

GOVERNMENT OF ZAMBIA

STATUTORY INSTRUMENT NO. 33 OF 2012

The Bank of Zambia Act, 2012
(Laws, Volume 20, Cap 360)

The Bank of Zambia (Currency) Regulations, 2012

IN EXERCISE of the powers contained in section *fifty-seven* of the Bank of Zambia Act, and on the recommendation of the Bank of Zambia, the following Regulations are hereby made:

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| 1. These Regulations may be cited as the Bank of Zambia (Currency) Regulations, 2012. | Title |
| 2. In these Regulations, unless the context otherwise requires— | Interpretation |
| <p>“Bank” means the Bank of Zambia established under section <i>three</i> of the Act;</p> <p>“currency” means the Zambian kwacha and ngwee;</p> <p>“domestic transaction” means any transaction within the Republic that involves a payment of a sum of money in or towards the satisfaction of a debt due, or for the credit of, a person resident in the Republic; and</p> <p>“foreign currency” means foreign exchange and includes—</p> <p>(a) banknotes and coins, other than the currency of the Republic, which are legal tender outside Zambia;</p> <p>(b) any financial instrument denominated in a currency other than that of the Republic; and</p> <p>(c) any other instrument or modes of payment as the Bank of Zambia may determine.</p> | |
| 3. The currency issued by the Bank shall be the sole legal tender in the Republic for all public and private transactions— | Legal tender of Republic |
| <p>(a) in the case of notes, for the payment of any amount; and</p> <p>(b) in the case of coins, for the payment of an amount not exceeding ten thousand kwacha.</p> | |

Prohibition of
quoting,
paying, etc. for
goods and
services in
foreign
currency

4. A person shall not quote, pay or demand to be paid or receive foreign currency as legal tender for goods, services or any other domestic transaction.

(2) Any contract, agreement, sale, payment, bill, note, instrument or security for money and any transaction, dealing for money or the payment of, or the liability to pay, any money, existing on the date of commencement of these Regulations, and which is to be executed or discharged in the Republic, shall be deemed to be a reference to the corresponding amount of money expressed in terms of the kwacha and calculated at the commercial bank prevailing spot selling rate.

Exchangeability
of kwacha

5. (1) The kwacha may be exchanged with any other currency.

(2) Any sale or purchase of foreign currency shall be transacted through an authorised foreign exchange dealer.

Offences

6. (1) A person who contravenes these Regulations commits an offence and is liable, upon conviction, to a fine not exceeding one hundred thousand penalty units or to imprisonment for a period not exceeding ten years, or to both.

(2) If a body corporate or an unincorporated body is convicted of an offence under these Regulations, every person who —

(a) is a director of, or is otherwise concerned with the management of, the body corporate or unincorporated body; or

(b) knowingly authorised or permitted the act or omission constituting the offence;

shall be deemed to have committed the same offence unless the director or like officer of the body corporate or unincorporated body proves to the satisfaction of the court that the act constituting the offence was done without the knowledge, consent or connivance of that director or like officer.

LUSAKA

7th May, 2012

[MFB/103/103/16/5]

A. B. CHIKWANDA,
Minister of Finance