

PRESS STATEMENT ON MBIZO 22 PROJECT

1. The NewsDay of Tuesday 23rd August 2016 at page 4 carried a misleading article titled "IDBZ fails to finish Kwekwe project".
2. The IDBZ wishes to categorically state that the said article was factually inaccurate and misleading to the public both in terms of the headline and content.
3. Contrary to established tenets of balanced reporting and good journalism, the publication did not even seek clarification from the IDBZ nor to ascertain the factual background on which their story was based especially as it pertained to the IDBZ's involvement and role in the Mbizo 22 Project in Kwekwe.
4. The IDBZ did not fail to complete a housing project in Kwekwe. The Bank has had no plans whether in the past or currently to construct any housing superstructures in Mbizo 22.
5. The Bank's current involvement in Mbizo 22 is in its capacity as financial advisor and fund manager only. This is on behalf of a client project in which the Bank's role entails supervision and monitoring of works and disbursement to a Contractor for remedial site servicing works on portions of residential stands belonging to this client.
6. Historically, at commencement of the Mbizo 22 site servicing project in 2007, the IDBZ was invited by the Municipality of Kwekwe to partner Council in servicing and developing the site for a housing project. Under the joint venture, Council contributed land, plant and equipment for site servicing whilst the Bank played the role of financier and also funded repairs and maintenance of Council plant and equipment - which was largely in a state of disrepair - in order to capacitate the Municipality of Kwekwe to play its role in the joint venture.
7. However, the Municipality of Kwekwe subsequently exited from the Project leaving the IDBZ to carry on. In 2011, the Bank was approached by Government of Zimbabwe through the Ministry of National Housing and Social Amenities, with an offer to take over the project and buy out the IDBZ, an offer which the Bank duly accepted resulting in Government being the new and sole owner of the Mbizo 22 Project in Kwekwe.
8. Under the new ownership by Government, the IDBZ was requested to oversee the monitoring of the project and disbursements to Contractors for completion of site servicing works which were now directly under the technical supervision of the Ministry as owners of the project.
9. The thrust by Government to directly invest in housing delivery projects was in line with resolutions passed at a National Housing Convention of 2009 held in Victoria Falls where Government undertook to spearhead development of housing projects as a nationwide programme. The IDBZ fully supported this approach and therefore accepted the Government takeover of the project.
10. Subsequently and upon completion of the Mbizo 22 project in 2013, Government disposed residential stands to beneficiaries comprising both individual members of the public and corporate buyers.
11. Our current Client in Mbizo 22 bought its own stock of residential stands directly from Government. The portion where these stands are is now the subject of additional electrical works and remedial civil works in order to bring them to the Client's investment criteria. The Bank is assisting this Client to implement the upgrade works through a Contractor who had previously worked on this project.
12. The IDBZ does not own any residential stands or the Mbizo 22 project; nor is the Bank selling residential stands at Mbizo 22 in Kwekwe as is misrepresented in the NewsDay article of Tuesday 23 August 2016.
13. The Bank is satisfied with progress on works being carried out on behalf of our Client on the project. We are satisfied that these works will be completed no later than end of October 2016.

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