



**Bank Of Zambia**

**OFFICE OF THE DEPUTY GOVERNOR - OPERATIONS**

BOZ/EXEC/DGO/banksup/bp

December 29, 2017

CB Circular No. : 12/2017

To : All Heads of Commercial Banks and Financial Institutions

**DEFERMENT OF COMPLIANCE WITH THE BANKING AND FINANCIAL SERVICES CORPORATE GOVERNANCE DIRECTIVES, DIRECTIVE 20.5**

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Reference is made to CB Circular No. 07/2017 dated October 12, 2017, which designated November 1, 2017 as the effective date for full compliance to the Banking and Financial Services Corporate Governance Directives.

A number of external auditors have requested that for ease of reporting and consistency in reporting by the different auditors of financial service providers (FSPs), the Bank of Zambia should provide terms of reference and prescribe the nature and format of the report to be submitted, in accordance with Directive 20.5, which requires external auditors to assess and comment on a number of issues relating to their audited institutions.

In view of the foregoing, the Bank of Zambia has deferred implementation of Directive 20.5 for the financial year ending December 31, 2017, to allow the Bank to come up with the necessary guidance on the matter. The date for implementation of Directive 20.5 will be advised once the consultative process is completed.

Please be advised accordingly.

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

Cc Director – Legal Services  
Director – Bank Supervision  
Director – Non-Bank Financial Institutions