



**BANK *of* ZAMBIA**

**OFFICIAL LAUNCH OF ABSA BANK ZAMBIA PLC**

**SPEECH BY**

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**MONDAY, 10<sup>TH</sup> FEBRUARY 2020**

**SAROVAR NEELKANTH HOTEL, LUSAKA**

Good morning to you all **Ladies and Gentlemen.**

Let me begin by recognising:

- The Absa Bank Zambia PLC Managing Director, Mrs Mizinga Melu;
- His honour, the former chief Justice, Mr Sakala, the former Cabinet Minister Mr Shamenda, the former advisor to our first republican President Mr Mapoma and other senior citizens;
- Senior Government Officials present;
- Senior Staff at the Bank of Zambia;
- Senior Staff at Absa Bank Zambia PLC;
- Distinguished guests; and
- Members of the press.

We gather this morning to witness the official name change of Barclays Bank PLC to Absa Bank Zambia PLC, which is effective today Monday 10 February, 2020. In addition to the name change is the adoption of the Absa brand flagship “...*Bringing your possibilities to life.*” This is an important and indeed historic event in Zambia’s financial and economic history.

Absa Bank PLC is built on a long and rich history in Zambia, having been established in 1918 as a branch of Barclays Bank Plc, U.K., and later as a fully incorporated company and licensed bank in 1971. This makes Absa Bank PLC, at over 100 years, one of the oldest banks in Zambia.

Longevity in the financial sector is a sign of resilience, capacity and capability. However, this is no guarantee that the future will be as kind, because in the financial sector, history tends to repeat itself but not

always with the same players. So we need to commend and congratulate Absa Bank Zambia PLC for this wonderful achievement.

With this background, I would like to make three broad points. First, is to re-emphasise that what we witness here today is a change in name and not a change in the commitment of Absa Bank Zambia PLC to excellence and dedication in the service of its current and future customers. I must add that this change in name is not only happening here in Zambia, but in all other African countries where Barclays Bank Plc, UK still had a presence.

The Bank has continued to be in the top tier of the industry and ranked 1<sup>st</sup> in terms of loans, 2<sup>nd</sup> in terms of assets, and 4<sup>th</sup> in terms of deposits. The bank has a wide footprint in all 10 provinces of Zambia through a network of 37 branches and agencies, 101 Automated Teller Machines (ATMs), 2,241 Point of Sale (POS) machines, and 144,451 mobile and internet banking facilities. Our expectation is that Absa Bank Zambia PLC will continue to grow from strength to strength.

**Distinguished guests**, the second point I wish to make is that the Bank of Zambia, as the regulator, has been actively engaged with Absa Bank Zambia PLC management (formerly Barclays Bank Zambia PLC). This engagement has included discussions with the Group, the South African Reserve Bank and our fellow regulators in other jurisdictions where Barclays Bank operated across the continent.

The separation from Barclays Bank Plc, U.K. has indeed been challenging and complex and includes the separation and migration of all its systems that were previously being provided by Barclays Bank Plc, U.K. I am pleased to note that, so far, the change-over has proceeded very well and I commend management for this. In this regard, a key consideration of the Bank of Zambia was that all of Barclays Bank Zambia PLC's rights and obligations would continue

and would not be affected by the name change from Barclays to Absa in any way.

In addition, it is gratifying to note that in achieving this milestone of the name change, and through various investments, the bank has ensured that customers and employees have remained at the heart of its operations. As one of the largest employers on the local financial market with over 800 employees, it has been imperative that employees' jobs have remained secure during this transition period. I note that the transition itself has been relatively seamless as the bank worked to ensure that there were no major disruptions in service delivery at any given point.

**Ladies and Gentlemen,** the third and final point I wish to make is that we are comforted that the Absa Group has committed to ensuring that the bank remains well capitalised and that any capital or liquidity challenges, should they emerge, would be supported. It is very important for the Bank of Zambia as regulator and for the customers of Absa Bank Zambia PLC to note that the bank rests on a strong foundation of support from its parent company. I believe that this support will ensure that Absa Bank Zambia PLC can continue to be a progressive force within our financial sector.

**Ladies and Gentlemen,** Absa Bank Zambia PLC has been one of the key partners in driving the financial inclusion and gender mainstreaming Agenda, as demonstrated by its support to the MSME sector, the growth engine of the economy, through the development of bespoke products like Business Internet Banking and tailored lending that allow small businesses to thrive. I understand that more than US\$7 billion has been invested by the bank over the years in various economic sectors demonstrating the commitment to catalyse growth.

Further, the bank's commitment to Zambia extends to community events, such as the Absa Cup, financial literacy training for footballers; the Absa Marathon; scholarships for over 50 vulnerable students; and the ready-to-work program that has reached over 15,000 youths.

**Distinguished Guests**, with the threats to economic growth projected to remain elevated, I would be failing in my job if I do not take this opportunity to urge Absa Group and Absa Bank Zambia Plc to be innovative and be the market leader in discovering opportunities which can assist in addressing some of the challenges facing the country. These include the energy deficit and the lack long-term financing to the private sector, especially for sectors such as agriculture and manufacturing, whose growth is critical for sustainable growth and diversification of our economy. It is our expectation that Absa Bank Zambia Plc will introduce products and services that will contribute to sustainable economic growth and indeed financial stability.

**Distinguished guests**, let me conclude by reiterating that it is our hope that Absa Group Limited, will continue to build on the foundation and heritage that has been established over the last century and remain a committed partner in driving financial sector development and the country's economic growth at large.

I would like to challenge the bank to continue being innovative so that customers can enjoy banking products and services for a hundred and more years to come.

**Congratulations to Absa on this achievement.**