



**BANK of ZAMBIA**

**DEPUTY GOVERNOR - OPERATIONS**

February 12, 2013

NB Circular No: 02/2013

To : All Bureaux de Change

**OVER THE COUNTER FOREIGN CURRENCY CASH TRANSACTION LIMITS**

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**1. Purpose**

Pursuant to regulations 6 and 7 of the Banking and Financial Services (Bureau de Change) Regulations, the Bank of Zambia has reviewed the bureaux de change foreign exchange transactions limits in section 8 of NB Circular No. 06/2003. The new bureaux de change foreign exchange transaction limits are now as indicated herein below.

**2. Effective Date**

The new bureaux de change foreign exchange transaction limits in this circular will take effect immediately.

**3. Bureaux de Change Foreign Currency Cash Transactions with Commercial Banks**

A bureau de change's aggregate foreign currency cash transactions with commercial banks where it operates accounts shall not exceed the lower of the equivalent of US\$100,000 or 70 per cent of the bureau de change's regulatory capital per day. The regulatory capital to which the transaction limit shall be anchored shall be determined by the Bank of Zambia on a calendar quarter basis.

The over-the-counter foreign currency cash transaction limit at commercial banks where a bureau de change does not operate accounts shall not exceed the equivalent of US\$5,000 per transaction per day.

**4. Over-the-Counter Foreign Currency Cash Transaction Limit**

Bureaux de change over-the-counter foreign currency cash transactions with an individual or a person, as defined by the Interpretations and General Provisions Act, CAP 2 shall not exceed the equivalent of US\$1,000 per transaction per day.

**5. Over-the-Counter Travellers' Cheques Transactions**

Bureaux de change travellers' cheques transactions with an individual or a person, as defined by the Interpretations and General Provisions Act, CAP 2 shall not exceed the equivalent of US\$1,000 per transaction per day.

**6. Combination of Cash and Travellers' Cheques Transaction Limits**

Bureaux de change travellers' cheques transactions with an individual or a person, as defined by the Interpretations and General Provisions Act, CAP 2, where the individual intends to transact both in cash and travellers' cheques, a combination of the two shall not exceed the equivalent of US\$1,000 per transaction per day.

**7. Bureau de Change Open Foreign Exchange Position Limit**

The foreign exchange open position at the close of business on any day shall not exceed 50 per cent of a bureau de change's regulatory capital. The regulatory capital to which the open foreign exchange position limit shall be anchored will be that obtaining at the end of the calendar quarter as determined by the Bank of Zambia.

**8. Customer Identification**

In accordance with Regulation 21(1) of Statutory Instrument No. 38, the Banking and Financial Services (Bureau de Change) Regulations 2003, bureaux de change are required to issue an accurate official receipt for every sale and purchase of foreign exchange. The receipt issued shall have the full details of the customer and shall be in the format laid out in Forms V to VIII of the schedules to the referred Statutory Instrument.



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**DEPUTY GOVERNOR – OPERATIONS**

Cc: Governor  
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