

## BOZ SUPPORTS BANKERS' BUILD PROJECT

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Former Finance Minister, Honourable Felix Mutati presented the National Budget to Parliament under the theme "Accelerating fiscal fitness for sustained inclusive growth, without leaving anyone behind." Excerpts of the budget are presented.



Bank of Zambia

Views expressed in this publication are not necessarily those of the Bank of Zambia Management or the Editor

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#### MISSION:

To achieve and maintain  
price and financial system  
stability to foster  
sustainable economic  
development.





# MUTATI HONoured

**Former Finance Minister Hon Felix Mutati has been awarded the 'ACCA Africa Advocate Certificate of Recognition' in honour of his notable contribution to the accountancy profession in Zambia and the Sub-Saharan African region.**



Former Finance Minister Felix Mutati flanked by Deputy Governor Administration Dr Tukiya Kankasa Mabula and Deputy Governor - Operations Dr Bwalya Ng'andu after receiving his award.

**T**he Former Minister of Finance who is now Minister of Works and Supply has since been entered in the Association of Chartered Certified Accountants (ACCA) Global Advocacy Award to be given to the Overall winner in Scotland in March, 2018.

ACCA Advocacy Awards launched the new members' awards in recognition of the advocacy work globally in 2017. Head of ACCA Zambia Mr Mukaba Mukaba said advocacy is about enhancing public value, promoting the development of accountancy and championing ACCA's work.

The Certificate of Recognition was given to the Minister at an event organised by ACCA Zambia on behalf of the ACCA Global Council.

Bank of Zambia congratulates the Minister for the prestigious award.



Delegates at the 2017 Foreign Private Investment Flows and Investor Perceptions Dissemination Workshop

# INCREASED FDI INFLOWS RECORDED IN 2017

By ZAMBANKER REPORTER

**Deputy Governor-Operations Dr Bwalya Ng'andu has said Zambia's net Foreign Direct Investment (FDI) inflows recovered in the first half of 2017 at US \$599.8 million compared to US \$462.2 million recorded in the first half of 2016. Speaking during the 2017 dissemination workshop of the Foreign Private Investment Flows and Investor Perceptions in Zambia, Dr Ng'andu explained that during the first half, the total private foreign investment inflows improved, rising to US \$676.2 million compared to US \$358.8 million recorded in the first half of 2016.**

**T**he Balance of Payments Technical Committee, comprising representatives from the Bank of Zambia, Zambia Development Agency, Central Statistical Office, and other collaborating institutions conduct surveys to collect information from various respondents. The survey also points to the important role that majority owned foreign affiliates (MOFAs) play in the economy. These are resident enterprises with a single foreign enterprise or an associated group of foreign investors owning more than 50% of the ordinary shares or the voting power.

The 2017 survey captured the magnitude,

types, sources and direction of foreign private investment for the year 2016 and the first and second quarters of 2017, as well as the investor's perceptions on the investment climate.

On the other hand, Dr Ng'andu said net foreign direct investment inflows sharply declined by 58.7% to US\$486.1 million in 2016 from US \$1,177.4 million in 2015. The other major finding of the survey is that the total private foreign investment inflows which includes FDI, portfolio and other investments to Zambia dropped by 54.9% to US \$1,078.9 million from US \$2,392.5 million in 2015. Out of the total private foreign investment,

FDI inflows accounted for the largest share of 61.3%, followed by other investment at 37.2% and portfolio equity investment at 1.5%.

The survey results revealed that these companies generated sales/turnover amounting to US \$11,147.1 million (albeit lower than US \$11,795.4 million recorded in 2015) and accounted for 83,601 employees from 77,570 employees recorded in 2015. During the same period, assets of these enterprises were US \$27,314.8 million, while their net worth, stood at US \$6,483.9 million. These enterprises recorded net tax payments of US \$264.3 million compared to net tax refunds of US \$35.0 million in 2015. *Story continue on page 5*





Deputy Governor - Operations Dr Bwalya Ng'andu presenting opening remarks at the 2017 Foreign Private Investment Flows and Investor Perceptions Dissemination Workshop while other dignitaries listen in.

“Let me share with you the major perceptions expressed by the respondents. Several respondents expressed concern that they found monetary and fiscal policy challenging in 2016. On the monetary policy front, they highlighted the lack of affordable credit to fund business projects. However, they appreciated the efforts made in stabilising the foreign exchange market. On the fiscal policy side, respondents raised concern on the budget deficits and foreign borrowing. As you will note from my earlier remarks, there is already appropriate response policy measures from both the fiscal and monetary policy authorities,” he said.

Earlier, the Deputy Governor provided a background to recent Monetary Policy developments and the macroeconomic environment in general in 2016, and said emphasis from both the fiscal and Monetary Policy authorities was placed on stabilising the macroeconomic environment, following the challenges experienced in 2015. On the Monetary Policy front, in 2016 the Bank focused on achieving an end-year inflation target of 7.7%, while anchoring inflation expectations in single digits over the medium-term. In line with the inflation objective, the Bank maintained a tight Monetary Policy stance by keeping the Policy Rate at 15.5% and the Statutory Reserve Ratio at 18.0% throughout the year. These measures achieved the desired results, as inflation slowed down to single digits with inflation decelerating to 7.5% at end-2016 from 21.1% at end-2015.

**“Let me share with you the major perceptions expressed by the respondents. Several respondents expressed concern that they found monetary and fiscal policy challenging in 2016. On the monetary policy front, they highlighted the lack of affordable credit to fund business projects. However, they appreciated the efforts made in stabilising the foreign exchange market. On the fiscal policy side, respondents raised concern on the budget deficits and foreign borrowing. As you will note from my earlier remarks, there is already appropriate response policy measures from both the fiscal and monetary policy authorities,” he said.**

The exchange rate of the Kwacha against the US dollar remained relatively stable with an appreciation bias and on the average, an appreciation from ZMW10.9806 to ZMW9.8364 was seen.

Furthermore, the overall balance of payments deficit narrowed to US \$187.6 million in 2016 from US \$393.3 million in 2015, mainly on account of favourable financial account

performance. Real GDP grew by 3.8% compared to 2.9% in 2015. Government implemented corresponding fiscal consolidation measures with the aim of contributing to macroeconomic stability.

Subsequently, during the first half of 2017, Monetary Policy focused on consolidating the slowdown in inflation and attaining the end-year target of 9.0%. With the annual overall inflation continuing to decline to 6.8% at end-June 2017, the Bank eased the Monetary Policy stance by lowering the Policy Rate and statutory reserve ratio from 15.5% and 18.0% to 12.5% each, respectively. These decisions were meant to support the process of lowering the cost of funds for commercial banks and, in time, support increased lending to the private sector.

Meanwhile, Dr Ng'andu said Government has continued with its efforts to contain the budget deficit and the overall debt, to sustainable levels. These efforts remain critical to consolidating macroeconomic stability. More recently the Monetary Policy Committee (MPC) at its November Meeting decided to further lower the Policy Rate to 10.25% and to reduce the Statutory Reserve Ratio to 8.0% on the expectation that inflation will remain within the medium term target of 6-8% with a bias towards the lower bound. This was confirmed by the November 2017 inflation figure of 6.3%.



Dr Denny Kalyalya

# 'REDUCE YOUR OPERATIONAL COSTS'

By ZAMBANKER REPORTER

**Bank of Zambia Governor, Dr Denny Kalyalya has challenged financial service providers to improve on their operations by engaging in innovative activities that will reduce their operational costs in order to pass on the benefits to borrowers.**

Speaking during the official opening of Kalumbila Branch of the First National Bank Zambia Limited (FNB Zambia) in Solwezi, Dr Kalyalya explained that while the Bank of Zambia has recently undertaken Monetary Policy measures, most of which are intended to lower the cost of borrowing, the response by commercial banks has not been in tandem with the current relaxed monetary policy stance. He added that the intermediation role of the banking sector in providing finances is defeated if banking costs remain high as they create an uncalled for barrier between lenders and borrowers.

'I will be failing in my duties if I do not take advantage of this opportunity to reiterate the Bank of Zambia's position on the need for financial service providers to reduce the lending rates and service charges which have remained relatively high and therefore counterproductive to the financial inclusion agenda. As we have stated before, your customers, especially the SMEs need access to affordable financial services and funds to finance their investment activities, which in the final analysis will be beneficial to the lending institutions themselves in terms of growing and sustaining their business,' he said.

Earlier, Dr Kalyalya commended FNB Zambia for the important role it continues to play in the financial sector in Zambia. FNB Zambia has made notable progress in expanding its operations and outreach since starting its operations in Zambia in 2009. As at end of October 2017, FNB Zambia accounted for 8.6% of both total assets and deposits of the banking sector. The bank's loan portfolio has continued to grow and accounted for 10.4% of total loans in the banking sector. FNB Zambia has also continued to increase its footprint in the market through its branch network expansion programme, Automated Teller Machines (ATMs) distribution and Point of Sale terminals. Furthermore, FNB Zambia is among the first banks to set up Automated Teller Machines (ATMs) in Kalumbila District.

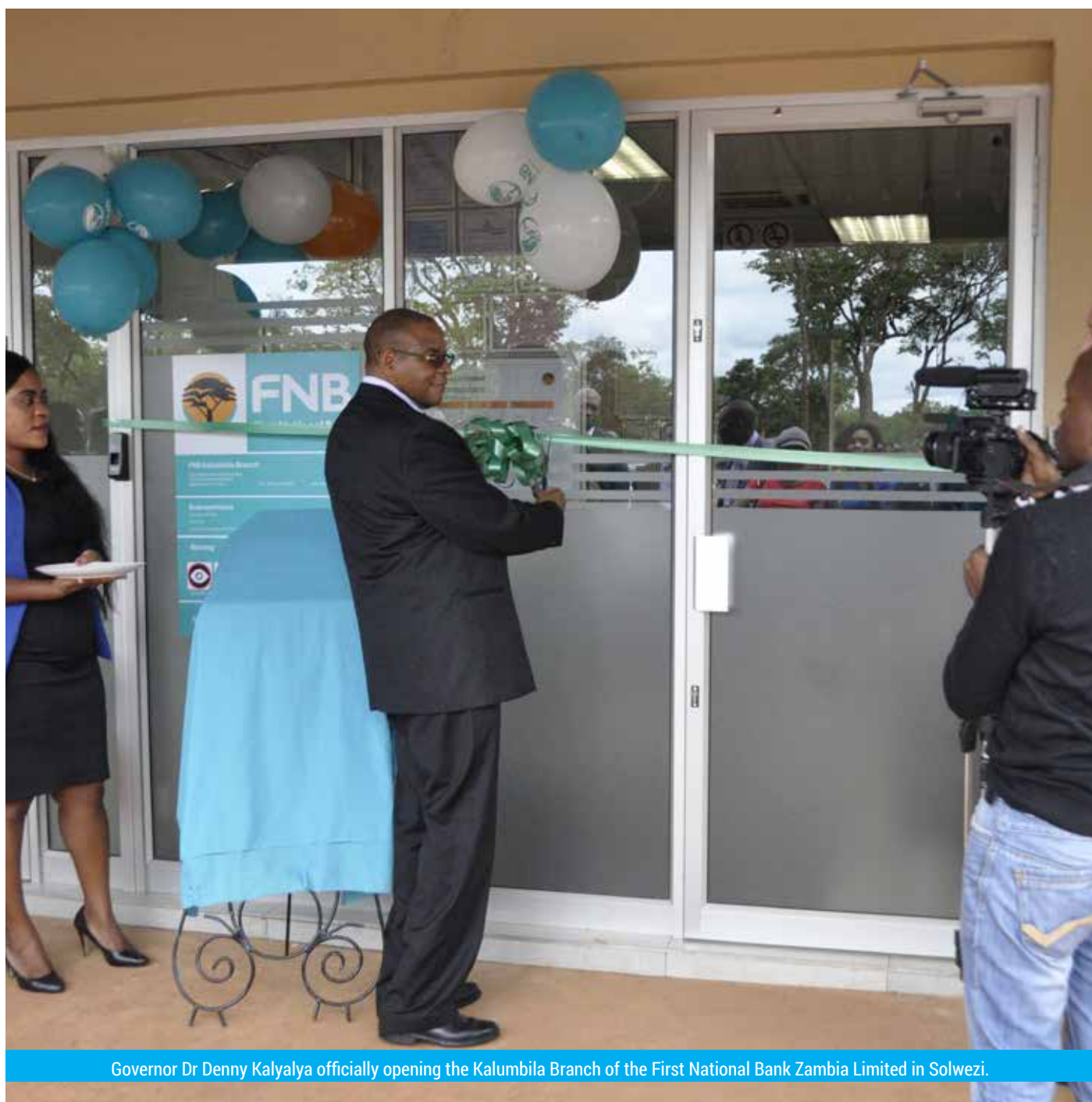
'What we are witnessing today is one of the steps to ensure that financial services are made available to the unbanked segments of our people. The bank should therefore be applauded for its continued commitment to the economic development and promotion of financial inclusion in Zambia. As you may be aware, financial inclusion is one of the policy priorities for the Government and the Bank of Zambia. Over the last five years, the Bank of Zambia has been promoting financial inclusion which has also been included

as one of its key strategic objectives in the 2016-2019 Strategic Plan,' he said.

He explained that initiatives around financial inclusion will also contribute to the overall 2030 Vision to transform Zambia into a middle income nation and create momentum towards the drive to prosperity.

The Governor added that the importance of opening a branch in Kalumbila District could not be over emphasised given that Kalumbila District is one of the fast growing new districts in the country and had grown to be a contributor to the mining sector with great farming, construction, retail and trade potential. He said the mining sector came with auxiliary businesses in the form of contractors and suppliers, most of which are SMEs who definitely need financing and other banking services. He said it was the central bank's expectation that the FNB will rise to the occasion to meet the needs of such clients by designing suitable and affordable banking products and services, adding that BoZ is keen to see growth in the SME sector as it believes it is a key driver of economic growth.

He said that it was encouraging to note that in the recent past, banks and other non-bank financial institutions had expanded their provision of



finance to the Small and Medium Sized Enterprises (SMEs), although it is the Central Bank's view that there is still a lot of room for further improvement.

'As you are aware, the Bank of Zambia revised the Item Value Limits (IVL) on Cheques and electronic funds transfers effective 5th July 2017. The revision of the IVL was aimed at promoting electronic payment methods. In its efforts to ensure the smooth implementation of the IVL, the Bank of Zambia has conducted a number of sensitization campaigns that were aimed at educating members of the public and key stakeholders on the revised IVL and its implications. It is our expectation that following these

campaigns, there will be an increase in the usage of various electronic payment methods and the public will begin to see the benefits. We therefore urge FNB and the banking sector as a whole to price such services and products in an affordable manner,' he said.

