The National Payment Systems Act
(Act No. 1 of 2007)

WHEREAS, the Bank is entrusted with the responsibility of regulating, overseing and maintaining an efficient and safe payment system in Zambia; and

WHEREAS, it is the intention of the Bank to protect the integrity of the payment, clearing and settlement system,

NOW THEREFORE, in exercise of the Powers contained in Section forty-three of the National Payment Systems Act, the following Directives are hereby made.

PART I

PRELIMINARY

Short title
1. These Directives may be cited as the National Payment Systems Directives on Electronic Money Issuance, 2018.


2. The National Payments Systems Directives on Electronic Money Issuance, 2015 contained in Gazette Notice No. 416 of 2015 are hereby revoked and replaced by these Directives.

Application
3. These Directives shall apply to any person conducting or offering to conduct the services of issuing E-money in Zambia.

Authority of the Bank
4. (1) The Bank shall be the regulatory authority for the purpose of giving effect to these Directives.

(2) The Bank may, subject to such conditions as it may consider necessary, delegate to any person the performance of any of the powers conferred upon the Bank in these Directives.

(3) The Bank may require an E-money institution to furnish it with details of any of its operations.

(4) The Bank may require access to the E-money institution’s operations, data, commercial bank and non-bank financial institution maintaining the Holding Account, Collections accounts and Agents.

Interpretation
In these Directives, unless the context otherwise requires:

“Act” means the National Payment Systems Act, 2007;

“Agent” means a person or entity appointed by an E-money institution to provide certain e-money related services on its behalf;

“Average outstanding electronic money” means the average total amount of electronic money liabilities in issue at the end of each calendar day over the preceding six calendar months, calculated on the first calendar day of each calendar month and applied for that calendar month;

“Bank” means the Bank of Zambia established under Article 213 (1) of the Constitution and section 3 of the Bank of Zambia Act;

“Business day” means all official working days of the week and do not include public holidays and weekends;

“Collection account” means an account maintained for the purpose of receipt of funds from a customer or agent for the purchase of electronic money for onward transfer to the holding account;

“Designation” means the authorization granted by the Bank to enable an entity to operate electronic money business in Zambia;

“Distributor” means a person—
(a) Acting on behalf of an electronic money institution; and
(b) Engaged by the electronic money institution to distribute and redeem electronic money;

“Electronic money or E-money” means an electronic store of monetary value as represented by a claim on its issuer, that is:
(a) Issued on receipt of funds in an amount no lesser in value than the value of the e-money issued;
(b) Stored on an electronic device;
(c) Accepted as a means of payment by persons other than the issuer; and
(d) Redeemable upon demand for cash denominated in Zambian Kwachas;

“E-money institution” means an entity that is authorized to issue e-money against receipt of funds;

“E-wallet” means an electronic device on which a customer holds electronic monetary value;

“Holding Account” means a bank account held in trust by an E-money institution, in which an e-money institution holds all the funds received from customers and Agents which represent the outstanding e-money liabilities;

“Interoperability” means the ability of a system, product or service to work with other systems, products or services without special effort on the part of the customer;

“Person” shall have the meaning assigned to it in the Act;

“register” means the register maintained by the Bank of Zambia under Directive 14; and
"Significant shareholder" means any direct or indirect
shareholding or beneficial interest in excess of five per
cent of the share capital of an e-money institution.

PART II
Requirements for Authorization or Designation for Issue of
Electronic Money

Authorization or designation to issue electronic money

6. (1) Any person intending to issue e-money shall apply to
the Bank for authorization or designation.

(2) Commercial banks shall only require the Bank's
authorization or approval to issue e-money. A bank shall be required to
submit, amongst others, the following:

(a) A detailed product proposal;
(b) Risk management framework for the product; and
(c) Service level agreement and any other agreements related to
the products.

