

21. Travel agency business

The business of travel agency, that is to say acting as an intermediary for gain between travellers and travel service providers, involving the arranging and selling of travel-related products such as flights, hotels, tours, and insurance.”.

PART XII

MONEY LAUNDERING AND PROCEEDS OF CRIME

68 Amendment of Cap. 9:24

The Money Laundering and Proceeds of Crime [*Chapter 9:24*] is amended—

- (a) in section 2 (“Interpretation”)(1) by the insertion of the following section after section 12—
 - (i) in the definition of “financial institution”, by the insertion of the following paragraph after paragraph (n)—
 - “(o) the provision of one or more of the following services relating to virtual assets:
 - (i) the exchange between virtual assets and fiat currencies; or
 - (ii) the exchange between one or more forms of virtual assets;
 - (iii) the transfer of virtual assets;
 - (iv) the safekeeping or administration of virtual assets or instruments enabling control over virtual assets; and
 - (v) participation in and provision of financial services related to an issuer’s offer or sale of a virtual asset;”;
 - (ii) by the insertion of the following definitions—
 - “fiat currency” means currency issued in terms of the Reserve Bank of Zimbabwe Act [*Chapter 22:15*] or any other currency designated as legal tender in Zimbabwe;
 - “virtual asset” means a digital representation of value that can be digitally traded or transferred, and can be used for payment or investment purposes, but does not include digital representations of fiat currency, securities and other financial assets that are regulated under any other enactment, unless so defined in such other enactment;”;
- (b) by the insertion of the following section after section 3—

“3A Regulation of Virtual Asset Service Providers for purposes of this Act

(1) No natural or legal person shall carry out the business of a virtual asset service provider in or from Zimbabwe unless such person—

- (a) is registered with the Unit after meeting such registration requirements as may be prescribed by the Minister by statutory instrument; and
- (b) complies with any other registration or licensing requirements as may be prescribed under any other law regulating such services.

(2) A virtual asset service provider shall comply with all provisions of the Act as are applicable to financial institutions and shall comply with all such directives issued by the Unit to financial institutions in general and to virtual asset service providers in particular.

(3) Subject to subsection (4), any person who operates a business in contravention of subsection (1) or (2) shall (even if the person is licensed under Part VA of the Securities and Exchange Act [*Chapter 24:25*]) be guilty of an offence and liable to a fine not exceeding one hundred thousand United States dollars or equivalent, or imprisonment for a period not exceeding two years, or both such fine and imprisonment.

(4) Notwithstanding subsection (1), every person who, before the date of commencement of the Finance Act, 2025, was lawfully carrying on the business of a virtual asset service provider in or from Zimbabwe, may continue such business until the 30th April, 2026, beyond which the person must be registered under this section.”;

(c) in section 12A (“National money laundering and terrorist financing risk assessment and risk mitigation”)—

(i) in subsection (2) by the deletion of the words “money laundering and terrorist financing” and the substitution of “money laundering, terrorist financing and proliferation financing”;

(ii) in subsection (3)—

A. by repealing paragraph (a) and substituting—

“(a) to identify, assess and understand the money laundering and terrorist financing risks associated with all types of legal persons and legal arrangements created or operating in Zimbabwe;”;

B. in paragraphs (b) and (c) by deleting the words “to identify and assess” and substituting “to identify, assess and understand”;

(d) in section 12B (“Assessing risks and implementing risk-based approach by financial institutions and designated non-financial businesses and professions”), by the repeal of subsections (1) and (2) and the substitution of—

“(1) Every financial institution and designated non-financial business or profession shall identify, assess and understand the money laundering, terrorist financing and proliferation financing risks to which it is exposed and shall maintain adequate records thereof.

(2) Based on the risk assessment, the financial institution or designated non-financial business or profession shall implement measures proportionate to the identified risks, that is to say—

(a) shall implement enhanced measures for higher risk customers, products, services or situations, as appropriate; and

(b) may implement simplified or reduced measures for lower risk customers, products, services or situations, as appropriate.”;

(e) in section 12C (“Establishment of National Anti-Money Laundering Advisory Committee”)—

(i) by the repeal of subsection (1) and the substitution of—

“(1) There is hereby established a national committee to be known as the National Anti-Money Laundering Advisory Committee, whose function shall be—

- (a) ensuring policy implementation and coordination among competent authorities and relevant government ministries in relation to combating money laundering, terrorist financing and proliferation financing; and
- (b) to advise the Minister on policies to combat money laundering terrorist financing and proliferation financing,

(ii) in subsection (2) by the repeal of paragraphs (b) and (c) and the substitution of the following paragraph—

“(b) not more than 14 members from among heads of government ministries and competent authorities as defined in section 2(1).”.

PART XIII

SECURITIES AND EXCHANGE COMMISSION

69 New Part inserted after Part V of Cap. 24:25

The Securities and Exchange Act [*Chapter 24:25*] is amended by the insertion after Part V of the following Part—

“PART VA

REGISTRATION OF VIRTUAL ASSETS SERVICE PROVIDERS

“49B Interpretation in Part VA

In this Part—

“asset” means any property.