He further noted that the advancement of technology had provided a great opportunity for banks to develop and deploy new and innovative products and services but cautioned that the increase in the use of technology platforms had also brought about greater exposure to risks associated with cybercrimes. He advised that the Banks' increasing reliance on

electronic and digital delivery channels therefore called for vigilance on their part regarding cybercrime risks in their operations that could potentially threaten their growth and stability.

He urged banks to develop specific risk management policies to mitigate cybercrimes in addition to enhancing existing risk management systems. He said from the central bank's point of view, the objective of ensuring financial stability remains critical and is largely a function of the adequacy of risk management systems coupled with sound corporate governance practices within financial institutions.



# OVER TO YOU



By ZAMBANKER REPORTER

**Deputy Governor-Operations Dr Bwalya Ng'andu has said the Bank of Zambia (BoZ) expects financial service providers to drive the business case for increased usage of Digital Financial Services (DFS) even as the Central Bank strives to provide a more enabling regulatory environment.**

**T**he call is in line with the Bank of Zambia strategic objective of increasing formal financial inclusion by sixteen percentage points by 2019. One of the initiatives that the Bank of Zambia has undertaken under this strategic objective is to promote/increase the uptake of DFS in Zambia by extending these services to the unbanked and under-served population. To this end, the Bank of Zambia has from 2016, carried out countrywide awareness and sensitization campaigns on digital financial services and the benefits thereof. The country-wide sensitisation campaigns mostly covered the main districts in each of the ten (10) provinces. These efforts, among others, will continue to be undertaken by the Bank of Zambia in collaboration with various stakeholders such as the UNCDF.

Speaking at the Digital Chikwama Awards inaugural event hosted by the United Nations Capital Development Fund (UNCDF) in Lusaka recently, Dr Ng'andu said that DFS have a big role to play towards the attainment of the

targets set out in the National Financial Inclusion Strategy. He explained that DFS, in particular mobile money platforms, have the potential to transform and significantly increase the number of electronic transactions. DFS also have the potential to drive financial inclusion through increased access to financial services even for those that are in remote areas.

“We are happy to observe a significant increase in the use of mobile payments in the recent past and it is our expectation that this will continue to be the trend going forward. Furthermore, we implore all of you to be ambassadors of digital financial services so that we can increase awareness of the benefits of digital financial services and demystify the fears around the operations of these services. It is my hope that such educational awareness efforts will help our society to reduce on the use of cash and usher in an efficient, secure and cost effective way of accessing financial services,” he said.

The Deputy Governor stressed that

the importance of financial inclusion could not be over emphasized given that it had a huge potential impact on a country's economic and social development and more importantly on improving people's livelihoods. In recognition of this, the Government of the Republic of Zambia, in collaboration with cooperating partners, developed the National Financial Inclusion Development Policy and the National Financial Inclusion Strategy. The National Financial Inclusion Strategy targets 80 percent of the population to be financially included (formally and/or informally) and 70 percent of the adult population to be formally financially included by 2022.

In an effort to create an enabling regulatory environment, the Bank of Zambia issued the National Payment Systems Directives on Electronic Money Issuance in June 2015. The Bank is currently in the process of reviewing these directives to harmonize them with new developments in the payment systems area, and to create a stronger enabling environment for increased financial inclusion through promotion of digital financial services throughout our country; the Bank also introduced simplified and tiered Know Your Customer (KYC) requirements for electronic money and money transfer services. The simplified and tiered KYC presents an important opportunity for providing financial services to the rural population. Furthermore, the Bank allowed more players in the bank-led and non-bank-led mobile money service providers in order to spur increased competition; revised upwards the transaction and balance limits on electronic wallets in 2016 and allowed usage of refugee IDs for KYC purposes to enable access to mobile money financial services for Refugees.

Notwithstanding the various benefits that accrue from the use of digital financial services, Dr Ng'andu explained that there are a number of challenges that need to be addressed if the full benefits of digital financial services are to be realized and these include: a lack of infrastructure development/Limited coverage or access points which is more apparent in the rural areas. About 60 percent of adults in Zambia living in the rural areas remain unserved or under-served due to lack of or poor mobile network coverage; high cost

*Story continues on page 9*





Deputy Governor - Operations Dr Bwalya Ng'andu with recipients and organizers of the Digital Chikwama Awards.

for transaction fees levied by various financial service providers continue to be high. However, technology based solutions are beginning to reduce some of these high costs. Service providers that have offered lower transactions fees have benefited from larger volumes although long queues at service points present new challenges to be addressed. A lot more can still be done by continuing to leverage technology.

Similarly, there is a silo-approach to offering of financial services. Silo approach is an attitude that is found in some organisations; it occurs when several departments or groups within an organisation do not want to share information or knowledge with other individuals in the same organisation. A silo mentality reduces the organisation's efficiency and can contribute to a failing corporate culture. However, the Central Bank has recently noted an increase in integration of financial service between service providers. Furthermore, implementation of the National Financial Switch (NFS), which the BoZ is working on will help to facilitate interoperability. Therefore, financial service providers should actively participate in the implementation of the National Financial Switch as it will be a critical platform that will facilitate interoperability.

In addition, there is need for acceptance of DFS payment methods by all merchants. Acceptance of DFS by merchants is critical to increasing usage of such payment methods by

consumers; a lack of products that address the people's day to day needs is another factor. This applies to the different segments of society, such as, the youth and women. There are virtually no specific products designed to appeal to such segments. Service providers are encouraged to design products that appeal to or address different people's needs; Lack of awareness of DFS products that are available on the market. There is need to increase awareness of DFS. Service providers should use several channels to market their products.

There are also high levels of agent exclusivity. Agent exclusivity revolves around the ability of a customer of one provider to use the agent of another provider for cash-in and cash-out services related to that customer's account. Therefore, agent exclusivity only refers to the cash-in and cash-out services performed by agents – not other services (where permitted) such as customer enrollment, related KYC, and processing of loan documents. Agents providing only cash-in and cash-out services are often called “cash merchants”. According to the survey carried out by the Helix Institute of Digital Finance/Microsave, Zambia has high levels of agent exclusivity (91 percent) compared to other countries in Africa. This puts a lot of pressure on the agents to achieve a critical mass of customers and transactions. Financial service providers should adopt a shared agent model, as this will increase the revenue and most likely the motivation for agents. This is particularly important for the

agents in the rural areas; and new risks such as cybercrime, which come with the digital era that will have to be mitigated and monitored. However, there is need to ensure that regulation to mitigate the risk is proportionate to the risk as over regulation may stifle innovation. Thus, there is need to strike an appropriate balance. The awards event was aimed at recognising the efforts of individuals and organisations that have contributed significantly to the advancement of digital financial services in Zambia. It complemented efforts of the Bank of Zambia in advancing the financial inclusion in Zambia. A number of players in the digital financial service ecosystem were recognized. The awards are in recognition of their professionalism and dedication to scaling up financial inclusion and uptake of digital financial services.

The Deputy Governor urged the award recipients to continue working hard in their efforts to make banking and payment systems better through innovations. He said all stakeholders had a lot of work ahead of them to increase financial inclusion and penetration of digital financial services in which concerted efforts are needed. He encouraged players who were fortunate enough to receive an award not to relent in efforts. ‘To the organisers of this event, UNCDF and their cooperating partners, I wish to congratulate you on introducing the Digital Chikwama Award that will go a long way in motivating more players in the ecosystem. I also wish to thank you most sincerely for this innovation, it is my hope that this ceremony will continue to grow year after year so that many more deserving players will proudly associate themselves with the Digital Chikwama awards,’ Dr Ng'andu said.

He implored the recipients to be ambassadors of digital financial services so that the country can increase awareness of the benefits of digital financial services and demystify the fears around the operations of these services, hoping that such educational awareness efforts will help the Zambian society to reduce on the use of cash and usher in an efficient, secure and cost effective way of accessing financial services.

# BOZ SUPPORTS BANKERS' BUILD PROJECT

By ZAMBANKER REPORTER

**Bank of Zambia has once again responded to a call to provide decent housing to the less privileged in society by contributing financing for the construction of two houses in Mapepe in Chilanga District under the Habitat for Humanity Zambia Project dubbed the Banker's Build.**



Deputy Governor - Operations Dr Bwalya Ngandu (second from right) building one of the houses in Mapepe, Chilanga.

**T**he Banker's Build is an annual event organised by Habitat for Humanity Zambia where financial institutions pull their resources to fight poverty housing in Zambia. The project was started in 2008 and so far 16 families have benefited from this project.

The Bank contributed K10,000 towards the 2017 Banker's Build Project.

When the Bank was commemorating

50 years of existence in 2014, it entered into partnership with Habitat for Humanity Zambia to provide affordable housing to the less privileged in society by financing the construction of two houses for two families in Kamanga compound. The two houses were given to Mr and Mrs Phiri and Ms Mavis Malesu.

In 2015, the Bank funded the construction of two more houses which were given to a 68-year old

widow of Chipulukusu compound in Ndola and another one to a widow in Linda compound in Lusaka.

In 2016, the Bank contributed K10,000 towards the Banker's Build project.

Speaking at the 2017 Banker's Build event which was held on 6th October 2017 in Mapepe, Deputy Governor – Operations Dr Bwalya Ng'andu thanked institutions that were represented at the event saying they were a true





Deputy Governor - Operations Dr Bwalya Ng'andu (second from right) presenting his speech at Bankers' Build Project while (l-r) the Habitat for Humanity National Director Mr Mukelebai Kanyata, Councillor Mweemba for Chilanga, Madison Finance Marketing Manager Ms Salima Sikutwa and a representative from the District Commissioner's office look on.

demonstration of the World Habitat Day's call to recognise the 'power and responsibility to shape the future of cities and towns.' 'It is a well-known fact that many of our country men and women live in deplorable housing conditions,' he said.

The Deputy Governor said their role as leaders was to champion efforts which seek to help provide comfort and safety to vulnerable communities.

The facts and figures surrounding the housing deficit in Zambia in both rural and urban areas are alarming and call for immediate action from both the Government and the private sector. Sixty (60%) percent of the housing supply in Zambia is unsuitable for human habitation. This implies that the housing supply target should be closer to 200,000 housing units annually.

Dr Ng'andu stated that he was confident that the Government through various enactments and policies was working tirelessly to fight poverty housing in the country. The Urban and Regional Planning Act of 2015 commenced the preparation of the National Urbanization Policy in partnership with UN Habitat to address urbanisation challenges. The 7th National Development Plan addresses the issue of building resilient and inclusive cities which will see slums upgraded as well as the



Deputy Governor - Operations Dr Bwalya Ng'andu joined in the dance after officially launching the 2017 Bankers' Build Project.

review of water and sanitation needs. The National Housing Policy exists to address the need for affordable and adequate housing facilities.

Institutions that attended the 2017 Banker's Build event include HLB Reliance, First National Bank, Madison Finance, Barclays Bank and Bank of Zambia.

Barclays Bank Zambia (BBZ) who were the main sponsor of the 2017 event said they seek to partner with organisations like Habitat for Humanity Zambia whose commitment to uplifting the living standards of the people was commendable and worth supporting.

BBZ Head of Marketing and Corporate Relations Mr Mato Shimabale who spoke on behalf of the Bank's Managing Director said Barclays bank could not pay a blind eye to the many problems of urban and rural housing deficits in Zambia. The rising number of orphans and vulnerable families living in deplorable conditions was regrettable.

'As Barclays bank, we seek to create better relationships and we are very happy to be associated with Habitat for Humanity Zambia. We take this opportunity to encourage the corporate world to join hands with Habitat for Humanity Zambia and other partners in fighting poverty housing in our communities,' he added.

# GUARD AGAINST COMPLACENCY

By ZAMBANKER REPORTER

**Deputy Governor Operations, Dr Bwalya Ngandu has retaliated that the absence of competition, does not take away the central bank's moral obligation to lead by example and set unmatched standards for others to follow. Speaking during the launch of the Banking Division Customer Service Charter recently, Dr Ng'andu explained that it is important that customer service standards within the Bank are of the highest level and formalised to ensure service delivery is consistent and efficient at all times.**



Members of staff who witnessed the launching of the Banking Division Customer Service Charter.

**H**e explained that the initiative to formally outline Banking Service standards and commitments in a charter document is both timely and in line with the Bank's 2016 – 2019 strategic theme of “Execution through Excellence.”

The Mission of Banking Division is to “deliver efficient and effective banking services to its customers” and in line with this mission, we come here today to witness a commitment by Banking Division to provide its customers with a high standard of service.

“As you may all know, central banks are uniquely positioned in that each country normally has only one central bank. The absence of competition, ladies and gentlemen, does not take away our moral

obligation to lead by example and set unmatched standards for others to follow,” he said.

Customer Service by definition is the act of taking care of customer's needs, by providing and delivering high quality professional service and assistance to meet customer expectations before, during, and after the needs are met.

It is against this background that each service provider should set the standards for meeting customer needs efficiently and effectively.

The Banking Division carried out a customer satisfaction survey in 2015, whose findings informed the creation of the document we are launching today. The formulation of the Customer Service Charter has undergone

an open process in which all stakeholders, namely; Government, Commercial Banks and members of staff were engaged to come up with a harmonized Charter that would satisfy all customer needs.

The Banking Division Customer Service Charter outlines the service standards that customers should expect in their interaction with the Bank. It also outlines the Bank's commitments and responsibilities as well as specifies the customer's rights and obligations. The Charter also provides a channel that customers can use to present and escalate their grievances in a timely and effective way.

The launching of the Charter also places great responsibility on all members of staff in the Bank and in the Banking Division to live up to the enshrined service standards.





Mrs Edith Kabalika

Banking Division stands out as the front office of the Bank of Zambia and the quality of service that customers receive will therefore be projected to the rest of the Bank.

The Customer Service Charter we are launching today should not be seen as an end in itself, but rather as the beginning of a customer centric culture within the Bank. I trust that banking staff will step up efforts to

ensure delivery of service that will be based on principles of excellence, accountability, fairness and reliability as outlined in the Charter. I wish to call upon you all to support the Banking, Currency and Payment System Department as we launch this Charter. It is expected that this Charter will form the basis of a cordial relationship between the Bank and its customers,' he said.

He commended all members of staff who

contributed in one way or another to the production of the Customer Service Charter for the Banking Division.

Speaking at the same function, Assistant Director - Banking Mrs Edith Kabalika thanked Management and other members of staff who witnessed the launch saying their presence was a demonstration of Management's commitment and support to raise the Bank's quality of service. She further said that their presence would motivate Banking staff to step up their efforts to improve service delivery and change any negative perceptions that customers may have about the Bank.

Mrs Kabalika said the need to develop a Customer Service Charter was identified and adopted by the Department after recognising that the Bank did not have a service charter. Most customer focused institutions have service charters as good business practice.