7. (1) Applicants other than commercial banks shall apply to
the Bank for designation. The application shall be in a form
prescribed by the Bank and shall be accompanied by such fees, and
the form of application shall include the following:

(a) certified copies of the Certificate of Incorporation and
the Articles of Association of the company;
(b) the physical and postal addresses of its head office;
(c) the names and the permanent residential addresses of its
directors, and key senior management and significant
shareholders or beneficial owners;
(d) the addresses of each branch proposed to be opened by
the applicant and, in the case of a mobile office, the
area proposed to be served;
(e) details of the types of services proposed to be offered;
(f) Business plan with projected financial statements for at
least three years that demonstrate that the applicant
is able to employ the appropriate and proportionate
systems, resources and procedures to operate soundly;
(g) Where the applicant is an established business, audited
financial statements for the previous two years;
(h) The source and evidence of availability of capital;
(i) A description of the applicant’s governance arrangements
and internal control mechanisms (including its
administrative, risk management and accounting
procedures that demonstrate that those governance
arrangements, control mechanisms and processes are
proportionate, appropriate, sound and adequate);
(j) A description of the internal control mechanisms that the
applicant has established to comply with its
obligations in relation to money laundering and
terrorist financing;
(k) The name and address of the applicant's auditors, who
shall be registered under an accounting body of
Accountants and shall be subject to the approval of
the Bank;
(l) The name and address of the applicant's proposed bankers;
(m) Details of risk mitigation, management and control
mechanisms that have been or will be put in place;
(n) Standard Agency Agreements and Agreements with other
key stakeholders;
(o) Proposed Holding Account Agreement;

(p) Certified photocopies of all significant Shareholders, or
Directors' identification documents;
(q) Detailed Curriculum Vitae of each of the significant
Shareholders, Directors and senior management such
as the Chief Executive Officer, Chief Financial Officer,
Chief Operating Officer, Chief Information Technology
Officer and Compliance Officer;
(r) Directors questionnaire for significant shareholders,
Directors and senior management;
(s) Vital Statistics forms for each of the significant
Shareholders, Directors and senior management;
(t) Where a significant shareholder, senior manager or Director
is a non-Zambian, results of security scrutiny from
their country of origin; and
(u) Any other information that the Bank may require.

(2) At any time after receiving an application and before
determining it, the Bank may by written notice require the applicant
to provide to the Bank additional information or documents or
direct the applicant to comply with such other requirements as
the Bank may require.

(3) Any information or statement to be provided to the Bank
under this Directive shall be in such form as the Bank may specify;
and the Bank may by written notice require the applicant to cause
a report to be provided by an accountant or other qualified person
approved by the Bank on such aspects of that information as may
be specified by the Bank.

Designation certificate

8. (1) Where the Bank is satisfied that the applicant has met
the requirements for designation, the Bank shall approve the
application.

(2) The Bank shall, where an application is approved and
upon payment of an annual designation fee by the applicant, issue
the applicant with a designation certificate.

(3) A designation certificate may be issued subject to such
terms and conditions as the Bank may impose.

(4) A designation certificate shall remain valid unless it is
revoked by the Bank of Zambia.

Pre-launch inspection

9. (1) Applicants granted a designation certificate other than
commercial banks shall not offer their services to members of the
public until the Bank of Zambia conducts pre-launch inspection of
its premises and systems to ascertain the suitability of the business
premises, security environment, the systems and technology being
used for the provision of the services.

(2) The Bank of Zambia shall, not later than five (5) working
days after the inspection, inform the institution in writing on whether
or not the premises and systems are suitable for commencement of
business operations.

Refusal to designate

10. (1) The Bank may refuse to grant designation if the
applicant does not meet the requirements prescribed by the Bank.

(2) An applicant aggrieved by the refusal of the Bank to grant
a designation may appeal against the decision in accordance with
section 41 of the Act.

Display of designation certificate

11. (1) An e-money institution shall display its designation
certificate in a conspicuous place at its Head Office.
(2) An e-money institution shall display a certified copy of its designation certificate in a conspicuous place on the premises of every branch where it conducts its business.

(3) Any e-money institution that contravenes Sub-Directive (1) or (2) commits an offence.

Designation certificate not transferrable

12. (1) A designation certificate shall not be transferred, assigned or encumbered in any way:

(2) A person shall not operate or manage an e-money institution on behalf of another person, without the prior written approval of the Bank.

(3) Any person who contravenes Sub-Directive (1) or (2) commits an offence.

Revocation of designation certificate

13. (1) The Bank of Zambia may revoke a designation certificate for non-compliance or breach of the law, guidelines and directives as may be issued from time to time.

(2) Where the Bank decides to revoke a designation certificate, the Bank shall—

(a) Issue a warning letter and/or fine;

(b) Suspend the designated entity should it fail to comply after the issuance of the warning letter and/or fine; and

(c) Revoke the designation certificate.

