



BANK of ZAMBIA
OFFICE OF THE DEPUTY GOVERNOR - OPERATIONS

November 16, 2012

CB Circular No: 20/2012

To: All Commercial Banks

OPERATION OF FOREIGN CURRENCY ACCOUNTS

The Bank of Zambia wishes to advise all commercial banks that it has revised the mode of operations of foreign currency accounts held locally. With immediate effect, commercial banks shall not facilitate any transaction involving the transfer of funds from one foreign currency account held locally to another either within or between banks.

Accordingly, foreign currency accounts will only be used for the following purposes:

1. International transactions, that is, receipts and payments of funds with parties outside the country;
2. Deposit or withdraw foreign currency with respective commercial banks;
3. Purchase or sell foreign currency at prevailing market rates using the foreign currency account;
4. Where customers have multiple accounts, inter account transfers with their respective commercial banks is allowed and;
5. Similarly, customers that have multiple accounts with different commercial banks, interbank account transfers with their respective commercial banks are permitted.

The Bank of Zambia expects commercial banks to comply with this directive and the effect of this circular communicated to customers.

Bwalya K. E. Ng'andu (Dr)
DEPUTY GOVERNOR – OPERATIONS