In 2015/16 Banking Division conducted a customer satisfaction survey to have an appreciation of the customer's perception of the Bank's service. The survey findings were shared with Banking Office staff who agreed to undertake a number of actions among them appointing customer service champions, conducting customer service prep talks every Monday morning and developing a Customer Service Charter.

### **MONETARY POLICY COMMITTEE MEETINGS CALENDAR FOR 2018**

Notice is hereby given that the schedule of Monetary Policy Committee (MPC) Meetings and the release of the Monetary Policy Committee Statement for 2018 shall be as follows:

	<b>Date of Meeting</b>	<b>Time</b>	<b>Press Briefing &amp; Release of Monetary Policy Statement</b>
<b>1</b>	<b>Monday – Tuesday, 19 – 20 February 2018 (Q4 2017)</b>	<b>09.00 hrs</b>	<b>Wednesday, 21 Feb 2018</b>
<b>2</b>	<b>Monday – Tuesday, 14 –15 May 2018 (Q1 2018)</b>	<b>09.00 hrs</b>	<b>Wednesday, 16 May 2018</b>
<b>3</b>	<b>Monday – Tuesday, 20 –21 August 2018 (Q2 2018)</b>	<b>09.00 hrs</b>	<b>Wednesday, 22 Aug 2018</b>
<b>4</b>	<b>Monday – Tuesday, 19 –20 November 2018 (Q3 2018)</b>	<b>09.00 hrs</b>	<b>Wednesday, 21 Nov 2018</b>

This calendar is available on the Bank of Zambia website: [www.boz.zm](http://www.boz.zm)



# GIANTS STEPS INTO FINANCIAL INCLUSION

By ZAMBANKER REPORTER

**Various interventions have been undertaken by a broad range of stakeholders such as policy makers, regulators, financial services providers, mobile network operators, donor agencies, development partners, civil society, NGOs, the academia and research institutions to advance the cause of financial inclusion in Zambia. Some of the initiatives are set out here below:**

## **Investments by financial service providers in Digital Financial Services (DFS) and sensitisation campaigns to promote 'cash-light transactions'**

Commercial banks and mobile-banking providers have increased their investments in electronic payments systems through: an increase in the deployment of prepaid cards, point-of-sale (PoS) and automated-teller-machines (ATMs); and an increase in the number of active agents.

The BoZ, banks and electronic/mobile banking service providers have scaled up public campaigns for consumers to reduce reliance on cash as a means of payment and instead promote the use of electronic instruments such as – mobile banking, e-wallets, debit cards, online banking, the use of the Real Time Gross Settlement system (RTGS) and the Direct Debits And Credit (DDAC) systems.

As a result, the enabling regulatory environment for digital and electronic financial services, financial education sensitisation campaigns and investments by financial services providers, the BoZ's consolidated monitoring reports for the banking sector at year-end December 2016 indicate: a rise in the number of users and services of mobile money for the payment of bills and funds transfers; and a steady increase in the volume and value of transactions processed through the Electronic Funds Transfer (EFT) systems compared to the Cheque Image Clearing system which has recorded

a decline in the volume and value of transactions.

Overall, the delivery of financial services in a safe and efficient environment not only ensures that the various stakeholders including the general public are safely guarded but also fosters confidence in the use of electronic payment methods.

## **BIOMETRICS FOR CUSTOMER IDENTIFICATION**

The use of biometrics for customer identification is also promoting financial inclusion by linking it to the use of DFS and reducing the documentation requirements for financial transactions.

BoZ obtained a grant from the Alliance for Financial Inclusion for a research and study tours to other countries on the use of biometrics. The report from this research has been submitted to Government for consideration of a standardised customer identification system for the financial sector.

## **RURAL FINANCE**

A Rural Finance Policy and Strategy was formulated by Government under the FSDP to promote the outreach of financial services in rural areas. BoZ has a memorandum of understanding with the Rural Finance Expansion Programme (the lead agency) to undertake regulatory initiatives to promote rural finance.

## **FINANCIAL EDUCATION AND CONSUMER CAPABILITY**

The National Strategy on Financial Education was launched by Government in July 2012, under the FSDP. Its objectives are to contribute to financial inclusion; and have Zambian citizens that are 'financially educated' by empowering them with knowledge, understanding, skills, motivation and confidence to help them secure positive financial outcomes for themselves and their families.

The three financial sector regulators, namely BoZ, Pensions and Insurance Authority and the Securities and Exchange Commission are the lead implementing agencies of the National Strategy on Financial Education on behalf of Government.

The priority targets are children, youth, SMEs, small holder farmers and adults in work places. Under this strategy, financial education has been integrated in the primary and secondary school curriculum; whilst non-governmental organisations have also included financial education in their community programmes.

In 2016, the World Bank conducted a financial capability study in Zambia, and the results will be integrated with the ongoing implementation of the national strategy. Banks and other financial services providers have also scaled up their financial education programmes through corporate social

*Story continues on page 15*



responsibility and product awareness campaigns.

BoZ has collaborated with the Child and Youth Finance International (CYFI) to conduct the annual Global Money week in Zambia. This has taken the form of an annual Financial Literacy Week and drawn the participation of many stakeholders in conducting financial literacy campaigns.

Another important public campaign commemorated in October is the World Savings Day. The Bank of Zambia has handed over to the Bankers Association of Zambia the responsibility of coordinating the financial literacy week and World Savings Day.

Furthermore, the BoZ and the German Savings Bank Foundation for International Cooperation have a Memorandum of Understanding to among others, develop the capacity of the regulators in implementing the strategy, and provide financial education training for SMEs. Milestones under this MoU include the following: in 2013, the SBFIC trained 80 trainers from various partner-organisations like business- and women-associations, NGOs, banks and microfinance finance institutions. So far these trainers have conducted about 225 trainings for around 5,500 MSMEs.

In 2015 / 2016 the SBFIC organised an evaluation of the trainings that showed that more than 70% of the participants improve their performances in at least 3 out of 5 key-indicators which are: turn-over/ profit, number of formal employees, quality of accounting, usage of bank-accounts and separation of business from private money. To enhance this collaboration under the current strategic plan, the BoZ is in the process of engaging the German Savings Bank (SBFIC) to provide training to 20,000 more MSMS by 2019.

### **SME FINANCE**

SME Finance is another key trend in promoting financial inclusion. The BoZ programmes on SME finance include: its partnership with the German Savings Bank (SBFIC) on financial education for MSMEs under the National Strategy on Financial Education; in 2015, BoZ joined the membership of the Alliance for Financial Inclusion in committing to the Maputo Accord under the Maya



Dr Tukiya Kankasa-Mabula

Declaration on financial inclusion to promote SME Finance as a key policy pillar for greater financial inclusion; the Alliance for Financial Inclusion has also approved a grant to BoZ to support our initiatives on SME Finance. The BoZ also has partnered with the International Labour Organisation (ILO) to facilitate assessments in banks on how they serve SMEs. The specific tool is called the Female and Male Operated Small Enterprises (FAMOS) tool while the Government will also be focusing on SMEs under the National Financial Inclusion Strategy.

### **COLLATERAL REGISTRIES**

The BoZ has worked in collaboration with the Ministry of Commerce and the Patents and Registry Agency to put in place legislation that will facilitate the use of personal and movable property for secured lending. This is intended to support SME finance.

The process for setting up the collateral registry as part of financial infrastructure is underway.

Financial Inclusion for Women to close the gender gap

The Bank has revised and adopted a Gender Policy. It has also formulated a Gender Strategy. The Bank's organisational structure includes a

position for a Gender Specialist to mainstream gender in the Bank's operations.

The Bank's 2016 – 2019 Strategic Plan has a strategic objective to "Entrench Gender Mainstreaming within the Bank and the financial sector so as to contribute to Gender equality in Zambia". The Bank has undertaken capacity building of its staff, including certified gender assessors and facilitators of the FAMOS check tool.

In addition, the Bank is rolling out the FAMOS check in banks to enhance their service provision to SMEs, including women-owned SMEs. It is also committed to the Denarau Action Plan for Women under AFI and has committed to implement its commitment in three (3) strategic objectives.

The Central Bank has been collaborating with the Global Banking Alliance for Women to enhance the capacity of banks to serve the women's market. The Bank recently hosted the GBA Africa All-Stars Academy to train banks on understanding the women's market.

***This Report is part of a presentation made by Deputy Governor-Administration, Dr Tukiya Kankasa-Mabula at the Making Finance Work for Women Summit in Tanzania***

# 2018 GROWTH PROJECTED AT 5%

By ZAMBANKER REPORTER

Deputy Governor-Administration, Dr Tukiya Kankasa-Mabula has said Zambia's growth outlook remains favourable with growth projected at 4.2% in 2017 and 5.0% in 2018 respectively.

**S**peaking during the Standard Bank Group Board of Director's dinner in Lusaka recently, Dr Kankasa-Mabula said the strong policy framework enshrined in the 7th National Development Plan and the Zambia Plus Economic Programme is expected to contribute positively to macroeconomic stability going forward, in addition to Government's efforts towards addressing concerns of high debt levels through strong policy actions such as removal of subsidies and legislative changes to strengthen public financial management.

Accordingly, she urged commercial banks including Standard Bank to come up with appropriate financial products for various sectors especially the SME sector to enhance their growth and contribution to the economy.

'The country and the banking sector in particular, is undergoing great transformation following Zambia's vision to move from copper dependency, a development which has created new opportunities in sectors such as energy, agriculture, food processing, construction, retail and trade. We therefore urge your bank and the banking sector as a whole to price such services and products in an affordable manner,' she said.

With sluggish growth and tight Monetary Policy stance through 2016, credit to the private sector contracted on the back of reduced appetite by

banks in preference for government securities. Non-performing loans also increased breaching the 10.0% threshold. However, with easing Monetary Policy in 2017, it is the expectation of the Central Bank that this should assist banks to recover by helping them to grow their loan books.

Some of the key Monetary Policy developments in the domestic market faced comprise a number of challenges in 2014/2015 which included the slump in commodity prices, the sharp depreciation of the kwacha against other major currencies, and power constraints due to adverse weather conditions. As a result, the annual average exchange rate depreciated by 42.2% in 2015 and inflation surged to a peak of 22.9% by February 2016 from 7.7% in September, 2015. The Bank of Zambia responded to these developments by significantly tightening monetary policy, consistent with its mandate of maintaining price stability.

Monetary Policy measures taken included, among other measures, raising the Policy Rate and Statutory Reserve Ratio to 15.5% and 18.0% from 12.5% and 14.0%, respectively. Through these and other measures, the Bank managed to successfully bring down inflation to single digits with inflation falling to (7.5%) in December 2016; in November 2017, inflation declined further to 6.3%. The slowdown in inflation was supported by a stable exchange rate and improved supply of food items. As

inflationary pressures abated in 2017 and inflation projections suggesting that inflation will remain well within the 6-8% medium-term target range, an opportunity arose for an aggressive easing of monetary policy. As a result, the Bank of Zambia has in the last four Monetary Policy Committee Meetings (February, May, August and November) reduced the policy rate and statutory reserve ratio to 10.25% and 8.0%, respectively by November 2017.

Earlier, Dr Kankasa-Mabula commended Stanbic Bank for being an outstanding partner of the Zambian people for over 60 years and for its sustainability policy which has supported the growth of key sectors of the economy.

'I am aware that the bank has been a key supporter of our mining and agriculture industries which are the mainstay of the Zambian economy. Stanbic Bank must also be applauded for recently launching the women's market value proposition called Anakadzi Banking, and has since won 2 awards in recognition of this great initiative,' she explained.

She congratulated the board, management and staff of Stanbic Bank for coming up with this wonderful women market proposition, adding that as a central bank, the BoZ can already see opportunities opening up for women to accelerate wealth creation, prosperity, peace and stability.





# PROJECTS UNDERTAKEN BY THE PMS DEPARTMENT IN 2017

By TOBIAS MAPENDA

The Procurement and Maintenance Services (PMS) Department was involved in the initiation, planning, execution, monitoring and control of a number of capital and operational expenditure projects. The following are some of the projects which were undertaken in 2017:

## ■ REFURBISHMENT OF THE 7TH FLOOR OF THE EXECUTIVE BUILDING

This Project was awarded to Liege to refurbish the 7th Floor in the Executive Building. Refurbishments started in 2016 and included the erection of a skylight roof which was awarded to Messrs Rapid Aluminium. Works on the Atrium were completed in February 2017, while the rest of the refurbishment of the Floor is almost complete and is expected to be occupied by end of January 2018 after all snags have been attended to.

## ■ REFURBISHMENT OF THE 7TH FLOOR OF THE ANNEX BUILDING

This Project was awarded to M & S Aluminium and included civil works, carpeting and air conditioning, as well as general refurbishment. Works were completed in May 2017.

## ■ REFURBISHMENT OF THE LIVINGSTONE PROPERTY

This Project was awarded to Bhukhan Brothers Limited of Livingstone and included ceiling works, tiling and general refurbishment. Works were completed in October 2017.



Part of the refurbished 7th Floor, Executive Building



Refurbished 7th Floor, Annex Building

# INCLUSIVE GROWTH REQUIRES MORE



By ZAMBANKER REPORTER

**Deputy Governor-Administration, Dr Kankasa-Mabula has said that more inclusive growth requires a more inclusive financial sector that responds to the needs of both men and women. Speaking at the Alliance for Global Inclusion (AFI) Global Policy Forum in Egypt, Dr Kankasa-Mabula explained that national economies are not benefitting from the participation of women because they are missing out on the benefits of greater financial inclusion.**

**T**he push for financial inclusion, can increase the empowerment of women and help to empower them more broadly. Firstly, having access to resources on their own account and to the tools that help them to earn a living can increase women's bargaining power within households and their influence over how money and other resources are used. Secondly, financial inclusion can help increase women's opportunities to earn an income or control assets outside the household. Thirdly, it can reduce women's vulnerability by, for example, allowing them to insure against risk or borrow to meet unexpected expenses, such as medical treatments.

Key partners, include the Government, Central Bank and other regulators, national, regional and international bodies. Key commitments such as AFI Commitments, SDG's etc. help ensure that international best practices form part of national initiatives. "Women are said to be economically

empowered when they are able to earn a livelihood and advance economically, coupled with having the power to make economic decisions," she said.

Financial inclusion refers to a state in which all adults, including those currently excluded by the financial system, have effective and affordable access to a range of financial products and services that cater to their multiple business and household needs. These products must be responsive to the socioeconomic and cultural factors that cause financial exclusion. Examples of these financial products and services include: credit, savings (defined broadly to include current accounts), payments and insurance; sound and safe institutions governed by clear regulation and industry performance standards; financial and institutional sustainability, to ensure continuity and certainty of investment; competition to ensure choice and affordability for clients; while there were significant advances in financial inclusion for both women and men

between 2011 and 2014, there still is a persistent gender gap with the largest proportion of the poor comprising women and other vulnerable groups, which face numerous barriers in accessing these economic assets; the fact that economic empowerment promotes financial inclusion, it is important for countries to establish what the connection between the two is; as related to the country, so that Governments and policy makers interrogate the suitability of various financial inclusion interventions (policies and programs) to promote women's empowerment towards inclusive growth.