Register of electronic money institutions

14. (1) The Bank of Zambia shall maintain a register of—

(a) authorised electronic money institutions and their branches;

(2) The Bank may—

(a) Keep the register in any form it deems fit; and

(b) Include on the register such information as the Bank considers appropriate.

(3) The Bank may—

(a) Publish the register in any other way and make such publication available for public inspection;

(b) Update the register on a regular basis; and

(c) Provide a certified copy of the register, or any part of it, to any person who asks for it—

(i) On payment of a fee fixed by the Bank; and

(ii) In a form (either written or electronic) in which it is legible to the person asking for it.

Minimum capital requirements

15. (1) An E-money institution shall be required to have an initial capital as prescribed by the Bank and must maintain continuing capital as outlined in (2).

(2) Continuing Capital shall be equal to or greater than 2% of the larger of—

(a) The current amount of its outstanding e-money liabilities at the end of the prior business day; or

(b) The average outstanding electronic money liabilities.

(3) Continuing capital shall not fall below the minimum initial capital.

(4) The conditions under which funds may be recognized and measured as capital of an e-money issuer shall include the following:

(i) Fully paid ordinary shares capital;

(ii) Share premium account;

(iii) Retained earnings; and

(iv) 40% of Revaluation reserves.

(5) An E-money institution that is in operation at the coming into effect of these Directives and does not meet the minimum capital requirements shall be required to build its capital to the prescribed level not later than two years from the date of coming into force of these Directives.

Issuance and redemption of e-money

16. (1) An E-money institution shall not:

(a) Issue e-money unless an equal amount of funds has first been deposited into the Holding Account;

(b) Issue e-money at a discount; and

(c) Issue e-money on credit; and

(d) Redeem e-money at more than face value.

(2) An E-money institution shall redeem e-money in cash or by transfer to a customer’s bank account provided that such redemption shall be done at face value and any fees or charges owed to the E-money institution may be debited to the customer at the time of such redemption.

Transaction and balance limits

17. The Bank shall prescribe transaction and balance limits on the e-wallet for the following categories of customers of an e-money institution:

(a) Individual;

(b) Business; and

(c) Agent

Unclaimed e-money

18. (1) Any e-money held by an E-money institution shall be presumed abandoned upon the expiration of two years if there have been no customer initiated transactions on the e-wallet and the person in whose name the e-money is held does not respond to a notice sent by the E-money institution within the two-year period.

(2) An E-money institution holding e-money presumed abandoned shall relinquish the funds to the Bank within thirty days after the e-money is deemed abandoned.

(3) An E-money institution holding abandoned e-money at the time of coming into effect of these directives shall immediately relinquish such funds to the Bank.

(4) An E-money institution that relinquishes funds to the Bank under (2) and/or (3) shall retain the records concerning the relinquished funds for a minimum period of ten (10) years.

(5) A person whose e-money has been relinquished to the Bank in accordance with this directive may claim the funds from the Bank within a period of six years from the date of receipt of the funds by the Bank;
(6) No action to recover, and no other action in respect of any funds presumed abandoned and paid in or relinquished in accordance with this directive may be brought against the paying e-money institution or against the Bank after the sixth year following payment or relinquishing to the Bank, but where the Bank considers it desirable, to avoid hardship or injustice, the Bank may make a payment to a claimant in respect of e-money presumed abandoned to that person.

PART III
SAFEGUARD OF CUSTOMER FUNDS

Holding Account

19. For the purposes of these directives "customer funds" comprise sums of funds received in exchange for electronic money that has been issued.

(1) An E-money institution shall hold customer funds in trust on behalf of its customers in a Holding Account;

(2) An E-money institution shall maintain the Holding Account at a commercial bank or non-bank financial institution approved by the Bank of Zambia for this purpose;

(3) An E-money institution that has in issue e-money shall not hold more than 25% of the total customer funds in a single commercial bank or approved non-bank financial institution;

(4) The aggregate value of the Holding Account shall at least equal to the total outstanding e-money liabilities at all times;

(5) The E-money institution shall on a daily basis furnish each commercial bank or approved non-bank financial institution with which it maintains a holding account the balance of electronic value on their system in respect to the funds on the holding account. The e-money institution and the commercial bank or approved non-bank financial institution shall ensure that the funds on the holding account or accounts are at least equal to the electronic value on the e-money issuer’s system in respect of the holding account;

