

NEWS DAY

Business

Zimbabwe Stock Exchange

INDICES	VALUE	CHANGE (%)
All Share	1,380.56	8,76%
Industrial	4,584.09	8,72%
Top 10	1,182.46	12,06%
Minings	1,863.25	10,68%

Currencies

CURRENCY	VALUE	CHANGE	NET CHANGE
EUR-USD	1,1163	0,0027	+0,24%
USD-JPY	108,2800	0,6900	+0,64%
GBP-USD	1,2550	0,0058	+0,46%
AUD-USD	0,6853	0,0055	+0,81%
USD-ZAR	17,2404	-0,1279	-0,74%

'Zim tax compliance rate at 30%'

BY MTHANAZO NYONI

ZIMBABWE is experiencing a low tax compliance rate due to "perverse bribery" as citizens and businesses opt to pay bribes primarily because the cost of compliance is too high, a new report reveals.

A report produced by the Zimbabwe Coalition on Debt and Development (Zimcodd) and its partners titled "Nexus between Debt and Corruption in Zimbabwe's Public Finance Management" reveals that the poor choose not to comply by paying duties and taxes because compliance is costly in Zimbabwe.

Tax compliance rate in Zimbabwe hovers around 30%, according to official data.

"Public taxes play a crucial role therefore in aborting a huge dependence on public debt. However, while tax is a key source of public revenue, Zimbabwe suffers from the challenge of low tax compliance rate and this is linked to the perverse bribery," the report, compiled by Farai Mutondoro states.

"Citizens and businesses opt to pay bribes primarily because the cost of compliance is high monetarily and in terms of ease of obtaining a service. For the public officials there seems to be a huge affinity for bribes and this could be blamed on the very low wages," the report noted.

It also notes that public taxes are an essential element of domestic resource mobilisation, with contributions of an average of 88,1% of total government revenue between the years 1980 to 1989 and about 89% between 1990 and 1999.

According to the 2019 mid-term fiscal review, taxes constituted 97,8% of the gov-

ernment revenue.

The research which was carried out on 50 businesses in the retail sector in small to medium enterprises (SMEs) revealed that the SMEs evade compliance by paying bribes, keeping two sets of records, relocating to new premises without notifying authorities, and temporarily closing businesses during compliance blitz.

It is believed that the Zimbabwe Revenue Authority has potential to raise over US\$8 billion if it could achieve 100% tax compliance. "Zimra is currently at around 30% tax compliance. It is important to note that with bribes and low tax compliance potential," the report states.

The 2016 World Bank Enterprise Survey also identified corruption and bribery as a problematic factor affecting ease of doing business in Zimbabwe. A 2017 study by TI Zimbabwe on corruption and culture revealed that corruption at the petty level manifests primarily through bribes while the Global Competitiveness Report (2016-2017 Edition) identified corruption as the third most problematic factor for doing business in Zimbabwe. The Afro Barometer 2016 report indicates that 81,1% of Zimbabweans pay bribes to the police to avoid problems. Zimbabwe is currently in debt distress with public and publicly guaranteed debt at unsustainable levels of 97% of GDP against the statutory provision of 70%. The publication was produced by Zimcodd in collaboration with the Economic Governance Initiative Consortium in Zimbabwe comprising the Transparency International Zimbabwe, Udugu Institute, Youth Empowerment and Transformation Trust and the Vendors Initiative for Social and Economic Transformation.

Vic Falls Lodge partially opens after lockdown

BY FIDELITY MHLANGA

AFRICA Albida Tourism (AAT) has announced it opened its Victoria Falls Safari Lodge estate last Friday after closing three months ago due to the COVID-19 pandemic.

Victoria Falls, a prime tourism resort, has been deserted since the outbreak of the virus which has resulted in restricted international travel.

The United Nations World Tourism Organisation recently noted that the global travel industry had been hard hit by COVID-19, with international tourist arrivals envisaged to plunge between 60% and 80% this year, translating to a loss of up to US\$1,2 trillion.

Up to 120 million global jobs that are directly related to tourism are at risk in one of the worst crises to face international tourism.

Africa Albida Tourism (AAT) chief executive Ross Kennedy said the opening of business after 100 days follows the reopening of the Victoria Falls Rainforest.

"For the morale of hospitality people, it could not have come soon enough. We look forward to welcoming guests back to the estate, albeit with only parts of the business operating," Kennedy said.

