

**Association of Global Custodians
Middle East and Africa Focus Committee ("AGC ME&A")**

The Director
Exchange Control Division
80 Samora Machel Avenue
Harare
ZIMBABWE

Attention: Ms C Tembo



**RE: REQUEST FOR WITHDRAWAL OF DOCUMENTATION REQUIREMENTS FOR
REPATRIATION OF PORTFOLIO DISINVESTMENTS.**

The AGC ME&A Committee¹ (Committee) is encouraged by the allocation of USD towards to satisfaction of the repatriation requests of its members during June 2019. The Committee is also encouraged by reports received from the meeting held between the Reserve Bank of Zimbabwe (RBZ), a local custodian bank and one of our member banks in Harare on 21 May 2019 that provide assurance that our previous correspondences dated 18 March 2019, 7 March 2019, and 22 February 2019 have been considered by the RBZ. The Committee has noted the reports of the RBZ's stated intention to withdraw the documentary and reporting requirements that apply to the repatriation of portfolio disinvestments by foreign investors, At the time of writing, the documentary and reporting requirements remain in effect and continue to operate to preclude the majority of AGC members from the repatriation process. We have set out the factors that constrain AGC members from meeting the prescribed requirements in previous correspondence and will, for the sake of brevity, not detail those concerns again in the present letter. We write to make the following requests:

1. In the interests of market certainty and to afford AGC members fair access to the repatriation process, and in accordance with commitments made by the RBZ, we request that the RBZ formally withdraw the requirement for proof of the initial investment inflow in the form of a telegraphic payment record.
2. In consideration of the challenges that AGC members have reported with fulfilling the requirement to split their repatriation claims into capital, capital appreciation and income, and in accordance with commitments made by the RBZ, we request that this requirement be withdrawn.

The Committee urges the RBZ to provide explicit, actionable directives giving effect to the withdrawal of these requirements to avoid multiple interpretations in the market. Finally, the Committee appreciates

¹ The Association of Global Custodians is an informal group of 12 financial institutions that provide securities safekeeping services and asset-servicing functions to primarily institutional cross-border investors worldwide. As a non-partisan advocacy organization, the Association represents members' common interests on regulatory and market structure matters through comment letters, white papers and interaction with legislative and regulatory authorities and financial industry organizations around the globe. The members of the Association of Global Custodians are: BNP Paribas; BNY Mellon; Brown Brothers Harriman & Co; Citibank, N.A.; Deutsche Bank; HSBC Securities Services; JP Morgan; Northern Trust; RBC Investor & Treasury Services; Skandinaviska Enskilda Banken; Standard Chartered Bank; and State Street Bank and Trust Company. For more information visit www.theagc.com.

the opportunity to convey members' petitions to you on these important matters. As always, AGC members stand ready to discuss these requests. The AGC ME&A communication details are as follows:

Catherine Tinavapi
Standard Chartered Bank
Chairperson of AGC ME&A
Email: catherine.tinavapi@sc.com

Yours sincerely,



Prepared by the Middle East and Africa Committee.

Catherine Tinavapi, Chairperson

26 June 2019

CC

The Governor

Reserve Bank of Zimbabwe

80 Samora Machel Avenue

Harare

ZIMBABWE

Attn: Dr John Panonetsa Mangudya
William B. Manimanzi