(6) Any deficiencies in terms of the customer funds to the total outstanding e-money liability shall be rectified the next business day;

(7) Funds held by an E-money institution as required under Sub-Directive 1 above shall be available on demand to meet requests from customers for redemption;

(8) The Holding Account shall be maintained in such a way as to show that it is an account which is held for the purpose of safeguarding customer funds in accordance with this Directive and shall not be co-mingled with operational funds;

(9) The Holding Account shall be used only for holding customer funds for the purpose of facilitating customer transactions and paying legitimate charges or fees of the e-money institution for services provided to customers;

(10) An E-money institution shall not in any way invest or intermediate funds held in the Holding Account;

(11) An E-money institution shall submit to the Bank monthly reconciliation statements of the funds held in the Holding Account and the e-money on their system;

(12) The trust relationship pertaining to the funds held in the Holding Account shall be between the E-money institution and its customers;

(13) An E-money institution shall not offer funds held in the Holding Account as collateral to any party;

(14) The E-money institution must keep a record of all customer funds;

(15) Acceptance of customer funds and funds held by the E-money institution in accordance with these Directives shall not constitute deposit taking; and

(16) The Bank may revise the requirements in this directive as it deems fit.

Collection Accounts

20. (1) An E-money institution shall by the close of business day transfer all the customer funds in the Collection Account to the Holding Account.

(2) Where the deposit has been made on any day other than a business day, the funds shall be transferred on the next business day.

(3) The Bank may prescribe other conditions for collection accounts.

Protection of funds in the Holding Account during liquidation

21. The customer funds in the Holding Accounts and Collection Accounts belong to customers of the E-money institution and these funds shall—

(a) not form part of the assets available for distribution by the receiver or liquidator of an E-money institution; and

(b) in an event of a liquidation or receivership of the E-money institution, funds shall be paid in full to the customers.

Payment of interest on the Holding Account

22. (1) The E-money institution shall negotiate the interest rate with the commercial bank or approved non-bank financial institution that maintains the Holding Account. The negotiated terms shall be submitted to the Bank.

(2) The E-money institution shall keep record of the interest earned on the Holding Account in a separate bank account and submit as part of monthly returns the cumulative interest amounts earned on the account;

(3) The commercial bank or approved non-bank financial institution maintaining the Holding Account and Interest Account shall submit month-end balances directly to the Bank in a prescribed format;

(4) No fees and charges other than those displayed, shall be charged on the holding account. Any act by the E-money Institution conducted with the aim of circumventing this Directive by collecting extra fees from the Holding Account shall attract severe supervisory action on the bank, non-bank financial institution and the E-money institution; and

(5) The Bank may revise the requirements in this directive as it deems fit.

Use of interest earned on the holding account

23. (1) Interest earned on the Holding Account shall not be used unless as approved by the Bank.

(2) An E-money institution may apply to the Bank to use interest earned on the Holding Account for the following activities:

(a) Payment of interest to individual e-money customers on an equitable and fair basis;
PART IV

DISTRIBUTORS, AGENTS AND OUTSOURCING

Use of distributor and agents

24. (1) An E-money institution may distribute or redeem electronic money through a Distributor or Agent.

(2) An E-money Institution shall not issue electronic money through a Distributor, Agent or any other person acting on its behalf.

Distribution of electronic money through Agents

25. (1) An E-money Institution may distribute electronic money through Agents provided it carries out adequate due diligence on the Agents before the Agent is engaged.

(2) Where the E-money Institution intends to use Agents, it shall submit the following to the Bank at least 30 days prior to it conducting business through Agents:

(a) The procedures for recruiting Agents;

(b) A description of the internal control mechanisms that will be used by the Agent to comply with the anti-money laundering and combating financing of terrorism requirements;

(c) A copy of the draft standard Agency Agreement;

(d) The risk management framework for the Agents;

(e) Agent manuals and materials to be used for training; and

(f) Description of the system to be used for providing services through Agents.