"We shall monitor demand, access and borders as the region awakens, then gradually open more of the property," he added.



Victoria Falls Safari Lodge estate

"We have published some exciting special packages for the Zimbabwe market and already have enquiries and bookings. "We look forward to the day when all air and road access is open again so that this Natural Wonder of the World, the Victoria Falls, can be seen by all."

Victoria Falls recently recorded one of the highest waterfall in ten years of 4 200 cubic metres per second.

The company said from July 10 it had opened Lokuthula Lodges, the Victoria Falls Safari Club central building, along with eight rooms, as well as two Victoria Falls Safari Suites.

AAT operations manager Andy Conn said having had ample time to view the impact of the COVID-19 pandemic unfolding around the world, the hospitality group had evolved its health and safety protocols in accordance with WHO guide-

lines.

"Whilst we appreciate the dramatic impact of the pandemic, and hence the need to adopt new protocols, we would ultimately like to ensure the guest experience is affected as little as possible and a natural safari getaway can still be enjoyed," Conn said.

New protocols will include the temperature screening of guests and staff, the regular sanitisation of facilities, availability of sanitisers, controlled staff and guest interaction and ongoing staff training and education to identify risk and mitigate the spread of viruses.

AAT is a leading Zimbabwean hospitality group, operating a portfolio of properties in Victoria Falls, namely, Victoria Falls Safari Lodge, Victoria Falls Safari Club, Victoria Falls, Safari Suites, Lokuthula Lodges and The Boma - Dinner & Drum Show.

SMART
TRADING WITH
C-TRADE



C-TRADE introduces Dividend Payment Functionality for added convenience

C-TRADE
Powered by Escrow Systems

Individual investors typically trade in much smaller amounts than institutional investors. Most individual investors lack the knowledge in the ins and outs of capital markets operations. This however, should not deter them as C-TRADE is consistently working to ensure the market becomes more efficient and retail investor-friendly.

Due to operational challenges related to payment of dividends to individuals investors, C-TRADE now gives individual shareholders an option to receive their dividends through the C-TRADE platform. A dividend refers to a reward, cash or otherwise, that a company gives to its shareholders. Dividends can be issued in various forms, such as cash payment, stocks or any other form. A company's dividend is decided by its board of directors and it requires the shareholders' approval.

C-TRADE has created avenues that make it easier for individual investors to easily access, re-invest or withdraw their dividends whether in foreign or local currency. Investors simply have to download the C-TRADE mobile App from Google Playstore or dial *727# on their mobile phone. Alternatively they can visit www.ctrade.co.zw to access a newly created C-TRADE account. Under 'My

Profile' click PRE-CREATED ACCOUNT, enter Shareholder number (refer to your dividend advice slip) and complete all missing details as requested.

C-TRADE will activate the account, giving the investor access to their C-TRADE portfolio to view their dividend. Investors using foreign currency to buy shares, simply have to enter the foreign currency amount they want to use and select 'CONVERT' to activate the process of conversion to ZWL currency. Once the conversion has been done through the bank, the ZWL wallets will be credited with the equivalent ZWL amounts and they will proceed to place an order. Alternatively, to withdraw your dividends from C-TRADE you will be required to convert to ZWL and withdraw the dividends through the C-TRADE normal withdrawal procedure. Currently the counter which is already active is Seed Co international and C-TRADE will be adding more counters.

Retail investors who want to start trading on C-TRADE simply have to create a C-TRADE account through USSD, a mobile app downloaded on Google Play Store or an online investor portal. The USSD application can be utilised by all mobile network subscribers by simply dialing a single short code *727# across all networks. This is a very significant development that enables every citizen access through a platform that does not require the internet.

C-TRADE has investor interface tools such as the Online Investor Portal strictly meant for retail investors. There is also an app-based

solution for retail investors on smart phones. The USSD-based solutions are targeted at non-smart phone users and integrates mobile money services. Through these tools, retail investors can trade securities, make or receive payments, obtain statements and follow capital market news anytime, anywhere.

For more information visit ctrade.co.zw or call the C-TRADE helpdesk on the following toll-free numbers

Econet subscribers—08080277
Netone subscribers—08010077
Live chat on web portal
Email C-TRADE on ctrade@escrowgroup.org
Whatsapp 0737594405



C-TRADE Mobile
Dial *727# across All Mobile Networks
www.ctrade.co.zw