



BANK OF ZAMBIA

OFFICE OF THE DEPUTY GOVERNOR - ADMINISTRATION

15 January, 2015

CB Circular No. 02/2015

To : All Heads of Commercial Banks

REVISED CHARGES AND PENALTIES FOR THE ZAMBIA INTERBANK PAYMENT AND SETTLEMENT SYSTEM (ZIPSS) AND CENTRAL SECURITIES DEPOSITORY (CSD)

The above subject matter refers.

The Bank of Zambia (BOZ) has implemented the new Zambia Interbank Payment and Settlement System (ZIPSS) and Central Securities Depository (CSD) System, which went live on 1st and 2nd September, 2014 respectively.

Following the successful implementation of the two Systems, BOZ has revised and introduced charges and penalties related to the operations of the ZIPSS. These charges and penalties are, among other things, for the Bank to cover daily operational costs of the Systems and contribution towards infrastructure development costs.

Further, the Bank would like to advise that infrastructure expenses for the VPN and Montran RTGS and CSD Systems have been borne by BOZ and are not included in any of these charges. It is our expectation that the commercial banks will pass on the benefits to the customers.

Find hereto attached the new ZIPSS and CSD charges and penalties effective from 1st February, 2015. The Bank reserves the right to revise these charges and penalties in the future.


DR TUKIYA KANKASA-MABULA

Cc Governor
Senior Director – Monetary Policy
Senior Director – Supervisory Policy
Director – Financial Markets Department
Director – Information & Communications Technology
Director – Banking, Currency & Payment Systems

ADMINISTRATIVE FEES

No.	Charge	Fee (K)
1.	Monthly payment for VPN bandwidth usage <i>Charge for VPN bandwidth usage.</i>	3,200.00
2.	Entry Fee(Designation) for RTGS system <i>Fee for a new bank registering on ZIPSS</i>	15,000.00
3.	Request for new e-Token <i>Request for new e-Token or replacement of lost or damaged e-Token</i>	600.00

ZIPSS CHARGES

No.	Charge	Amount (K)		
		SOD to 10:30	10:30 to 14:30	14:30 to EOD
1.	Processing MT103 <i>Fee for processing a customer payment</i>	10.00	15.00	20.00
2.	Processing MT202 <i>Fee for processing a bank to bank payment</i>	10.00	15.00	20.00
3.	ASA Processing Fee per Transaction <i>Charge for using the Authorized Settlement Agent facility</i>			100.00

ZIPSS PENALTIES

No.	Charge	Fee (K)
1.	Cancellation of Pending Transactions by System at EOD (MT103/MT202) <i>Penalty charge for the cancellation of a transaction in the queue by the system at EOD due to insufficient funds (per transaction)</i>	1,000.00
2.	Queuing of NSI due to Insufficient Funds <i>Penalty for causing the queuing and delay of settlement of NSI due to insufficient funds.</i>	10,000.00
3.	Invalid Transactions <i>Penalty for processing transactions which are rejected by the System for such reasons as missing REC Code, wrong date, wrong currency etc.</i>	100.00
4.	Request for extension of Window <i>Request by a participant to extend the operating hours of the RTGS system.</i>	5,000.00

CSD PROCESSING FEES

No.	Charge	Amount (K)
1.	Primary Treasury bill Auction <i>Handling Fee applied on discount earned and collected on maturity date</i>	2% of income earned
2.	Primary Government Bond Auction <i>Handling Fee applied on coupon amount and collected on coupon payment date</i>	2% of income earned