(3) The E-money Institution shall—

(a) have written agreements with all Agents;

(b) not enter into exclusive arrangements with Agents;

(c) restrict the level of transaction volumes and/or values in line with the perceived risk identified during the due diligence carried out on an Agent;

(d) not issue e-money to an Agent without the Agent first depositing an equal amount of funds into the Holding Account;

(e) ensure that an Agent acting on its behalf informs customers of the agency arrangement;

(f) ensure that it provides the Agent with adequate training and supervision on activities relating to the provision of e-money services including Anti-Money Laundering and Combating the Financing of Terrorism;

(g) be liable to its customers for business conducted by the Agents within the scope of the Agency Agreement; the Agency agreement shall not exclude such liability;

(h) remain fully responsible for ensuring that the Agent complies with all legal and regulatory requirements related to the provision of e-money services;

(i) allocate to each Agent a unique identification number which shall be displayed in a conspicuous place at the Agent's business premises.

(4) The Agent shall not provide payment services outside the scope of the authorisation granted to the E-money institution unless the Agent is designated by the Bank to engage in that payment service.

(5) The Bank or person appointed by the Bank may at any time, cause an examination to be made of any Agent and the books or accounts related to the e-money business.

(6) The Bank may request an E-money Institution to remove an Agent from its register if the Bank—

(a) has received adverse information on the Agent;

(b) has reason to believe that the E-money Institution has not carried out proper due diligence on the Agent;

(c) has reasonable grounds to suspect that, in connection with the provision of services through the Agent—

(i) money laundering or terrorist financing is taking place, has taken place, or has been attempted; or

(ii) the risk of such activities taking place would be increased.

(7) Where the E-money Institution's designation is suspended or revoked by the Bank, all its Agents shall cease to provide payment services on its behalf.
(8) The E-money Institution shall provide the Bank with a quarterly update of the Agents in a prescribed format. The update shall include—

(i) the name, contact details and location;
(ii) the identity of the directors and persons responsible for the management of the Agent where applicable;
(iii) the beneficial owners of the entity providing the agency services; and
(iv) such other information as the Bank may require.

Outsourcing

26. (1) An E-money Institution shall not outsource the issuance of e-money to a distributor, agent or any other person.

(2) An E-money Institution must notify the Bank of its intention to outsource any operational function relating to the issuance, distribution or redemption of electronic money or the provision of payment services.

(3) Where the E-money Institution intends to outsource any important operational function, the following conditions shall be met—

(a) the outsourcing is not undertaken in such a way as to impair—

(i) the quality of the institution’s internal control; or
(ii) the ability of the Bank to provide effective oversight of the electronic money institution’s activities;

(b) the outsourcing does not result in any delegation by the senior management of the e-money institution of responsibility for complying with the requirements imposed by these Directives;

(c) the relationship and obligations of the E-money Institution towards its electronic money holders under these Directives is not substantially altered;

(d) compliance with the conditions under which the designation was issued will not be adversely affected; and

(e) None of the conditions of the institution’s designation requires removal or variation.

(4) For the purposes of paragraph (3), an operational function is important if a defect or failure in its performance would materially impair—

(a) compliance by the E-money Institution with these Directives and any requirement issued under its designation;

(b) The financial performance of the E-money Institution; or

(c) The soundness or continuity of the E-money Institution’s electronic money issuance or provision of payment services.

Responsibilities with third parties

27. (1) Where an E-money Institution relies on a third party for the performance of operational functions it must take all reasonable steps to ensure that these Directives are complied with.

(2) An E-money Institution remains liable for any acts of—

(a) its employees or;

(b) Any distributor, agent or entity to which activities are outsourced.

PART V

PROHIBITIONS AND RESTRICTIONS

Prohibition of unauthorised business

28. (1) A person shall not issue or offer to issue e-money unless the person has been authorized or designated by the Bank.

(2) A person who contravenes Sub-Directive (1) commits an offence and is liable, on conviction, to a fine not exceeding two hundred thousand penalty units or to imprisonment for a term not exceeding three years, or to both.

Restriction on e-money business

29. (1) An E-money Institution other than commercial banks shall—

(a) Not undertake any other business other than business that is related to the provision of e-money business.

(b) Not own shares in other undertakings except those that provide functions related to issue of e-money.

(c) Not be in the business of making or granting loans or credit.

(2) A person not regulated under the Banking and Financial Services Act and engaged in business unrelated to e-money but wishes to provide e-money services shall register a new body corporate for the provision of the e-money services.

PART VI

CUSTOMER TRANSACTIONS AND PROTECTION

Know Your Customer requirements

30. The E-money Institution shall comply with;

(1) Know Your Customer (KYC) requirements;

(2) other laws and regulations or guidelines as may be issued by relevant authorities.