“asset token” means a token representing a claim against the issuer, which—

- (a) represents or derives its value from an underlying asset,
- (b) is secured or backed by collateral;

“comparable body” means an entity outside Zimbabwe with regulatory functions similar to the Securities and Exchange Commission for virtual asset businesses;

“customer” has the definition assigned in the Money Laundering and Proceeds of Crime Act [*Chapter 9:24*];

“fiat currency” means currency issued in terms of the Reserve Bank of Zimbabwe Act [*Chapter 9:24*] or any other currency designated as legal tender in Zimbabwe;

“financial institution” has the definition assigned under the Reserve Bank of Zimbabwe Act [*Chapter 9:24*];

“initial token offerings” means public offers for the sale of virtual tokens in exchange for fiat currency or other virtual assets;

“non-fungible token” means a unique virtual token that cannot be divided, exchanged, or sold on a secondary market;

“virtual asset” means a digital representation of value that can be digitally traded or transferred, and can be used for payment or investment purposes, but does not include digital representations of fiat currency, securities and other financial assets that are regulated under any other enactment, unless so defined in such other enactment;

“virtual asset business” means activities including—

- (a) issuing initial token offerings,
- (b) providing virtual token exchange services,
- (c) offering payment services using virtual assets,
- (d) facilitating exchanges between virtual assets and fiat currency;

“virtual asset service provider” means a person providing virtual asset services or trading virtual assets on their own account;

“virtual currency token” means a digital representation of value functioning as:

- (a) a medium of exchange; or
- (b) a unit of account; or
- (c) a store of value;

“virtual token” includes virtual currency tokens, asset tokens, non-fungible tokens, and any digital representations designated as virtual tokens;

“virtual token exchange” means a marketplace for the sale, trade, or exchange of virtual tokens.

49C Application for and grant of licence

(1) A person wishing to engage in a virtual asset business may apply for a virtual asset service provider or issuer licence to the Commission—

(2) Applications must be in the prescribed form, specify the licence type, and include—

- (a) proof of registration with a comparable body,
- (b) a certificate of incorporation or founding documents (if applicable),
- (c) a comprehensive business plan detailing financial and operational projections, management arrangements, and compliance policies under this Act and the Money Laundering and Proceeds of Crime Act [Chapter 9:24],
- (d) customer due diligence details,
- (e) the prescribed fee.

(3) The Commission may request additional information as necessary.

(4) The Commission may issue a licence if—

- (a) for natural persons, the applicant is fit, proper, and resident in Zimbabwe,

- (b) for legal entities, the applicant and its associates are fit and proper,
- (c) the applicant has sufficient resources and staff to conduct business.

(5) In assessing fitness, the Commission considers —

- (a) financial status;
- (b) education and experience of individuals involved;
- (c) integrity and governance standards;
- (d) the reputation of individuals involved;

(6) The Commission may also evaluate —

- (a) proposed business activities;
- (b) capacity to carry out those activities;
- (c) compliance with international standards, including IOSCO principles.

(7) Subject to subsection (8), no person shall engage in virtual asset business without the relevant licence, even if the person is registered under section 3A of the Money Laundering and Proceeds of Crime [Chapter 9:24]. Violations are punishable by a fine not exceeding level 14, imprisonment for up to one year, or both.

(8) Notwithstanding subsection (7), every person who, before the date of commencement of the Finance Act, 2025, was lawfully carrying on any business for which a licence is required under this section, may continue such business until the 30th April, 2026, beyond which the person must be licensed under this section.

49D Suspension or revocation of licence

(1) The Commission may suspend or revoke a licence if —

- (a) the holder is deemed unfit;
- (b) there is a violation of this Act;
- (c) false or misleading information is provided;
- (d) the licence was obtained irregularly;
- (e) business has not commenced within twelve months;
- (f) suspension is necessary for public protection;
- (g) a request for suspension or revocation is made by the holder or a competent authority.

(2) The Commission shall notify the licence holder 30 days prior to suspension or revocation.

(3) The licence holder may submit written representations within 14 days of the notice in terms of subsection (2), which the Commission shall consider before making a final decision.

(4) If the holder meets requirements, the Commission may lift the suspension under specified conditions.

(5) The Commission may —

- (a) suspend a licence without notice for public protection;

- (b) revoke a licence upon request;
- (c) immediately revoke a licence if necessary to protect the public interest.

(6) The Commission shall notify the licence holder of its decision as soon as practicable.

(7) Upon revocation, the Commission will notify relevant authorities and publish the revocation in the *Gazette*.

49E Office premises of virtual asset service provider

(1) The business activities of a virtual asset service provider shall be directed and managed from Zimbabwe and, in determining whether it complies with this requirement, the Commission may consider, inter alia the following factors—

- (a) where the strategy, risk management and operational decision making of the virtual asset service provider occurs;
- (b) whether the presence of executives who are responsible for, and involved in, the decision making related to the business activities of the virtual asset service provider are located in Zimbabwe;
- (c) where meetings of the board of directors of the virtual asset service provider take place;
- (d) where management of the virtual asset service provider meet to effect policy decisions;
- (e) the residence of the officers or employees of the virtual asset service provider; and
- (f) the residence of one or more directors of the virtual asset service provider.”.

70 Amendment of section 11 of Cap. 22:05

The Exchange Control Act [*Chapter 22:05*] (“the principal Act”) is amended in section 11 (“civil penalty orders”) by the repeal of subsection (2a) and the substitution of—

“(2a) The provision of the schedule in so far as they expressly or implicitly permit the settlement of any transactions or the payment for goods and services in foreign currency, shall, notwithstanding sections 22 and 23 of the Finance (No. 2) Act, 2019 (No. 7 of 2019), shall continue to be valid.”.