She explained that women face a range of barriers in accessing financial services, which include legal barriers, regulatory barriers, digital literacy, limited property rights as they own fewer assets than men, low wages, low labor force participation and insufficient collateral to obtain credit. This is exacerbated by cultural and educational circumstances. It is vital to address these barriers by recognizing



that women are not a homogenous group and that any strategies addressing their needs must take into account the contextual variables as applicable to the addressees.

“Women need a broad array of accessible services depending on levels of poverty, rural or urban location, productive activity, household economy, socio-cultural norms etc. The services include: identified and reliable source of income, insurance, savings, credit, money transfer, social security and pensions,” she elaborated.

Formal Financial inclusion is intended to connect people to banks and financial systems and thus facilitates creating equal opportunities and enabling economically and socially excluded people to integrate better into the economy and protect themselves against economic shocks.

And speaking about the levers and tools within the mandates of financial regulators which can contribute to women’s economic empowerment and gender equality, the Deputy Governor said financial regulation, which subjects financial institutions to certain requirements, restrictions and guidelines aiming to maintain the integrity of the financial system, also influences the structure of banking sectors, by decreasing borrowing costs and increasing the variety of financial

products available.

In Africa, women-owned enterprises make up as little as 10 percent of all businesses. In South Asia, that number is only 3 percent. And despite representing half the global population, women comprise less than 20 percent of the world’s legislators. Therefore, investing in gender equality and women’s empowerment can unlock human potential on a transformational scale and increase women’s participation in economic development. It is therefore vital that financial regulators examine the levers and tools that they can use in order to increase gender equality and women’s empowerment.

In contributing to women’s economic empowerment and gender equality, regulators need to leverage on the following: firstly there is need to have a framework under which the Strategic plan and Strategy should be anchored in order to put in place objectives that will be implemented to drive the gender agenda; commitments need to be made by all Central Banks for the Maya and Denaru Action Plans and ensure implementation of the same; regulators in the financial sector need to collaborate in order to address barriers and challenges that are faced by women in hindering their attainment of economic empowerment; regulators need to contribute to

national, regional and international laws through their interaction with their national governments in order to enhance gender equality and women’s empowerment; collection of disaggregated data in order to facilitate women’s economic empowerment and gender equality is paramount and should be given priority in regulators engagement with the Financial Service Providers (FSP) in order to provide an enabling environment in their product formulation so as to address the existing gender gap.

Regulators also need to conduct thematic inspections when carrying out their supervisory roles and include e.g. the FAMOS check tool (this is an ILO tool used to self-audit institutions in gaging how they are offering products and services to the different genders in the market), while Central Bank Governors meetings with CEO’s of Commercial Banks could be used as a forum for moral suasion into bringing about commitment in implementing gender related policies among others.

Disaggregated and up-to-date data collected from the financial sector could similarly be used in finding solutions to pertinent issues in the sector that hinder the empowerment of women economically.



(l-r) Executive Assistant to the Deputy Governor Administration Ms Brenda Phiri, Alternate Executive Director (Africa Group 1) at the World Bank Group Ms Anne Kabagambe, Deputy Governor Administration Dr Tukiya Kankasa-Mabula and Legal Counsel Mrs Jean Kamanga at the World Bank offices in Washington D.C. This was when the BoZ delegation paid a courtesy call on the Executive Director - Africa Group 1 Constituency and his Alternate.

# 2017 WORLD SAVINGS DAY



Key speakers at the 2017 World Savings Day

By GODWIN SICHONE & ANGELA NJUNJU

## BACKGROUND

The World Savings Day (WSD) was established on October 31, 1924, during the 1st International Savings Bank Congress (World Society of Savings Banks) in Milano, Italy. It is an event created to increase the public's awareness of the importance of savings, and is celebrated globally. In line with international practice, Zambia commemorated the 2017 WSD on 31st October 2017.

This article highlights activities undertaken during the Commemoration of the 2017 World Savings Day. It focuses on activities that were coordinated by Infinite Learning Consultants, an educational events consultancy firm that was hired by the German Savings Banks Foundation for International Cooperation (SBFIC) as part of the existing financial education partnership with the Bank of Zambia (BoZ). The scope of activities ranged from planning to implementation and were conducted in Central, Copperbelt,

Eastern, Lusaka, Northwestern and Southern Provinces.

## THEME FOR 2017 WORLD SAVINGS DAY

In Zambia, the World Savings Day was commemorated under the theme '*Know and Plan Your Finances to Live a Better Life*', which was the same theme used for the Financial Literacy Week. It focused on Key Life Events which people experience in their life time. These include marriage partners, birth of a new child and raising children, education, home ownership, employment, starting a business, retirement and unexpected calamities. If not adequately planned for, these life events can cause financial stress leading to poor choices of financial services to cope with these events.

The main commemorative event was held on 31st October but stakeholders utilised the week 6th - 10th November 2017 to conduct commemorative activities across their branch network nationwide.

The activities at which the public were encouraged to apply the formula:  $\text{Income} - \text{Savings} = \text{Expenditure}$  focused on the promotion of savings for both young people and adults and was supported by commercial banks and deposit-taking non-bank financial institutions.

## MAIN ACTIVITIES FOR THE WORLD SAVINGS DAY

### i. Stakeholder Meetings

The stakeholder meetings were held monthly from August through to October 2017. The purpose of the stakeholder meetings was to inform participating institutions and monitor the progress for planned activities. The stakeholders included the following types of institutions:

- Commercial banks
- Non-Banking Financial Institutions
- Insurance Companies
- Pensions Firms
- Securities Firms
- Mobile Network Operators and Payment Systems Companies



- Other key stakeholders in the Financial Inclusion arena
- Representatives from Education and Civil Society

Traditionally, stakeholders conduct outreach activities and share the importance of savings and their savings products. In line with the 2017 theme, the scope of reach was expanded in that the participating institutions were at liberty to interpret the theme based on their products and services.

### COIN COLLECTION COMPETITION

A Schools Coin Collection Competition was conducted among thirty (30) schools across Lusaka Province from January to October 2017. The concept was to promote a culture of saving among learners by showing them that 'every ngwee counts' if saved. The schools were expected to share with the organising Secretariat their various targets for money collected at the beginning of the year.

The financial literacy campaign in Zambia deliberately targets children and young persons from inception as this segment has yet to establish spending patterns and would therefore be easier to teach how to save. It is for this reason, that the financial literacy campaign introduced the coin collection competition in 2015. The winning criterion was based on banked value by the schools that actually deposited their collections. The awards were handed out as a dummy cheque by the Bank of Zambia Governor who serves as the national champion for financial education in Zambia.

### CHIEF EXECUTIVES BREAKFAST

The success of the financial literacy campaign in Zambia cannot be successful without the full support of the private sector. The implementation of financial education activities is highly dependent on working with market players and other stakeholders that have the ability to reach the masses. It is against this background that a high profile Chief Executives Breakfast is usually held. The 2017 Chief Executives Breakfast was hosted as always by the Bank of Zambia Governor who serves as the



BoZ Governor giving out awards to the Schools Coin Collection Competition winners

Champion for financial education in Zambia on Tuesday October 31, 2017 at the Intercontinental Hotel in Lusaka. The Governor, supported by Chief Executives from the other two financial sector regulators namely the Securities & Exchange Commission (SEC) and the Pensions and Insurance Authority (PIA), hosted Chief Executives of financial institutions and other financial sector players.

### PRE – WORLD SAVINGS DAY VISITS TO PROVINCES

The Pre-visits served a very important role in the success of hosting any activity in a distant location. These visits were an opportunity for the Organising Committee to engage with the representatives of institutions that would be able to engage the public and inform them both about the importance of Savings and the available options. These institutions include financial, education, government departments, media and non-governmental organisations. Based on the outcomes of the Provincial Visits, the Organising Committee was able to establish the preparedness of any given location and mitigate any negative elements.

### PROVINCIAL ACTIVITIES

In 2017, as a pilot, financial institutions through the stakeholders' meetings were encouraged to undertake provincial activities through their respective branches across the country. Unlike

previous commemorations, the Secretariat did not convene any centrally organised activities in any province with the exception of the Chief Executives Breakfast hosted in Lusaka. Shifting the burden of responsibility from the Secretariat to the market players accorded them the opportunity to own the process, plan and coordinate activities while adapting them to their organisational objectives.

### CONCLUSION

Overall, the 2017 World Savings Day was successful considering it was the first time financial sector players planned and coordinated their own activities in line with the theme 'Know and Plan your finances to live a better life!' The World Savings Day commemoration is further evidence of Zambia's commitment to the financial inclusion agenda that is primarily aimed at promoting a culture of saving among citizens. Investing in a financially literate citizenry has far reaching benefits in national development. Going forward, the unity of purpose that has been exhibited by the financial sector over the years should be harnessed.

**About the Authors: Godwin Sichone is an Assistant Manager – Research, Monitoring and Evaluation in the Financial Sector Development (FSD) Unit. Angela Njunju is the project officer for SBFIC.**

# NEW, TIGHTER AND ROBUST CONSUMER PROTECTION REGIME FOR THE FINANCIAL SECTOR



By **LUNGISANI ZULU**

**O**f interest to consumers of financial services in Zambia would be whether there are any reforms to place them as the rightful 'kings' of the financial services sector by tightening consumer protection regime, especially with the passage of a new banking code, the Banking and Financial Services Act No. 7 of 2017. In this write-up, I attempt to discuss the consumer protection provisions in the new banking code and their possible impact on the financial sector in general.

The Banking and Financial Services Act No. 7 of 2017, once operationalised, will usher in a new, tighter and robust consumer protection regime for the financial sector unlike the current banking code, the Banking and Financial Services Act, 1994.

A key new introduction towards enhancing consumer protection measures is the establishment of the office of the Ombudsperson for financial service providers. The Bank of Zambia has been given power to designate or appoint a suitably qualified person as a Financial Ombudsperson to deal with matters relating to consumer protection in banking and financial services. With a dedicated officer responsible for consumer protection matters, there is no chance that the voices of consumers can be drowned by other competing but equally important matters within the mandate of the Bank of Zambia.

In another key effort to protect consumers, the new law prohibits financial service providers from engaging in unfair business practices. Unfair business practices have been expansively defined to include practices that are likely to mislead consumers in making decisions; practices that

compromise the standard of honesty and good faith which financial service providers are reasonably expected to meet and practices which put pressure on consumers and distort their decisions, by use of harassment or coercion.

Further, the Banking and Financial Services Act No. 7 criminalises imposition of charges or penalties on borrowers making prepayments of the principal or instalments of the principal before their due dates in specified circumstances. A financial service provider can be prosecuted for this and is liable, upon conviction, to a fine not exceeding two hundred thousand penalty units or to imprisonment for a term not exceeding two years, or to both. A conviction of any offence under the new law has another serious consequence apart from a penalty and imprisonment both for the people managing the financial service provider and the financial service provider itself.

On the part of the people managing the financial service provider, where an offence is proved to have been committed by a corporate body or unincorporated body, the director, manager or shareholder of that body can also be charged and prosecuted for the same offence and will be liable to the same penalty specified for the offence. On the part of the financial service provider, once convicted of an offence, it shall have its licence or authorisation cancelled and may not be licensed or authorised for a period determined by the Bank of Zambia and may be barred from participating in the provision of a banking or financial service in the country.

Additionally, unfair terms in a contract concluded with a customer by financial service providers are not binding on the

customer. Unfair terms are defined to include all those contractual terms which have not been individually negotiated and contrary to the requirement of good faith, they cause a significant imbalance in the parties' rights and obligations arising under the contract, to the detriment of the customer. Any consumer who can show that a contractual term in any contract with a financial service provider meets the above test is excused from the obligation imposed by such a term.

The new law also details numerous anti-competitive activities which service providers are prohibited from engaging in. Regulation of anti-competitive behavior has the overriding impact of protecting consumers who are the ultimate losers when anti-competitive behavior thrives.

Finally, the provisions on consumer protection in the new law only supplement, and do not derogate from, provisions of other laws in force on the promotion of competition, consumer protection and fair trade. This means consumers can rely on both the provisions of the Banking and Financial Services Act and other consumer protection laws such as the Competition and Consumer Protection Act, 2010 to have their concerns with a financial service provider redressed.

It is therefore safe to conclude that the Banking and Financial Services Act No. 7 of 2017 is a serious game changer in the regulation of consumer protection of the financial sector in the country. This should be good news for all consumers of financial services but terrible news for any financial service provider found on the wrong side of the law. Its worthy of serious consideration for all concerned.