Customer transactions

31. (1) An E-money Institution shall establish and maintain such systems and controls that shall ensure that—

(a) transaction authentication methods do not reject or repudiate valid e-money transactions once initiated by a customer;

(b) customer transactions are completed in real time from the time a customer initiates the transaction;

(c) a customer may hold more than one e-wallet with an E-money Institution and the aggregate amount of all e-wallets held by a customer with the E-money Institution shall not exceed the prescribed limit;

(d) authorization controls and access privileges for all systems, databases and applications are restricted to authorized persons only;

(e) data integrity of the transactions is maintained and protected;

(f) there is clear audit trail for all transactions;

(g) confidentiality of all customer and transaction information is maintained;

(h) identification, authorization and authentication of transactions is based on international standards;

(2) The E-money Institution shall have a business continuity plan and disaster recovery site.

(3) An E-money Institution shall—

(a) establish procedures for dealing with customer complaints;
(b) reduce the customer complaints handling procedure into writing and place a copy in a conspicuous place at all the branches and at their agent’s place of business,
(c) give a copy of the procedure to the customer when requested;
(d) designate a senior officer as customer service officer responsible for implementing and administering the customer complaint procedure; and
(e) maintain a record of customer complaints received indicating the nature of the complaint, when it was received and how the complaint was resolved or disposed for a period of ten (10) years.

4. An E-money Institution shall—
(a) allocate a unique identification number to each customer for purpose of conducting business with the customer;
(b) suspend customer initiated outgoing transactions on e-wallet in the event of a SIM replacement until the customer physically presents himself or herself to the E-money Institution or its Agent for re-verification.

Customer Protection

32. (1) The E-money Institution shall ensure that—
(a) Each customer has an understanding of the service being offered;
(b) It discloses to the customer the risks of using the services;
(c) A customer is made aware of the costs of the services before carrying out any transaction; and
(d) Customer data and information is protected and kept confidential.

(2) The E-money Institution shall clearly communicate to a customer the roles, responsibilities and rights of all the parties to a transaction before transacting with the customer.

(3) The E-money Institution shall ensure that all Agents are adequately trained to administer the customer protection requirements in this Directive.

Disclosure of charges

33. (1) An E-money Institution shall disclose all its charges to customers in a conspicuous place within its premises and the premises of all its Agents.

PART VII

Record Keeping

34. (1) E-money Institutions must retain customer information and transaction records for a minimum period of ten years from the date on which the record was created.

Submission of returns

35. (1) An E-money Institution shall submit returns in a prescribed format to the Bank every month by the 6th business day after the end of that month.

(2) An E-money Institution shall submit an incident report to the Bank of Zambia within 48 hours of all major incidences affecting its operations. The report shall state controls in place and steps taken to rectify the matter and prevent reoccurrence.

(3) The Bank may require an E-money Institution to submit any other information that the Bank may consider necessary.

Oversight inspection

36. (1) The Bank—
(a) may require any E-money Institution to provide such information as it may require to monitor the institution’s compliance with these Directives;
(b) may carry out on-site inspections as—
(i) the premises of an E-money Institution or its branch;
(ii) any Distributor or Agent distributing electronic money or providing payment services under the responsibility of an E-money institution(s) the premises of any entity to which an e-money institutions activities are outsourced.

Investigations

37. (1) The Bank may, by its officers or agents duly authorised in writing:
(a) enter and search the premises from where a person is believed to be providing or carrying out issuance of electronic money or payment services businesses; and
(b) inspect any books, accounts and records of that person and take copies of or make extracts from them.

PART VIII

Other Requirements

Duty to notify change

38. (1) Where it becomes apparent to an E-money Institution that there is, or is likely to be, a significant change in circumstances which is relevant to—
(i) the fulfilment of any of the conditions set out in these Directives and other relevant laws and regulations or guidelines; or
(ii) The issuance, distribution or redemption of electronic money, or the payment services, which it seeks to carry on;

It must provide the Bank with details of the change without undue delay, or, in the case of a substantial change in circumstances which has not yet taken place, details of the likely changes within a reasonable period before it takes place.

(2) An E-money Institution shall seek approval from the Bank for any changes to the governance structures and operations.

(3) An E-money Institution shall notify the Bank prior to introducing a new charge or increasing the rate of an existing charge.

