PRESS STATEMENT

CLARIFICATION OF ARTICLE CARRIED IN THE NEWSDAY EDITION OF 6 MAY 2020 ON ALLEGED BLACKLISTING OF ZIMBABWE BY THE EUROPEAN UNION

The Newsday edition of 6 May 2020 carried an article headlined “EU blacklists Zim over terrorist funding”. The headline sensationally suggests that Zimbabwe has been funding terrorists. Whilst the article generally gave the impression that the European Union had, or was about to blacklist the country for funding terrorism, in the body of the article there is no reference to terrorist funding, let alone how Zimbabwe allegedly funded terrorism.

The Reserve Bank of Zimbabwe (the "Bank") wishes to give clarity and the correct position as follows:

Zimbabwe is a member of the Financial Action Task Force (FATF) Global Community. The FATF is responsible for setting and continuously updating international standards on Anti-Money Laundering and Combating Financing of Terrorism (AML/CFT). Through its network of regional bodies, the FATF periodically assesses countries’ AML/CFT systems to identify any gaps that need to be addressed.

Zimbabwe was assessed in 2015 and the resultant Mutual Evaluation Report was adopted and published in September 2016. The Report identified some gaps and, in line with the FATF procedures, the country was given five years (up to September 2021) to address all the identified gaps. Zimbabwe has since addressed almost all the legislative and institutional gaps, with the result that the country is now rated Fully Compliant or Largely Compliant in thirty-three out of the Forty FATF Recommendations, which is one of the best Technical Compliance ratings in the region.

Zimbabwe’s key outstanding deficiencies relate to effectiveness in implementing the AML/CFT laws and policies. In this regard the country is working closely with the FATF and the regional AML/CFT body, the Eastern and Southern Africa Anti Money Laundering Group, and is making good progress.

It is the FATF’s practice to publish the list of countries that have been assessed and have AML/CFT gaps, and the list is updated three times a year after the FATF Plenary Meetings. It is also the practice of the European Union to adopt the FATF list and circulate it within its member countries. Zimbabwe is on what is referred to as a “grey” list, i.e. of countries that are cooperating with the FATF and making progress. A grey list is not a black list. A black list is for high risk and uncooperative countries. Zimbabwe is not unique on this grey list as other countries from the region and beyond, that have so far undergone the FATF assessment, are or have been on the list, while others will be added as and when the results of their assessments come out.

The Bank wishes to stress that at no point has Zimbabwe ever been accused of funding terrorism, whether by the FATF, the EU or by any State or organisation.

John P Mangudya
Governor
8 May 2020