# SUSTAINABLE DEVELOPMENT GOALS BUTTRESSED



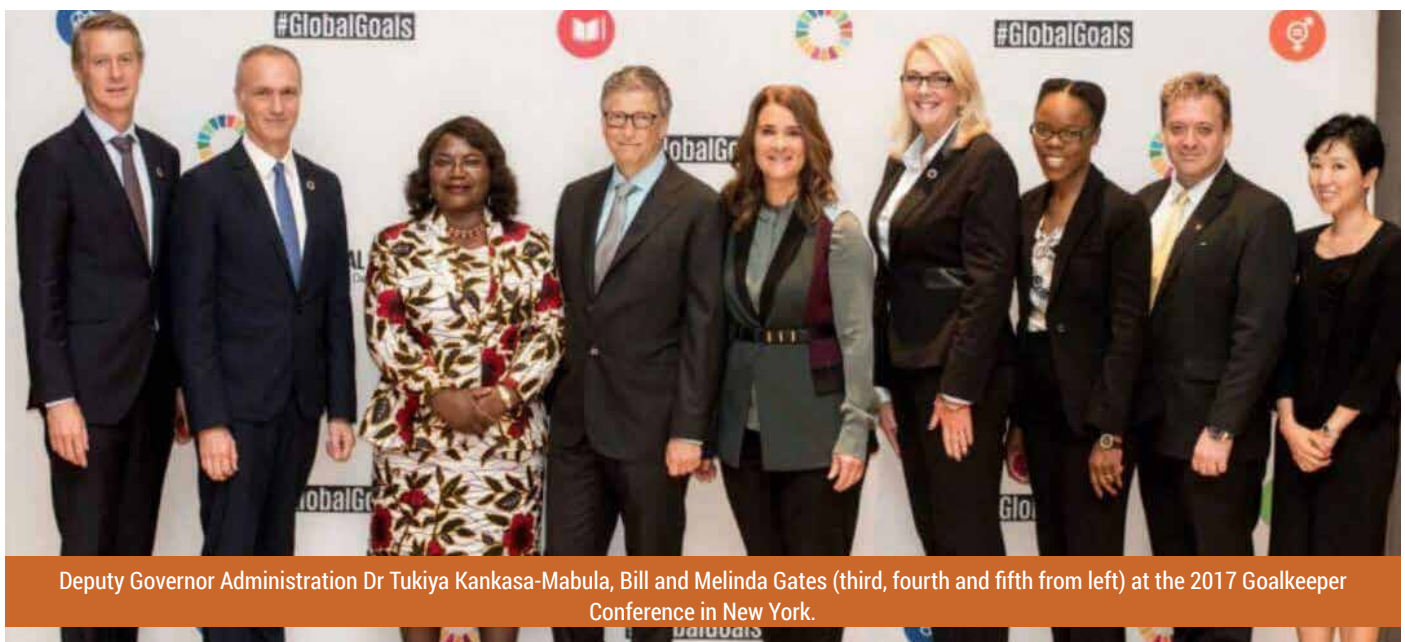
By BRENDA PHIRI

**T**he Bank of Zambia supports the SDGs directly or indirectly, through its Strategic Plan. In achieving some of these strategic objectives, a number of strategic initiatives have been lined up as well as forging partnerships with various stakeholders both at local and international level and supporting various accords and commitments that the Bank has committed to. For instance, BoZ is a member of the Alliance for Financial Inclusion (AFI) whose mission is to empower policy makers increase access to quality financial services for the poorest population. In 2016, the members of AFI adopted the Denarau Action which provides AFI members with tools they can use to increase financial inclusion for women and reduce the gender gap which is estimated to be 9%. One of this 10 Action Point calls on AFI members to leverage on Digital Financial

Services and other innovative technology initiatives to accelerate progress towards closing the gender gap. To support the implementation of the Denarau Action Plan and other initiatives aimed at promoting financial inclusion, a Gender and Women's Financial Inclusion Committee was formed under AFI and is currently being chaired by the Bank of Zambia Deputy Governor for Administration Dr. Tukiya Kankasa-Mabula. AFI has played a significant role in championing greater financial inclusion through the Maya Declaration. The Maya commitment enables AFI member to make Public Commitments, concrete financial inclusion targets, implement in-country policy changes, and regularly share progress updates usually during the AFI Global Policy Forum. It is estimated that over 66 AFI member countries and institutions (Including

BoZ) have committed to the Maya Declaration.

In recognition of the role that AFI plays towards financial inclusion, the Bill and Melinda Gates Foundation extended an invitation to AFI to attend the 2017 Goal Keepers conference. AFI was represented by its Chairperson for the GWFIC, Dr. Tukiya Kankasa-Mabula and AFI's Head of Global Partnerships Mr. Ilya Sverdlov. During the conference AFI was recognized by Bill & Melinda Gates Foundation as an accelerator for SDGs due to its driving force to advance financial inclusion in developing and emerging countries. AFI was recognized in the, "Advancing Digital Financial Inclusion category". Other Accelerators for SDGs were recognized in the Supporting women's movements and Fighting child undernutrition categories.



Deputy Governor Administration Dr Tukiya Kankasa-Mabula, Bill and Melinda Gates (third, fourth and fifth from left) at the 2017 Goalkeeper Conference in New York.



(l-r) Managing Director for First National Bank Zambia Limited Mr Leonard Hayne, Assistant Director Communications and Governor Dr Denny Kalyalya at Kalumbila Mine.



Governor Dr Denny Kalyalya speaking at a Copperbelt Chamber of Commerce and Industry Breakfast Meeting in Kitwe.



Governor Dr Denny Kalyalya with members of the press in Solwezi



Director Economics Dr Francis Chipimo and Director Non-Bank Financial Institutions Supervision Department during a visit to Intermarket Banking Corporation Limited - Kitwe branch after commencement of pay-outs to depositors.



Deputy Governor - Operations Dr Bwalya Ng'andu flanked by ILO Country Office Director Mr Alexio Musindo and Barclays Bank Zambia Managing Director Ms Mizinga Melu at Twangale.



(l-r) Temporary Clerk in Human Resources Department Mr Mwaaka Mukali and Note Examiner Mr Brandon Kangwa at a BoZ function.



(l-r) Director Human Resources Ms Roseline Scott, Deputy Governor Administration Dr Tukiya Kankasa-Mabula and Acting Assistant Director Enterprise Risk Management Ms Juliet Mucheleka at a Women in Leadership Workshop at Twangale



(l-r) Senior Accountant Ms Florence Pandala, Senior Internal Auditor Ms Bertha Chisola and Board Secretary Ms Namwandi Ndhlovu at a Women in Leadership Workshop at Twangale.





Economist Statistical Reports and Database Mr Wachisa Sibale with other members of the secretariat preparing name tags for delegates attending the 2017 Foreign Private Investment Flows and Investor Perceptions Dissemination Workshop.



Delegates registering for the 2017 Foreign Private Investment Flows and Investor Perceptions Dissemination Workshop



Assistant Director Mr Ivan Zyuulu and Deputy Governor - Operations Dr Bwalya Ng'andu at the Foreign Private Investment Flows and Investor Perceptions Dissemination Workshop.



(l-r) Senior Economist – Monetary Sector Ms Mwika Sampa, Deputy Governor - Operations Dr Bwalya Ng'andu and Senior Economist Statistics and National Accounts Ms Chisala Ng'andwe at the Foreign Private Investment Flows and Investor Perceptions Dissemination Workshop



Deputy Governor - Operations Dr Bwalya Ngandu launching the Banking Office Customer Service Charter.



Deputy Governor - Operations Dr Bwalya Ng'andu distributing the Banking Office Customer Service Charter to members of staff after the launch.



Senior Economist Statistics and National Accounts Ms Chisala Ng'andwe speaking at the Foreign Private Investment Flows and Investor Perceptions Dissemination Workshop.



(l-r) Mr Pride Kabuswe, Dr Jacob Lungu and Mr Kamwi Mulele at the 'Foreign Private Investment Flows and Investor Perceptions in Zambia' Workshop.

# 2017 ANTI-MONEY LAUNDERING DIRECTIVES GAZETTED

By ZAMBANKER REPORTER

**The 2017 Anti-Money Laundering and Proliferation Directives have been gazetted. These Directives shall apply to all reporting entities licensed or designated by the Bank of Zambia. The Bank of Zambia shall be the supervisory authority for the purposes of giving effect to these Directives. Details of the Directives are outlined here below:**

## **O**bligation to Report Suspicious Transaction

An obligation to report a suspicious transaction arises where a reporting entity processes or is likely to process a transaction to which there is reasonable grounds to suspect that any property is the proceeds of crime, or is related to, or is to be used for, terrorism, terrorist acts or by terrorist organisations or persons who finance terrorism or proliferation, the reporting entity shall take reasonable measures to ascertain the purpose of that transaction and submit a report to the Financial Intelligence Centre, setting out the grounds for the suspicion and the particulars of the transaction, within three (3) working days of forming that suspicion.

A reporting entity shall also exercise caution when carrying out a transaction which it suspects to be related to money laundering or financing of terrorism or proliferation. In addition, a reporting entity shall submit a suspicious transactions report on attempted money laundering or financing of terrorism or proliferation to the Centre.

### **Obligations of compliance officer**

A compliance officer shall: (a) keep a register of all reports made by employees of the reporting entity and of all reports that the officer makes to the Centre; (b) on written request by a law enforcement agency, give an acknowledgment receipt from the Centre of all the reports submitted to the Centre; make available to the law enforcement agency copies of reports made to the Centre and those made to

the compliance officer by employees of the reporting entity; and (c) after receiving a report, promptly evaluate whether or not there are reasonable grounds for believing that a customer has been engaging in illegal activities or crime or financing of terrorism or proliferation, and if after such evaluation, the compliance officer finds that such grounds exist, the compliance officer shall immediately submit a suspicious transactions report to the Centre in the format prescribed in the First Schedule to these Directives.

Furthermore, if a compliance officer resigns from a reporting entity, the reporting entity shall prepare and deliver to the Bank of Zambia and the Centre, within ten days after delivery to the reporting entity of the compliance officer's resignation, a written statement of the reasons for the resignation. On the other hand, if a reporting entity terminates the appointment of its compliance officer, the reporting entity shall prepare and deliver to the Bank of Zambia and the Centre, within ten days of the decision to terminate the appointment, a written statement of the reasons for the termination.

### **Obligations of employees**

An employee of a reporting entity shall promptly report to a compliance officer all cases where: (1) the employee becomes aware, has knowledge or suspects or has reasonable grounds to suspect, that a customer has been or is involved in an illegal activity or crime or financing of terrorism or proliferation; or a customer in respect of whom the employee becomes aware, has knowledge or suspects or

has reasonable grounds to suspect, that another customer has been engaging in illegal activities or crime or financing of terrorism or proliferation.

### **Cooperation with law enforcement agencies**

In addition to reporting a suspicious transaction to the Centre, a reporting entity shall not be precluded from providing information to a law enforcement agency where a transaction requires immediate action; (2) A reporting entity shall: (a) cooperate with the law enforcement agencies to facilitate the exchange of information relating to money laundering or financing of terrorism or proliferation; and (b) comply with any law which requires the provision of information to the law enforcement agencies to assist in an investigation.

### **Obligations of the board of a reporting entity**

The board of a reporting entity shall ensure that the reporting entity puts in place internal programmes to prevent, detect and report any suspicious activities relating to money laundering, financing of terrorism or proliferation. The board shall submit an annual compliance report to the Bank of Zambia indicating the number of internal reports submitted to the Centre on money laundering, financing of terrorism or proliferation and on the effectiveness of the internal programmes referred to in Directive 9(1).



## Prohibition against Tipping Off

A reporting entity or any director, manager, officer, principal or employee of the reporting entity shall not disclose to any person, including the person in respect of whom the report is made, the contents of auspicious transactions report.

## Protection of identity of persons and information relating to Suspicious Transactions Reports

A reporting entity or any director, manager, officer, principal or employee of the reporting entity shall not disclose any information that identifies, or is likely to identify the person who prepared or made a suspicious transaction report, or handled the underlying transaction.

A reporting entity or any director, manager, officer, principal or employee of the reporting entity shall keep confidential the contents of a suspicious transaction report.

## Immunity of entities/persons reporting

A reporting entity or any director, manager, officer, principal or employee of the reporting entity who submits a suspicious transactions report to the Centre, in good faith, or in compliance with directions given by the Act or these Directives shall not be liable to any civil, criminal, administrative or disciplinary proceedings for breach of banking or professional secrecy or contract.

## Obligations Relating to Financing of Terrorism or Proliferation

A reporting entity shall develop and implement practices and procedures that will help to detect and deter transactions that may involve funds used in the financing of terrorism or proliferation.

Where such transactions are identified, a reporting entity shall submit a suspicious transaction report to the Centre.

## General penalty

A person who contravenes any provision of these Directives commits an offence and is liable upon conviction, to a fine not exceeding seven hundred thousand penalty units or to imprisonment for a period not exceeding seven years, or to both.

## Administrative sanctions

Notwithstanding the criminal sanctions provided for under Directive 15, the Bank of Zambia may impose administrative sanctions on a person who intentionally or negligently fails to submit a suspicious transaction report on money laundering and financing of terrorism or proliferation to the Centre.

The administrative sanctions that the Bank of Zambia may impose include any of the following:

- A caution not to repeat the conduct which led to the non-compliance with a provision of the Act or these Directives;
- A reprimand;
- A directive to take remedial actions or make specific arrangements to redress identified non-compliance;
- A restriction or suspension of cer-

tain specified business activities;

- A suspension of licence for a period not exceeding six months;
- A suspension from office for a period not exceeding six months;
- A removal from office;
- Publication of a public notice of any prohibition or requirement imposed by the Centre or Bank of Zambia under this part and of any rescission or variation thereof and the notice made if the Centre or Bank of Zambia considers necessary, include a statement of the reason for the prohibition, requirement, variation or rescission;
- A fine not exceeding seven hundred thousand penalty units.

## Reason for suspicion shall include:

Person's suspicious behaviour, ATM fraud, Irregular or unusual international banking activity advance fee scam, Large or unusual cash deposit, large or unusual cash withdrawals, activity inconsistent with customer profile, Corporate/Investment fraud, large or unusual inward remittance, Large or unusual outward remittance, unusually large foreign currency transaction credit card fraud, country/jurisdiction risk, credit/loan facility fraud, false name/identity, currency not declared at border, counterfeit currency, immigration related issue, fraud, internet fraud, avoiding reporting obligations, national security concern, Known/suspected criminal/organisation, unauthorised transaction, unusual business practices, unusual financial instrument, many third parties making deposits into the account, unusual gambling, watch listed individual/organisation, phishing (electronic fraud) and other.



**Saving means putting money aside from what you earn today, for future use or needs.**



**You earn interest on the money you save.**



**Make sure you understand which type of saving products you need.**

# BOZ KEEN ON IMPROVED CONSUMER PROTECTION

By ZAMBANKER REPORTER

**Director Non-Banks Financial Institutions Supervision Department Ms Freda Tamba has said improved protection of consumers in financial markets remains a key preoccupation of the Bank of Zambia (BoZ). To this end, the BoZ has as one of its strategic objectives in its 2016 - 2019 Strategic Plan the “Review of the regulatory and supervisory function to cater for market conduct and consumer protection.”**

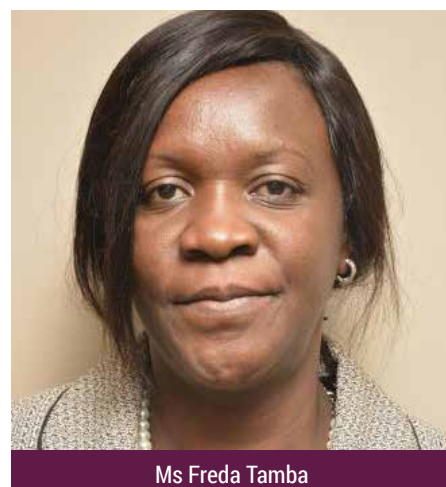
**S**peaking during the Consumer Protection and Market Conduct training held in Lusaka recently, Ms Tamba said the BoZ has noted that the existing supervisory practices insufficiently address the need for financial service providers (FSPs) to adhere to consumer protection and market conduct rules because prudential supervisors prioritise supervision on the safety and soundness objective to the complete exclusion of consumer protection and market conduct supervision.

‘The BoZ has observed that despite the rate of increase in product innovation especially in digital finance by FSP’s, there are inadequate financial consumer protection arrangements for the financial sector thereby exposing consumers to exploitation and unfair business practices. This challenge has been attributed to, among other things, the failure of the supervision function to support consumer protection and market conduct supervision. I am therefore excited that this training programme will accord an opportunity to many members of staff within the BoZ and CCPC an opportunity to obtain insights in best practice consumer protection and market conduct supervision from distinguished experts,’ she explained.

