

## **Econet Launches EcoCash Savings Club to Offer A Smarter Way to Save**

*Zimbabwe's leading mobile network operator develops innovative mobile service to improve the security and convenience of traditional savings groups*

**Harare, Zimbabwe, May 6, 2015** –[Econet Wireless](#) has launched “EcoCash Savings Club”, a new mobile product to support savings groups across Zimbabwe. Anyone registered on EcoCash – Econet’s mobile money service – can set up a group mobile wallet for free. Savings clubs earn interest on all pooled funds starting from \$1 after every 30 days.

Informal group savings and investment clubs, locally known as ‘mukando’ or ‘maround’, are common throughout Zimbabwe and across many parts of the world. They typically consist of a group of members who each contribute regularly into a cash pool that members borrow from on a rotating basis. While the practice is widespread, savings clubs face security risks in handling cash and difficulties in tracking contributions and withdrawals from members.

EcoCash Savings Club offers a more inclusive, secure, transparent and convenient way for people to pool funds using their mobile wallet. Anyone registered on EcoCash can participate and set up a Savings Club. A group’s appointed chairperson initiates the opening of a club account on their mobile phone and invites members to join immediately. There is a facility to select approving members and to verify the withdrawal of funds based on multiple SMS sign-offs. All members can check the group’s account activity at any time on their phones. It is free to move funds between the group wallet, individual wallet and bank account.

Econet, in partnership with the Organisation For Public Health Interventions (OPHID) - a local Zimbabwean NGO - has been working with groups of women countrywide to refine the EcoCash Savings Club. The club account is an extension of EcoCash Save, the individual savings mobile wallet that already has more than 1.5 million customers earning interest on all deposit amounts, starting from as small as \$1.

EcoCash Savings Club is aimed at millions of people, who until now have been performing group savings informally without access to the formal banking channels because they are not recognised as financially eligible by mainstream banks. The service is targeted at the self-employed, informal sector entrepreneurs, street vendors and social investor women’s groups. As Econet makes the service available to all nationwide savings groups it will work with non-profit organisations to accelerate uptake and ensure robust education to broaden the savings culture in Zimbabwe.

Commenting on the announcement, CEO of Econet Wireless, Douglas Mboweni, noted: “In Econet’s drive to broaden financial inclusion, we seek to create economies of scale that build up savings deposits for the nation as well as demonstrate through their savings patterns the credit worthiness of our customers. We are committed to continue on the path of dynamic innovation, to bring world-class financial services in the context of our Zimbabwean market.”

The nationwide launch took place on Wednesday (May 6, 2015) at the Border Church Clinic in rural Marondera District. The Mbereko Women’s Groups at the clinic, which have savings groups for pregnant women and new mothers, have been pilot testing the Savings Club product over the past six months, with guidance from OPHID. Additionally, EcoCash has set up a Green Kiosk – booth on-site to help the women’s groups run an EcoCash agency business, which will ensure liquidity support to the community savers.

“Group savings culture for specific purposes or asset investment is a common phenomenon in Zimbabwe, but the target segment is largely unrecognised and underappreciated”, said Natalie Jabangwe-Morris, Head of EcoCash Business. “EcoCash Savings Club is intended to reward this diligent savings behaviour, as well as become an enabler for access to other services, such as mobile credit. It also offers an opportunity to extend EcoCash mobile money agency businesses to groups of people that are credit worthy, but have been long marginalised”.

Diana Patel, Deputy Director of OPHID, said at the launch, “We are pleased to have partnered with EcoCash on the group savings product, and to be the first of many other NGOs that will work with Econet to ensure broader financial inclusion, empowerment and social transformation in Zimbabwe.”

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