

**CONSUMER PROTECTION FOR WOMEN
IN ZIMBABWE UNDER CCZ**



ROSE MPOFU

WOMEN'S FINANCIAL INCLUSION IN ZIMBABWE

- Zimbabwe has increased women's financial inclusion from 29% in 2014 to 52 % in 2017. In 2022, the gender gap narrowed to 12%
- Financial institutions are less accessible, especially to the rural populace, however, mobile phones are helping bridge the financial access gap.
- The rural/urban financial inclusion gap is down from 17% in 2014 to 10% in 2022)
- There is a continuous decline in adults relying ONLY on informal sources
- Lack of acceptable collateral most women (90%) lack acceptable collateral security such as title deeds required by most financial institutions. This is further compounded by traditional property rights which are skewed against women, particularly in rural areas.
- Women may have lower financial literacy rates, which can make it harder for them to navigate the loan markets if they have missing documentation

FINANCIAL INCLUSION CHALLENGES FOR WOMEN

Access

Policy

Cost

Reliable Internet

Safety and Security

Consumer education

WHAT RESEARCH HAS TOLD US ABOUT WOMEN'S CONSUMER PROTECTION

- Through **Finscope**, **CCZ learns about women's** financial inclusion, attitudes, behaviour and demographics, which helps develop policies that generate sustainable and inclusive growth and development.
- Distance is an important factor for women's participation in DFS. Despite major progress by financial institutions in digitalizing their services, 90% of women still prefer physical visits., -and are more likely to open bank accounts if the services are close
- Women lack sufficient information about the products and services that will work for them
- Due to low awareness of products, women typically access funds from informal sources of finance such as usury lenders, loan sharks, rotating savings, friends, and family - which are usually costly.

CONSUMER EDUCATION

One of CCZ's primary roles is **consumer education**, through multiple outreach programs. Consumer education is particularly important for women because of existing DFL gaps.

We work with:

- **Regulators** to do consumer education i.e.; Partnership POTRAZ, RBZ under the theme Fair Digital Financial services
- **RBZ and Old Mutual** to carry out outreach programs on financial literacy and Inclusion to instill proactive saving habits in rural areas.
- **IPEC** provides consumers with education and awareness of their savings and pensions. CCZ and IPEC took a deliberate approach to bring confidence and trust to the pension sector through outreach programs held around the country.

Generally, there is limited awareness of financial products among women compared to men in Zimbabwe. Financial institutions need to deliberately give out information that relates to the availability of formal financial products.

CONSUMER PROTECTION POLICY

CCZ works to forge and enact policy with multiple stakeholders, including:

The Deposit Protection Corporation (DPC), is the institution responsible for providing compensation to depositors in the event of bank failure. Such synergies contribute to financial stability and public confidence in the financial system

ZWRCN established the **Gender Budgeting Project**, to ensure women's access to budgeting education can become a familiar and day-to-day issue at the household level

CCZ is widely consulted by stakeholders in the drafting of laws including cyber laws, i.e. cyber security Bill, Freedom of Information Bill. This interaction is key in ensuring that the consumers' views and voices are taken on board.

ZIMBABWE'S CONSUMER PROTECTION ACT

*CCZ drafted and pushed for the enactment of **Consumer Protection Act** to protect the financial services consumer by ensuring a fair, efficient, sustainable, and transparent marketplace.*

Key

Sec 9: The right to consumer education and awareness.

Sec 30: The right to noticeable and legible information in plain and understandable language

Sec 33: The right to be heard, access to justice and redress.

Sec 37: discusses fraudulent schemes and offers, outlawing pyramid schemes

FAIR DFS WORKSHOP IN CHIREDDZI