She elaborated that the Central Bank is committed to maintaining and enhancing market confidence in a strong, fair and progressive way, but that it could not do this alone. She added that regulation is a complex balancing act and that it was only through collaboration with both

industry and consumers that the Bank could make it work for the financial system as a whole. Ms Tamba also mentioned that the BoZ will continue strengthening the capacity of its staff in consumer protection and market conduct supervision. In addition, the BoZ is reviewing its supervision function in order to cater for consumer protection and market conduct function. The review is expected to be concluded by mid-year in 2018. Furthermore, the BoZ will in 2018 work towards developing internal complaints-handling requirements for financial institutions and sales and market practice guidelines. The training programme was designed to enhance participants’ understanding of supervisory activities for overseeing consumer protection and market conduct; and current issues in consumer protection and market conduct for financial services. It was facilitated by Toronto Centre and was attended by members of staff of the Competition and Consumer Protection Commission (CCPC) and the BoZ.

In Zambia, multiple agencies are responsible for supervision of the financial sector. Of particular interest to the financial sector will be the harmonisation of regulation and supervision of consumer protection and market conduct. This is of key importance in view of the costs associated with compliance to varying regulatory regimes. Therefore, the harmonisation of consumer protection and market conduct should be at the top of the regulators’ radar screen. This is the reason why the BoZ continues to prioritise collaboration with the CCPC,



Ms Freda Tamba

SEC and PIA to reduce information asymmetry among the regulators of the financial sector. To this end, the BoZ holds quarterly meetings with the SEC and PIA in order to share information.

The following are some of the financial consumer protection challenges that were identified during the programme: a lack of transparency and disclosure of terms and conditions (i.e. hidden charges and fees); lack of understanding of complaints procedures; unresolved consumer complaints by FSPs; FSP’s requiring too much information that is onerous for consumers; denial to refinance loans/early settlements of loans; and complaints about unfair listing on the Credit Reference Bureau database.

The presentations by facilitators covered various topics in CPMC supervision. It was shared that a Financial Consumer Protection (FCP) Framework was needed in order to: mitigate potential risks to consumers



as a result of key developments in the financial sector such as increasing competition, technological innovations and pressures to sustain profitability. The potential risks include but not limited to; abusive marketing and sales practices, poor lending practices and unsuitable products.

It was also submitted that in an event that there were multiple regulatory authorities involved in FCP, there was need for coordination. In addition, it was observed that consumer protection regulation was meaningless without supervision. As such, it was explained that there was need to have a visible CPMC supervision structure that was well placed in the organisational structure unlike one that was barely a small unit/section overshadowed by other functions. The facilitators suggested that since the BoZ was just beginning to develop its CPMC function, it would be cardinal that study tours are conducted in jurisdictions such as Armenia, Peru, Ireland and Malaysia as they were small and had similar conditions as Zambia.

It was also learnt that a dispute resolution process involved three complementary elements namely; Internal Dispute Resolution (IDR)- (this should be actioned internally by FSPs through their complaints handling units. The supervisor should

establish minimum operational standard for IDR, which is the first line of defense; External Dispute Resolution (EDR) (any third party such as Ombudsperson, Consumer Protection Agency that receives complaints from FSP consumers, including regulatory authority). The complaints must have already passed through the IDR process; and Consumer Protection Supervision. This involves enforcement of compliance with consumer protection regulations as well as assessment of FSP as a whole in its business conduct and treatment of customers. Like prudential supervision, FCP uses specialised

supervisory techniques such as mystery shopping, monitoring, onsite and offsite examinations. FCP supervision does not handle consumer complaints.

FCP supervision also analyses the root causes of the complaints being received through IDR and EDR in order to find solutions. FCP supervision thus focusses on establishing the underlying causes of the problem instead of the symptoms manifested by complaints. The results of the analysis are later used for supervisory and other activities such as education programmes.



Banking Office staff after the launch of the Customer Service Charter.

# BANK FAILURES IN THE PRESENCE OF REGULATION



**The stability of the financial sector is a key objective for many regulators around the globe. This is especially so in view of the financial sector development-economic growth nexus where evidence points to a unidirectional causal relationship. However, despite the best intentions of regulators to maintain the stability of financial sector, financial institutions still fail in many jurisdictions. When failures occur, the regulators sometimes come under severe public criticism for not doing enough to prevent such failures. A bank failure could occur for various reasons including when a bank is unable to meet its obligations to its depositors or other creditors because it has become insolvent or too illiquid to meet its liabilities. More specifically, a bank usually fails economically when the market value of its assets declines to a value that is less than the market value of its liabilities**

**I**n order to achieve the objective of maintaining financial system stability, a regulatory authority should have appropriate institutional arrangements. The Bank of Zambia established the Financial System Supervision Department (FSSD) in 1974. Its mandate was to license, regulate and supervise banks and non-bank financial institutions in Zambia. The department did not undertake any off-site analysis until 1992, and banks were not required to submit prudential returns except those that were required for the conduct of monetary policy. The main focus of the FSSD at the time was on checking bank compliance with foreign exchange controls and other economic directives. Under this approach, there was heavy reliance on direct controls, such as ceilings on interest rates and bank lending for the conduct of monetary policy. This approach to supervisory oversight was largely acceptable at the time owing to the fact that most banks were subsidiaries of reputable foreign banks which were subject to consolidated supervision in their home countries. Evidently, the FSSD was not adequately resourced while the supervisory legal framework was not up to date and therefore, not fully responsive to new developments in the

banking sector. It was subsequently reviewed in 1995. Consequently, the FSSD issued numerous statutory instruments in the ensuing period as part of the process that was aimed at strengthening the regulatory and supervisory actions available to the BoZ. These included statutory instruments on capital adequacy, insider loans, large loans, fixed assets, interest disclosure, classification and provisioning of loans.

The review of the Banking and Financial Services Act and related statutory instruments appeared to have coincided with the start of the bank failures. In a survey conducted prior to the crisis, the FSSD identified some notable features that characterised the banking sector in the run-up to the crisis. Firstly, the banking sector was characterized by a marked increase in innovations which were not anchored on sound risk management processes. These innovations were aimed at attracting deposit liabilities and would subsequently result in a shift in the structure of the market share for deposits in the banking sector. Secondly, another key feature that emerged was that relating to increased competition. For instance, Meridien Bank was aggressive in

competing with big foreign banks to attract new and existing customers from other banks. Thirdly, there was also a notable increase in credit being granted by banks particularly smaller ones despite the absence of robust credit policies that could mitigate the growth in non-performing loans. Lastly, despite the evident build-up of risks in the banking sector, both the quality and quantity of regulatory capital remained low. This meant that a failing bank would not have sufficient absorptive capacity for any realised losses arising from the increased risks they were facing. In addition, the supervisory approach largely remained unchanged despite these notable potential risks to the banking sector.

The ensuing period of 1995 - 2002, a total of ten banks failed. The bank failures were largely attributable to weakness in banks' corporate governance and risk management practices which resulted in unguarded insider dealings and abuse among the shareholders and directors of the banks. In addition, the weaknesses in the legal and regulatory infrastructure of the Bank of Zambia were cited for the failures. The Bank of Zambia had to provide liquidity support to some of





the failed banks in an attempt to avert failures in exercise of its function as a lender of last resort. However, where the causes were structural, such liquidity assistance quickly became unsustainable thereby rendering any supervisory interventions ineffective. The social and economic costs of such interventions can be quite significant in the absence of robust financial safety net arrangements. In such cases, the need to intervene in a bank failure has to be carefully balanced against other public policy objectives as well as moral hazard.

More recently in November 2016, Zambia experienced the first bank failure since 2002. The failure has once again highlighted the need to review the current legal framework and supervisory practices. The legal framework offers limited options for bank resolution while there are questions on whether alternative

supervisory actions could have prevented the failure or whether indeed the actions available are sufficient. Regulators operate in the presence of several binding constraints including information asymmetry coupled with the additional problem in the form of type I and Type II errors. It is well possible that a regulator can end up closing a bank that is viable or allow a non-viable bank to continue operating. Because of this, regulators tend to default to regulatory forbearance in the absence of quality information upon which to base their supervisory actions. Inevitably, the recent failure calls for a re-examination of the supervisory and regulatory levers that can be relied on under both normal and stressed conditions. More significantly, the failure highlights the need for a comprehensive financial system safety net intended to minimise the disruptions that come with bank failures.

A key objective of any policy options exercised by the regulator during bank failures is to ensure that depositors do not lose their money. This is because bank failures impose significant hardships on depositors in addition to undermining the credibility of regulators to foster confidence in the financial system. Further bank failures can have unintended consequences such as flight to safety particularly from smaller banks as depositors become wary of their continued existence. Under the circumstances, the regulator is faced with the task of adopting policy responses that seek to achieve broader but optimal outcomes that address various concerns arising from bank failures within existing policy and legal constraints.

***The author is a senior inspector in the Bank Supervision Department.***

# 2018 NATIONAL BUDGET EXCERPTS

**Former Finance Minister, Honourable Felix Mutati presented the National Budget to Parliament under the theme “Accelerating fiscal fitness for sustained inclusive growth, without leaving anyone behind.” Excerpts of the budget are presented as follows**

## **GLOBAL AND DOMESTIC ECONOMIC DEVELOPMENTS IN 2017**

- The global economy was projected to grow by 3.5 percent in 2017, compared to 3.2 percent in 2016. This was mainly premised on a projected 4.6 percent growth in the large emerging and developing economies, driven by the gradual improvement in commodity prices. Growth in advanced economies was expected to strengthen to 2.0 percent in 2017 from 1.7 percent in 2016. Sub-Sahara African growth was projected to expand to 2.7 percent in 2017 from 1.3 percent in 2016, driven by increased agricultural and mining output.
- As global economic activity gained momentum, commodity prices were expected to continue strengthening in 2017. Copper prices were projected to average US\$5,827 per tonne in 2017 compared with an average of US\$ 4,868 per tonne in 2016. Similarly, international crude oil prices were expected to surge upwards to an average of US\$49.0 per barrel in 2017 from an average of US \$42.8 per barrel in 2016.
- The Zambian economy in 2017 has continued to rebound. Growth was expected to be above 4.0 percent from 3.8 percent in 2016. Key drivers were mining, agriculture and manufacturing sectors supported by improved electricity generation. It is worth noting that the Zambian economy has outpaced the Sub-Sahara African economic growth of 2.7 percent. This is a reflection of the sound economic policies that this Government has put in place.

## **DEVELOPMENTS IN THE DOMESTIC ECONOMY REAL SECTOR**

- Crop production during the 2016/2017 farming season was favourable with significant increases in the output of maize, Irish-potatoes, rice, tobacco, groundnuts and soya beans. Growth in the fisheries sub-sector strengthened for both capture and aquaculture fisheries to 77,029 metric tonnes for the period January to June 2017 from 56,241 metric tonnes in the same period in 2016. This was explained by higher participation by commercial and emergent fish farmers in aquaculture, and enhanced enforcement of fisheries regulation in capture fisheries. In the livestock sub-sector, there was an increase in the livestock population to 4.9 million during the period January to June 2017 from 4.3 million compared to the same period in 2016. This was due to the stocking and re-stocking programmes and improved animal disease control programmes.
- Electricity generation in the first eight months of 2017 increased by 23.7 percent to 9.4 million megawatt hours from 7.6 million megawatt hours during the corresponding period in 2016 on account of improved water levels. This has significantly reduced load shedding creating better prospects for industrialisation.
- As at end August 2017, copper production stood at 510,369 metric tonnes, with the end year production expected to exceed the 2016 output of 770,000 metric tonnes.
- Following the initiative to modernise Harry Mwanga

Nkumbula International Airport, tourist arrivals at the airport increased by 23.6 percent in the first half of 2017 compared with the same period in 2016. Similar trends at Ndola and Lusaka are expected once the modernisation projects have been completed.

## **EXTERNAL SECTOR PERFORMANCE**

- The performance of the external sector has improved relative to 2016. Zambia's trade balance recorded a surplus of US\$388.3 million during the first six months of 2017 compared with a surplus of US\$45.8 million during the corresponding period in 2016. This was mainly driven by higher export earnings relative to imports. Total export earnings were 25.8 percent higher at US\$3.9 billion compared with US\$ 3.1 billion in the corresponding period in 2016.
- Copper export earnings were higher by 38.1 percent at US\$ 2.9 billion from US\$ 2.1 billion in the corresponding period in 2016. This was due to a rise in both export volumes and prices. Non-traditional exports, however, marginally declined to US\$ 811.7 million during the first six months of 2017 from US\$ 835.5 million during the same period in 2016.
- Gross international reserves as at end-August 2017 were estimated at US \$2.3 billion, relatively unchanged from the end-2016 level. This translates into 3.2 months of import cover.

## **MONETARY AND FINANCIAL PERFORMANCE**

- Monetary performance in 2017 has been positive. The exchange



rate of the Kwacha against major tradable currencies has been relatively stable appreciating by approximately 4.0 percent to date. Inflation had fallen significantly to 6.6 percent in September 2017 from 18.9 percent during the same period in 2016. The Bank of Zambia eased monetary policy significantly in 2017. The policy rate was reduced from 15.5 percent in January to 11 percent in August 2017. Statutory reserve ratios reduced from 18 percent to 9.5 percent over the same period. The overall performance and condition of the financial sector remained satisfactory as at end-August 2017. The banking sector also maintained a strong capital adequacy position and satisfactory earnings performance.

- Despite the easing of monetary policy, commercial bank average lending rates fell marginally to 26.6 percent in August 2017 from 29.4 percent in December 2016. Private sector credit remained subdued, contracting by 2.9 percent as at end August 2017. Asset quality also deteriorated as reflected by increased non-performing loans to 12.2 percent relative to total loans, compared to 9.7 percent as at end-December 2016. This is above the internationally acceptable threshold of 10 percent. However, measures are being taken to reverse this trend and restore asset quality in the banking sector.
- Government successfully restructured the Intermarket Banking Cooperation that closed last year. The shareholder agreement for the new restructured bank was concluded and the capital requirement has been met. The new bank will operate under the name of Zambia Industrial Commercial Bank and will take over the assets of Intermarket Banking Cooperation. Management for the restructured bank has been appointed and it will soon commence operation.
- Following the successful restructuring of Intermarket Bank, Government is now repositioning the National Savings and Credit Bank and Development Bank of Zambia to improve their governance structure and their capability in contributing to the development of the banking

sector and the economy. The repositioning will include the restructuring of the National Saving and Credit Bank into a full-fledged commercial bank with private equity participation.

### **FISCAL PERFORMANCE**

- Execution of the budget in 2017 remained challenging. Revenues and grants were projected to be below target by 7.0 percent at K42.1 billion by the close of 2017. This was on account of delayed and non-implementation of some measures such as the use of fiscal devices, low compliance in some tax types and the non-disbursement of grants from cooperating partners. In line with the fiscal consolidation stance, expenditure was projected to be below target by 6.0 percent. Consequently, the deficit on cash basis was expected to close the year at 6.8 percent of GDP.

