

Malawi hit by counterfeit money

 By Gregory Gondwe

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Malawi's central bank has issued a warning to the country after being severely hit by counterfeit notes of its biggest bill of 500 kwacha, a situation the Reserve Bank of Malawi (RBM) governor Dr. Perks Ligoya has described as undermining the integrity of the national currency.



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The central bank has since put a 50 000 kwacha bounty if anyone will come forward with information leading to the apprehension and successful prosecution of suspects and that all information received from well wishers will be kept confidential. The governor also issued a notice to this effect in the daily newspapers where he made the warning.

Public warning

"The Reserve Bank of Malawi would like to warn the public of the proliferation of counterfeit K500 bank notes that are being exchanged for genuine K500 banknotes during occasions such as bridal showers and weddings," said Dr. Ligoya in his warning.

He further explained that the appearance of the counterfeit K500 banknotes ranges from discoloured banknotes to near exact copies that may be difficult to differentiate if put among genuine notes.

"The public is notified that the Malawi currency is protected by law and that according to section 17 of the Reserve Bank of Malawi Act, only the Reserve Bank of Malawi is mandated to issue notes and coins which can pass as legal tender currency in Malawi," he said.

The central bank chief then added that any production, duplication, distribution, exchange or use of counterfeit currency in the country therefore constitutes as a serious offence under the Penal Code.

He also said informed the public to note that counterfeit currency does have any value and that in accordance with the law, those in possession of such counterfeits may be imprisoned for seven years.

"Production of counterfeit currency is considered as a serious crime because it brings distortions in the volume of currency in circulation and undermines the integrity of the Malawi currency," Ligoya said.

Check the authenticity of the note

The bank said people should always confirm the authenticity of banknotes they receive by checking a number of features on the back of the note. These features have been publicised in newspapers, on the radio and on television.

People are being asked to put the note to the light to see the water mark and the K500 highlight, as well as to read the RMB thread scrip. They are also being asked to look for switching K500 and Reserve Bank logo on the holographic stripe, besides feeling the tactile intaglio. On the front of the note, there is also a 3mm wide windowed thread.

Dr. Ligoya said the bank is making every effort in liaison with law enforcement agencies of the Malawi Government to curb the malpractice and requested people to be vigilant and patriotic by reporting suspected counterfeit activity to the governor or police.

ABOUT GREGORY GONDWE

Gregory Gondwe is a Malawian journalist who started writing in 1993. He is also a media consultant assisting several international journalists pursuing assignments in Malawi. He holds a Diploma and an Intermediate Certificate in Journalism among other media-related certificates. He can be contacted on gregorygondwe@gmail.com. Follow him on Twitter at @Kalipochi.

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