Interoperability and real time transactions

39. (1) E-money Institutions shall use technical standards and specifications that provide for interoperability.

(2) E-money Institutions must ensure that all e-money transactions are done in real time.

Legal tender

40. An E-money Institution shall issue e-money in Zambian Kwacha unless otherwise authorised by the Bank.

Compliance with Anti-Money Laundering and Combating Financing of Terrorism laws

41. (1) An E-money Institution and its Agents shall comply with the Anti-Money Laundering laws in Zambia.

(2) An E-money Institution shall ensure that all its employees, distributors and Agents are adequately trained on anti-money laundering and combating financing of terrorism.

(3) An E-money Institution shall designate an officer to be responsible for reporting all transactions suspected of being related to money laundering and terrorism financing.
In insolvent e-money institution

42. (1) In these Directives, "insolvency event" means any of the following procedures in relation to an e-money Institution—

(a) the making of a winding-up order;
(b) the passing of a resolution for voluntary winding-up;
(c) the entry of the institution into administration;
(d) the appointment of a receiver or manager of the institution's property;
(e) the approval of a proposed voluntary arrangement (being a composition in satisfaction of debts or a scheme of arrangement);
(f) the making of a bankruptcy order;
(g) the conclusion of any composition contract with creditors;
(h) the making of an insolvent administration order; and
(i) the conclusion of any composition contract with creditors.

(2) In an insolvency event, an e-money Institution shall not:

(a) receive any funds or issue any e-money; or
(b) Enter into any new, or continue to conduct any existing e-money business except that which is incidental to the orderly realisation, conservation and preservation of its assets.

External Auditors

43. (1) Every e-money institution shall appoint an external auditor who shall be a member in good standing of a professional body of accountants in Zambia.

(2) The e-money institution shall be required to submit to the Bank a copy of the report of the auditor, together with a copy of the annual financial statement within a period of three months from the end of each financial year.

(3) The Bank may appoint an external auditor, at the expense of the e-money Institution, to conduct a special audit relating to the operations of the e-money institution.

General offence and penalty

44. A person who breaches any condition or requirement under these Directives commits an offence and is liable, on conviction, to a fine not exceeding two hundred thousand penalty units or to a term of imprisonment not exceeding three years, or to both.

Directives to come into force

45. These Directives shall come into force on the day that they are published in the Gazette.

LUSAKA

Dr. B. K. E. Ng'andu,
Deputy Governor—Operations,
Bank of Zambia

Gazette Notice No. 395 of 2018
The Marriage Act
(Volume V, Cap. 50 of the Laws of Zambia)

Appointment of a Person to Solemnise Marriages

It is hereby notified for public information that in exercise of powers conferred upon me as Town Clerk for Chingola Municipal Council by section 5(2) of the Marriage Act, the person named in the Schedule set out hereto is appointed to solemnise Marriages in the Republic of Zambia.

CHINGOLA MUNICIPAL COUNCIL
P.O. Box 10104
Chingola

SCHEDULE

Name
Pastor Mathews Filati

Place
Central Baptist Church

Gazette Notice No. 397 of 2018
The Marriage Act
(Volume V, Cap. 50 of the Laws of Zambia)

Appointment of a Person to Solemnise Marriages

It is hereby notified for public information that in exercise of powers conferred upon the Town Clerk of Kazama Municipal Council by section 5(2) of the Marriage Act Cap. 50 of Laws of Zambia the person named in the Schedule set out hereto is appointed to solemnise Marriages in the Republic of Zambia.

KAZAMA MUNICIPAL COUNCIL
P.O. Box 410014
Kazama

SCHEDULE

Name
Pastor Kabate Arnold

Place
Mapalo Baptist Church
P.O. BOX 410045
Kazama

Notice of Intention to Issue a Duplicate Certificate of Title

FOURTEEN DAYS after the publication of this notice we intend to cause the Registrar of Lands and Deeds to issue a Duplicate Certificate of Title relating to Farm No. 215a/BB belonging to Elizabeth Lusali Moyo and Mack Moyo situated in the Lusaka Province of the Republic of Zambia.

All persons having objections to the issuance of the duplicate certificate of title are hereby required to lodge the same in writing with the Registrar of Lands and Deeds within fourteen days from the date of publication of this notice.

P.O. BOX 320180
Lusaka

Keith Mwamba Advocates,
Legal Practitioners

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