### **DEBT AND ARREARS POSITION**

- The stock of Government's external debt as at end-August 2017 was US \$7.56 billion representing 29 percent of GDP. The stock of domestic debt in the form of Government securities was K44.6 billion, representing 18 percent of GDP. Total public debt (external and domestic) at end-August 2017 was therefore, K114.9 billion, equivalent to US \$12.45 billion and representing 47 percent of GDP.
- The stock of domestic arrears as at end June 2017 was K13.2 billion, from K19.1 billion in December 2016. The significant reduction in arrears was attributed to Government's concerted effort to clear arrears.

### **MACRO ECONOMIC OBJECTIVES, POLICIES AND STRATEGIES FOR 2018**

Accelerating fiscal fitness is critical for sustained inclusive growth, diversification and job creation. These outcomes are in conformity with the strategic objectives of the Seventh National Development Plan. In this regard, the macroeconomic objectives and policies for 2018 will

be to:

- achieve real GDP growth of at least 5.0 percent;
- maintain single digit inflation in the range of 6.0 to 8.0 percent;
- maintain international reserves of at least 3 months of import cover;
- Attain domestic revenue mobilisation of at least 17.7 percent of GDP;
- limit the fiscal deficit, on a cash basis, to 6.1 percent of GDP;
- limit domestic financing to no more than 4.0 percent of GDP;
- accelerate implementation of measures towards diversification of the economy;
- Reduce the stock of arrears and curtail the accumulation of new arrears; and
- Slow down the contraction of new debt to ensure debt sustainability.

### **KEY INTEGRATED MULTI-SECTORAL POLICIES AND INTERVENTIONS**

The Seventh National Development Plan has adopted an integrated multi-sectoral approach to development. This entails that sectors have to work together in clusters to achieve the objectives of the Plan. In this vein, the policy and structural interventions to be undertaken in 2018 will be aligned to the following five pillars of the Plan:

- economic diversification and job creation;
- poverty and vulnerability reduction;
- reducing development inequalities;
- enhancing human development; and
- Creating a conducive governance environment for a diversified and inclusive economy.

There is need to create a supportive environment for effective implementation of the Plan. This will be done by creating a stable macroeconomic environment and fiscal space, while consolidating policy and structural reforms as outlined in the Economic Stabilisation and Growth Programme.

# 2017 WORKPLACE WELLNESS ACTIVITIES



Mercy Wansomwe

By **MERCY WANSOMWE**

## 1.0 INTRODUCTION

**I**n pursuit of developing, maintaining a healthy work environment and enhancing quality of life for its employees, the Bank of Zambia has overtime provided Occupational Health and safety services to its employees. These among others include:

- In-house employee workplace Clinic
- Affiliation of employees and their registered dependents to various selected hospitals for medical services.
- Sports and Recreation facilities
- Canteen facilities
- Provision of Protective equipment, clothing and other preventive and safety measures
- Regular inspections to ensure that potential health risks are identified in good time.
- Pre-employment and in- service medical examinations
- Voluntary HIV/AIDS Medical Scheme for provision of Antiretroviral Therapy services
- Club Membership subscription fees for all eligible staff.

## BOZ WELLNESS PROGRAMMES UNDERTAKEN IN 2017

The Bank through the Bank of Zambia (BOZ) Clinic Medical Professionals implemented a variety of Wellness Programmes in the year 2017 as follows:

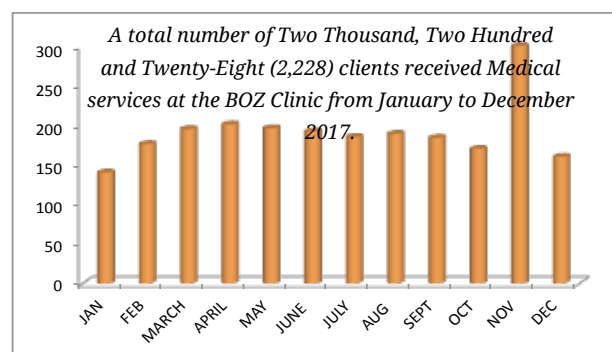
### Primary Health Care (PHC) services

The BOZ Clinic provided PHC Services on an out Patient basis to the BOZ employees, registered spouses and dependants throughout the year. Services that have been offered to the clients include:

- Screening, Curative and Preventive Services
- Rehabilitative Services
- Diagnostic Services
- Antiretroviral Therapy (Art) Services
- Maternal and Child Health Services
- Hospital visitations for admitted employees
- Home visits for clients requiring follow up.
- Referral services for specialized treatment to affiliated and other health institutions

The graph below illustrates the total number of clients seen at the clinic from January to December 2017.

### NUMBER OF CLIENTS SEEN AT BOZ CLINIC FROM JANUARY TO DECEMBER 2017



Members of staff exercising at the BoZ Club House.



## CERVICAL CANCER SCREENING

As a follow up, to the Breast and Cervical Cancer which were conducted in 2015 – 2016, further screening was offered in 2017 to those clients that were assessed to be at high risk. These clients received further management at the Cancer Disease Hospital (CDH) and Adult Center of Excellence (ACOE) at the University Teaching Hospital.

### Inspection of Bank Vaults, Currency and Loading Bay

To ensure that the work areas are safe and conducive in terms of health and safety, periodic Inspection of selected departments in the Bank are conducted as part of the Wellness Programmes.

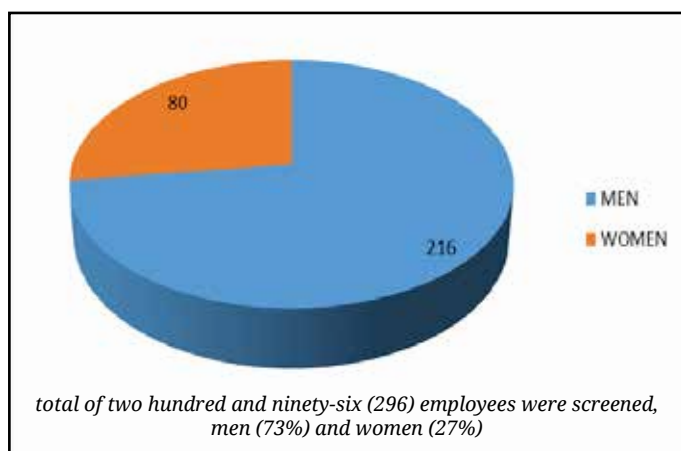
An inspection of the Currency, Vaults and the Loading Bay was conducted in the month of March 2017 by the inspection team. Some of the health and safety areas that the inspection concentrated on included:

- Ventilation
- Conditions of flooring
- Changing room facilities
- Tea rooms facilities
- Rest rooms facilities areas
- Maintenance of the workplace, equipment, devices and systems
- Lighting

## OPHTHALMOLOGY SCREENING

The Bank, in conjunction with the Vision Care opticians conducted an ophthalmology screening exercise for employees in the month of May 2017. Employees who attended the screening session received full ophthalmology screening. Those that needed further attention after the screening received further care and management.

The graph below illustrates the total number of employees who participated in the screening



## BIOMETRIC HEALTH SCREENING

Biometric health screening is defined as “the measurement of physical characteristics such as height, weight, body mass index, blood pressure, and blood cholesterol and blood glucose. These measurements can be used, as part of a workplace health assessment, to benchmark and evaluate changes in employee health status over time.

It is against this background that in the month of May 2017 along with ophthalmology screening, the Bank conducted a Biometric screening for employees which included the following:

- a) Blood pressure check
- b) Body mass index check
- c) Blood glucose check and
- d) Body fat percentage

Depending on the results employees were given one-on-one counselling and coaching. Those employees that were found to have high values of the biometrics were advised to seek further medical attention at the BOZ Clinic. Some were commenced on continued counselling, support and treatment.

A total number of Three Hundred and Twelve (312) employees at Head Office underwent the biometric screening.

## WELLNESS CHAMPIONS TRAINING

In maintaining the momentum of wellness programmes in the Bank, the BOZ appointed Wellness Champions underwent a five-day training workshop. It was necessary to equip them with necessary knowledge, skills, and competencies, in order for the Wellness Champions to serve competently. The training included Theory, Practicals and Demonstrations. Facilitators had the necessary experience, skills and expertise and were drawn from several organisations and fields such as:

- Medical professionals from BOZ clinic
- Medical Professionals from Chainama Hills Hospital and the University Teaching Hospital
- Official from Occupational Health and Safety Institute of Zambia.
- Official from the Zambia Police Services
- Fitness instructor
- Officials from Lusaka City Council Fire Authority

## ON SPOT INSPECTION OF BOZ CANTEEN

On spot inspection of the Bank of Zambia canteen were conducted periodically in the year 2017. Among the areas the inspection concentrated on included:

- Cleanliness of the cooking area
- Cleanliness of the eating area
- Personal Protective Clothing for food handlers
- Medical fitness examinations s for food handlers
- Transportation of food

## Intranet Dissemination of Health Information

The Bank continued the dissemination of health information throughout the year as an important aspect of creating awareness on health and safety issues. Regular Health tips/ bulletin were broadcasted through the BOZ intranet under the theme: **Story continues on page 36**

**Your greatest wealth is your wealth, take care of it”**

### **Publication of Health Articles in the Quarterly Zambanker Magazine**

As part of the dissemination of health and safety information, health articles continued to be published in the Zambanker magazine throughout the year as part of wellness programmes.

### **Off Site Medical Services for Board Meeting Team**

The Bank facilitated a Mobile Clinic during the month of August 2017 for the Board of Directors and Senior Management staff who travelled to Mongu for the Board Meeting.

A total number of Fifteen (15) clients received services at the Mobile Clinic in Mongu. The prevalent conditions attended to being: Upper Respiratory Tract Infection, Headache, Blood Pressure checks, Blood Glucose checks and Rapid Malaria Testing.

### **No major medical incidences were reported during the trip**

#### **Dental Screening**

As one of the wellness activities, the BOZ Clinic in conjunction with Dazzling Dental clinic organized and conducted a Dental screening event for employees. The screening was conducted under the theme *“Enjoy Fruits for Dental Health”*

#### **The Screening event included:**

- A talk on Dental Health
- Free Dental Screening
- Issuing of FREE toothpaste and tooth brush
- Every employee who underwent screening received a free fruit at the end of the screening in line with the theme.
- Clients who needed further intervention were referred and advised to attend the Dental clinic

for further management.

A total of Two Hundred and Fifteen (215) employees were screened.

### **Annual medical examinations**

As part of wellness programmes, the Bank through the BOZ clinic, conducts annual medical examinations for its employees in selected areas.

In the month of December 2017 medical examinations for the Security Department were conducted. A total of Fifty (50) employees underwent the examinations which included:

- Clinical audio screening
- Biometric screening (BMI, Blood Glucose, Blood Pressure
- VCT services

Those that needed further management, medical services were offered at the clinic or referred to hospitals.

### **CONCLUSION**

Workplace wellness programmes are designed to assist employees develop and maintain healthy life styles, improve their health, balance their work and personal lives, cope with stress, enhance quality of life, boost employee morale and productivity.

BOZ as an organisation has taken cognizance of building a culture of health at the workplace as evidenced from the implementation of a variety of programmes and strategies, which will continue in the years beyond. The effective use of workplace wellness programmes contributes to decreased rates of illness and injuries, enhanced corporate image, improved employee morale and productivity hence leading to the achievement of the BOZ overall mission and goals.

***The author is Assistant Manager Employee Wellness***

“Most of us think we don’t have enough time to exercise. What a distorted paradigm! We don’t have time not to. We’re talking about three to six hours a week – or a minimum of thirty minutes a day, every other day. That hardly seems an inordinate amount of time considering the tremendous benefits in terms of the impact on the other 162 – 165 hours of the week.” ~ Stephen Covey





The Bank of Zambia wishes to announce to the General Public and all investors in Government Securities that the auction sizes have been adjusted upwards effective 1<sup>st</sup> January 2018. The tender size for Treasury bills has been increased to K950 million from K900 million and the new auction size for Government bonds is K1,650 million, up from K1,000 million, per auction.

Kindly note that the Bank of Zambia reserves the right to accept bids up to 20 percent above the revised tender sizes.

Below is the auction calendar for 2018.

<b>TREASURY BILLS AUCTION CALENDAR FOR 2018</b>	
<b>T-BILL ISSUE</b>	<b>AUCTION DATE</b>
01/2018	Thursday 04 January 2018
02/2018	Thursday 18 January 2018
03/2018	Thursday 01 February 2018
04/2018	Thursday 15 February 2018
05/2018	Thursday 01 March 2018
06/2018	Thursday 15 March 2018
07/2018	Thursday 29 March 2018
08/2018	Thursday 12 April 2018
09/2018	Thursday 26 April 2018
10/2018	Thursday 10 May 2018
11/2018	Thursday 24 May 2018
12/2018	Thursday 07 June 2018
13/2018	Thursday 21 June 2018
14/2018	Thursday 05 July 2018
15/2018	Thursday 19 July 2018
16/2018	Thursday 02 August 2018
17/2018	Thursday 16 August 2018
18/2018	Thursday 30 August 2018
19/2018	Thursday 13 September 2018
20/2018	Thursday 27 September 2018
21/2018	Thursday 11 October 2018
22/2018	Thursday 25 October 2018
23/2018	Thursday 08 November 2018
24/2018	Thursday 22 November 2018
25/2018	Thursday 06 December 2018
26/2018	Thursday 20 December 2018

<b>GOVERNMENT BONDS AUCTION CALENDAR FOR 2018</b>	
<b>BOND ISSUE</b>	<b>AUCTION DATE</b>
01/2018/BA	Friday 23 February 2018
02/2018/BA	Friday 20 April 2018
03/2018/BA	Friday 29 June 2018
04/2018/BA	Friday 24 August 2018
05/2018/BA	Friday 19 October 2018
06/2018/BA	Friday 14 December 2018

**For further information and clarification please contact:**

**HEAD – COMMUNICATIONS**  
**Bank of Zambia**  
**P O Box 30080**  
**LUSAKA**  
**www.boz.zm**  
**Email. pr@boz.zm**

# LYNESS PHIRI – MAMBO’S MEMOIRE

## WHO IS LYNESS PHIRI - MAMBO?

**I am a Fellow Member of the Association of Chartered Certified Accountants (ACCA) and the Zambia Institute of Chartered Accountants (ZICA). I also hold a Master in Business Administration (MBA) degree from Edinburgh Business School of Herriot Watt University and I’m a certified ILO-FAMOS Check Trainer and Facilitator.**



Mrs Lyness Phiri-Mambo

**B**eing a firm believer in continuous professional development and hard work, I therefore constantly expose myself to learning opportunities in my field. I am currently pursuing a fellowship programme with Macroeconomic and Financial Management Institute (MEFMI). As part of the MEFMI programme, I am being coached on how to become an effective mentor and facilitator in capacity building initiatives in the MEFMI member countries’ central banks including Zambia. I have facilitated at several MEFMI training programmes for new examiners in

member countries.

