide savings facilities for clients via the EcoCash platform. All transactions are 100% cashless, making it safer, easier and faster for clients to run their businesses.

The macroeconomic climate in Zimbabwe is challenging and the operations have been impacted by hyperinflation and a highly unstable local currency. As a social microfinance provider with positive impact and the well-being of clients at its core, MLF Zimbabwe is currently relying on grants to fund its operations and growth. MLF Zimbabwe is one of the only social microfinance providers in the country, as such the organisation is well positioned for growth.

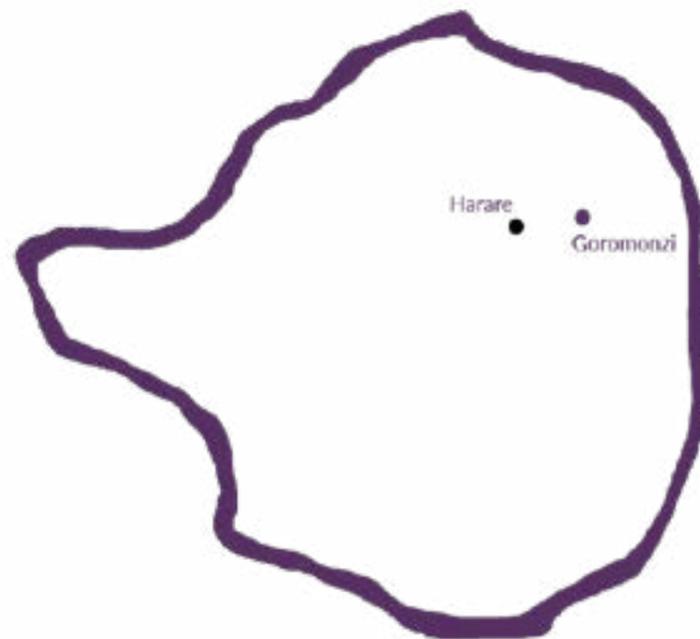
Leadership Team

Mateo Zanetic

Regional Director Africa and Chief Executive Officer Zimbabwe

As the Regional Director Africa, Mateo is responsible for overall operational development and results, specifically across Zambia and Zimbabwe. He works closely with the senior management teams and he leads the Social Performance Management function for the group. As a member of the Boards across all three of MicroLoan Foundation's subsidiaries in Malawi, Zambia and Zimbabwe he ensures operations are working effectively and efficiently. As of February 2019, Mateo serves as the Chief Executive Officer of MLF Zimbabwe.

Mateo holds a degree in Management Accounting and Corporate Finance from Wits University.



Social Performance Management

MicroLoan Foundation works towards achieving a long-term outcome that permits poor rural women to cope better with the challenges and stresses they face. We monitor activities and progress towards social and economic goals for our beneficiaries using rigorous and globally recognised systems. Our Social Performance Management model is often cited as an example of best practice, and is recognised by TrueLift, a global initiative pushing for accountability and learning in pro-poor programmes.

MLF Zimbabwe uses an internally developed poverty assessment tool based on the globally recognised Poverty Probability Index.

Key Products and Services

£ Four month business loan

This product is offered to women to help them start income generating businesses. It has a 10% interest rate per month and is repayable over 8 fortnights. No collateral is required.

\$ Customer Hotline

This is to provide customers with ongoing support on any operational issues. It is monitored monthly to analyse any common issues coming from clients.

££ Savings

In addition to loans, MicroLoan facilitates savings among clients. Since we are a non-deposit taking microfinance organisation, we facilitate savings for clients through the use of EcoCash club accounts. Clients can withdraw savings at any time required with consent from the group.

Financial literacy and business training

We offer pre and post loan disbursement training modules. They aim to help clients understand the purpose of the loans and ensure they are equipped to run and manage their businesses. Training modules include: market research, profit analysis, budgeting and the importance of savings. All training is taught through song, dance and role play.

Operational highlights as of 31st March 2021



Source: MicroLoan Performance Report

MicroLoan Zimbabwe News

Macroeconomic Situation

Overall, the macroeconomic situation has improved compared to the end of 2020. The currency stabilised during the first quarter and inflation decreased. The inflation rate at the end of March 2021 was 240% compared to 363% in January.

COVID-19 Update

The COVID-19 situation in Zimbabwe has improved since December 2020 and the number of active cases has dropped. Zimbabwe was on a hard lockdown with a daily curfew between 8pm and 5am throughout January and February. MLF Zimbabwe staff were not able to travel to the communities to recruit new clients or conduct group meetings. The restrictions were eased on 1st of March and operations could resume after that date. With the lifting of lockdown and daily curfew, local markets and cross border trade are opening up once again. MLF Zimbabwe's clients are also reporting that there is a rise in economic activity and trade, which is anticipated to increase the demand for MLF's services.

Food Insecurity

The first quarter of the year is the lean season before the harvest in April and many families go hungry at this time. Food insecurity is a significant challenge, especially in urban areas where business has been hurt by the lockdown. It is estimated that 4 million people in Zimbabwe are receiving food aid. However, most parts of the southern African region including Zimbabwe have received average to above-average rainfall, facilitating engagement in agricultural activities and supporting favourable harvest conditions. For the first time in two years, Zimbabwe is expecting a bumper harvest.

Key Partnerships

Whole Planet Foundation is part of the Whole Foods Market and is dedicated to poverty alleviation around the world. They are providing a grant in the value of US\$50,000 to grow the loan book April 2021 – March 2022.

The Paul Foundation, The Paul Foundation is a grant giving trust and social impact investor. Their generous grants were instrumental in launching MLF Zimbabwe operations in 2017. In 2021 they are providing a donation of £35,000 for loan book growth and operational expenses. In addition to this, they have also provided a social impact loan to MLF operations in Zambia.



Christine Timioe, Client, MLF Zimbabwe

If you would like any further detail about the information included in this document please contact MicroLoan's Group Chief Executive Officer, Medha Wilson.

Email: medha.wilson@mlf.org.uk
Phone: 020 8827 1688