2017, was an interesting year, especially that I got promoted to Assistant Director in charge of on-site examinations and off-site surveillance in the Bank Supervision Department at Bank of Zambia after being with the Bank for 11 years. I have over 18 years combined work experience in Bank Supervision, external auditing and accounting. My work includes planning, supervising and directing the execution of on-site examinations and off-site surveillance of commercial banks to establish their risk profile, financial performance and condition

and ensuring compliance with the relevant laws and regulations.

Since joining the Bank of Zambia in 2006 as an Inspector - Financial Analysis, my journey has been an exciting one. In addition to performing on-site and off-site examination and surveillance, I have been involved in various projects including enhancing the early warning system, development of the Bank Supervision Application System, implementation of Risk-Based Supervision approach among others.

I have also been privileged to be part of various working groups within the Bank and worked alongside a team of dedicated colleagues in the development of various regulations and frameworks including Basel II/ III regulations, stress testing, problem bank management and resolutions framework, to mention just a few. This to a large extent made me realise the importance of team work. In my field, ability to work well with people with diverse backgrounds is key to great results.

I have also been honored to represent my profession through ZICA at various audit committees of Government Ministries as Chairperson or member of the committee.

Prior to joining the Bank of Zambia, I worked for Deloitte and KPMG Auditing Firms as Audit Manager and Audit Supervisor respectively, where I obtain invaluable training and skills to work diligently and always focus on the final goal.

## **WHAT ATTRACTED YOU TO JOIN THE BANK?**

Like most people, I was attracted to join the Bank because of the prestige



that comes with being one of the few people whose decisions have a direct impact on the developmental direction of the country. I was always intrigued by pronouncements made by the Governors on the state of the economic and policies that were made to address economic challenges. I wanted to be part of the people entrusted with ensuring price and financial stability. Further, broader considerations such as the experience one would gain in the Central Bank and the chance of being able to contribute to the development of the country, which I love some much, made the decision to change careers easier.

At the time, the switch to the position of Inspector-Financial Analysis at BoZ meant that it was almost a lateral move from an income point of view but the possibility of working for the Central Bank, an institution that is the only one of its kind in every nation was the game changer.

In addition, there was also the promise of personal financial stability. As you might remember the exchange rate in 2005 was over K4,700/USD, I had just changed jobs from KPMG to Deloitte and agreed to a dollar based salary. However, by the time I was starting work with Deloitte, the Kwacha had

appreciated to around K3,300/USD. Coincidentally, I received a call from Bank of Zambia (BoZ) informing me to pick-up the offer letter for the job to which I had earlier applied.

#### **WHAT WERE YOUR FIRST IMPRESSIONS OF THE GENERAL WORK ENVIRONMENT IN THE BANK?**

The formalities, my previous work places had open door policy and to a large extent first name basis. The people in my Department however, were generally warm and welcoming, they professionally took time to explain what the Department was about and what the day-to-day work involved. They literally took their time explaining the processes and procedures of each division in the Department and in no time, I settled down.

#### **WHAT HAS SURPRISED YOU MOST ABOUT THE CENTRAL BANK?**

I was surprised that I needed permission to come for work over the weekends and beyond a certain time during the week. During my second year in the Bank, my colleague and I were working on a tight deadline assignment and lost truck of time.

The next day we were summoned by Security to explain why we were in the Bank beyond the stipulated hours without permission. After this encounter, I realised that personal security was equally important and deadline or no deadline there are people always watching out for our



Mrs Lyness Phiri-Mambo (third from right) (third from right) with her workmates Assistant Director - Regulatory Policy and Liquidations Ms Mankolo Beyani (r) and Senior Inspector Mrs Sylvia Kalimukwa at Chaminuka during a departmental team building exercise.



well-being even when we are not aware of the fact.

### **WHO ARE SOME OF THE MOST INTERESTING PEOPLE YOU'VE MET WHILE WORKING IN THE BANK?**

I have met quite many interesting people during my journey in the Bank, including the Governors, supervisors and colleagues. My work in the Bank has also made it possible to interact with people who ordinarily I would not have had a chance to do so. Two of such people are Dr Tukiya K Mabula, Deputy Governor – Administration and Ms Mwila Chigaga, Senior Regional Gender Specialist, ILO Regional Office for Africa. Their commitment to ensuring that gender equality becomes a reality in Zambia is encouraging. The two have been instrumental in bringing me to a realisation about gender equality and our role to ensure gender equality does not just end on paper. Previously, I was gender neutral but now realise that men and women have different roles and hence both are needed for sustainable development of any nation. Therefore, there cannot be sustainable development if a part of our population is excluded.

### **WHAT'S YOUR PERSONAL WORK PHILOSOPHY?**

I believe in team work and that a team is only as strong as its weakest member.

I therefore strive to ensure that I carry everyone along and identify my team's strengths and weaknesses so that appropriate remedies are put in place to address what may be lacking.

I have confidence that from group work, the potential for success is high as each team member brings to the table their unique talents and different perceptions, ideas and experiences which helps to achieve goals. It is true that no man is the custodian of knowledge and as such I am always open minded and willing to learn from others. I am also very motivated and resourceful. I am mindful that resources are always limited and hence I try to make the best of whatever resources are available to attain the results.

### **TELL US ABOUT SOMEONE WHO HAS INFLUENCED YOUR DECISIONS IN THE BANK AND/OR YOUR SOCIAL LIFE.**

There are so many people that have influenced my social life and career, but my husband Elasto Benedict Mambo has to a large extent influenced me the most. Elasto is a Chartered Public Certified and Management Accountant. His influence extends from financial discipline to planning and management of deadlines. We live by simple rules and take each day as a blessing from God Almighty. He is

always supportive of my dreams and aspirations, but he also acts as my thermostat and keeps me focused on what is important in life.

### **WHAT MIGHT SOMEONE BE SURPRISED TO KNOW ABOUT YOU?**

That I am interested in property development and living off the grid. My long-term goal is for my family to one day live completely off the grid and be able to generate our own electricity. I am currently exploring ways to build homes that are energy efficient and self-sustaining with possibilities of harvesting rain-fall water for use whole year round, especially for things like gardening and laundry. In this regard, my favorite DSTV channels are 176 and 179.

### **WHAT WOULD YOU TELL SOMEONE WHO IS THINKING ABOUT JOINING THE BANK?**

The work at the Bank can be fulfilling if you enjoy your chosen field. In addition, one needs to have enough patience as the structure can be a bit rigid if you are in a hurry to get to the top. Otherwise there is no dull moment, provided you constantly renew your knowledge and are current on new developments in your field. One of my former directors had been with the Bank for over 30 years. Further, I have gained not just friends



Mrs Lyness Phiri-Mambo (third from right) at the Financial Services Authority (FSA) International conference in the United Kingdom in 2009.





Mrs Lyness Phiri-Mambo at the apex of the Table Mountain in Cape Town with an Assistant Director - Bank Supervision Department from the Bank of Namibia.

and workmates but family during my stay at the Bank.

#### **WHAT DO YOU THINK WILL CHANGE ABOUT THE BANK OVER THE NEXT FIVE YEARS?**

I think that we are living at an interesting time and the next five years will be about how we deliver on our services to our various stakeholders. It will be about efficient and effectiveness. Prioritisation of the limited resources to ensure effective delivery. It will be time to introspect and find ways of working smart and cope with the ever-changing landscape of the financial system.

There are a lot of new developments in the financial sector which will impact the Bank in a lot of ways. For instance, the entities that we supervise are changing the way they do business and as such the Bank of Zambia needs to change. Globally, banks are going digital and the measurement of risk is changing to forward looking. This will have a great impact on the skills needed to address the challenges and risks that might come with these changes. We will continue to see less and less of paper based as more companies and banks sought green ways of doing business and in terms of physical infrastructure, there will be less need for brick and mortar or physical branches.

In addition, the Bank in the next five years will be interesting as we take stock of the impact of the efforts made on some of our strategic objectives such as the implementation of gender mainstreaming strategy and the attainment of gender equity considering the diversity among both women and men.

Further, following the mass recruitment process that the Bank is currently undertaking, we will see more of the younger generation start taking up leadership roles in the Bank. The challenge will be on all of us to ensure that they are well equipped to take-up the leadership roles, whenever an opportunity presents itself.

#### **IF YOU WEREN'T WORKING FOR THE BOZ, WHAT WOULD YOU BE DOING OR HOW WOULD YOUR LIFE BE LIKE?**

I would have joined EMM Corporate Partners on a full-time basis as one of the partners responsible for assurance services in the firm and pursued property development part-time.

#### **HOW ARE YOU PREPARING FOR YOUR RETIREMENT?**

Save and build a balanced portfolio of investments which will earn my

family a decent return. In addition, as a chartered accountant and a MEFMI fellow, my contribution to the capacity building and development of the country spans beyond retirement age. I will therefore exert my energies providing services especially to micro and small enterprises in financial management. I also devote time to work with various charitable organisations especially those involved in improving the lives of women and children in our societies.

#### **YOUR LAST WORDS TO THE ZAMBANKER READER**

For those considering a career at the Bank, commitment, self-motivation, hard work is key to successful and having a fulfilled career at BoZ. Always put in your best and never shy away from opportunities. I remember when I was barely two years old in the Bank, I was told to go and present on interpretation of financial statements to the Members of Parliament at a Seminar. I was the only presenter at analyst level, the rest were at Directors or Assistant Director level and the Governor was in attendance. It was scary at first, then I focused on the topic at hand and I was an expert on the subject matter, that gave me the confidence to face the Members of Parliament. It is important to know your strength.

# NEW FACES

The Bank of Zambia has recruited seven members of staff, since the third quarter publication of the *Zambanker* magazine.

Departments that benefited from the recruitment include Regional Office, Banking, Currency and Payment Systems (BCPS) and Information and Communications Technology (ICT).

Regional Office received two new members in the names of Ms Helen Chipoya and Mr Leonard Namitondo who both joined as Porters on 26th December, 2017.

Banking, Currency and Payment Systems at Head Office received four new faces, three of them joined as Porters while one joined as a Note examiner. The four new staff in the BCPS department are Mr Brandon Kangwa, Mr Benny Lutampo, Mr Esau Chabaya and Mr Kaziye Tembo.



Mr Brandon Kangwa joined the Bank on 18th December, 2017 as a Note Examiner. He is a ZICA Technician and

is the Chartered Accountant Zambia student. Mr Kangwa worked for

Mopani Copper Mines as a Catholic Relief Services Project Accountant at Wusakile Hospital before joining the Bank.



Mr Benny Lutampo joined the Bank as a Porter on 18th December, 2017. Mr Lutampo has a certificate in

Banking and Finance from Premier College of Banking and Finance. He worked for FINCA Zambia as a Credit Supervisor before joining the Bank. He is a member of the Zambia Institute of Banking and Financial Services (ZIBFS).



Mr Esau Chabaya joined the Bank as a Porter on 18th December, 2017. He has a Diploma in Accounts from Zambia Business

Management and Accountancy College. Before joining the Bank, he worked for Flame Zambia as a cashier. He is a member of Zambia Institute of Chartered Accountants (ZICA).



Mr Kaziye Tembo also joined the Bank as a Porter on 18th December, 2017. He is a ZICA Technician.

He worked

for Varun Beverages as a Senior Shipping Officer before joining the Bank. He is a member of the Zambia Institute of Banking and Financial Services (ZIBFS).



Information and Communications Technology (ICT) received one new employee during the period under review.

Mr Kabombo

Katutwa joined the ICT team on 18th December 2017 as an ICT Security and Compliance Administrator. Mr Katutwa has a Bachelor of Computer Science degree from the Copperbelt University, is Certified in Risk Information Systems Control (CRISC) and is also a Certified Ethical Hacker (CEH). Before joining the Bank, he worked for Zambia National Commercial bank as an Applications and Database Security Specialist. Mr Katutwa is a member of the Information Systems Audit and Control Association (ISACA), the International Council of E-Commerce Consultants (EC-Council) and the ICT Society of Zambia.



**I am doing some campaign work for the upcoming election for one of the local parliamentary candidates. I would like to use the office fax machine to send out some press releases. Is this okay?**

**A:** No. By doing so, you would be using the Bank's resources for a political purpose.



**I think that my supervisor is discriminating against me because I do not belong to his tribe. What should I do?**

**A:** Contact the Human Resources Department. It is strictly against Bank policy to discriminate on the basis of tribe.



# SEPARATIONS

By ZAMBANKER REPORTER

Five (5) members of staff have separated from the Bank through Voluntary Early Separation Scheme (VESS) and statutory retirement in the fourth quarter of 2017.

Four of those who left the Bank during the period under review were from Regional Office while one was from Head Office. Those who left from Regional Office include Mr Bevlos Milimo, Mrs Mavis Muyangana, Ms Rosemary Kamfwa and Mr Newton Kalaba while the one from Head Office is Mr Joseph Zulu.



Mr Newton Kalaba worked in the Banking, Currency and Payment Systems (BCPS) Department as Manager - Banking at Regional Office at the time of his

separation. He separated from the Bank through VESS on 31st October, 2017 after working for 18 years. He joined the Bank

on 15th November 1999.



Mr Joseph Zulu retired from the Bank on 10th November 2017 after working for 26 years. He was a Transport Services Officer in the Procurement and Maintenance Services Department at the time for his separation. He joined the Bank on 20th January, 1992.



Ms Rosemary Kamfwa retired from the Bank on 6th December, 2017 after working for 28 years. She was a Section Officer – Note-Processing in the BCPS

Department at Regional Office at the time of her retirement. She joined the Bank on

1st November, 1989.



Mrs Mavis Muyangana separated from the Bank through VESS on 31st December, 2017 after working for 28 years. She was a Clerk – Data Processing in the BCPS Department at Regional Office at the time of her separation. She joined the Bank on 28th September, 1989.



Mr Bevlos Milimo separated from the Bank through VESS on 31st December, 2017 after working for 29 years. He was an Assistant Accountant – Trade Payments in Finance Department at Regional Office at the time of his separation. He joined the Bank on 1st December, 1988.



**What should I do if the correct ethical decision would result in the Bank suffering loss? Should I proceed with the decision?**

**A:** Yes. Members of staff are expected to act ethically in every circumstance - even if it means losing value. Members of staff should never compromise the reputation of the Bank through unethical activity.



**I was asked by a friend in a financial institution to provide him with a confidential audit report. What should I do?**

**A:** Say 'No'. Any exchange of confidential and other sensitive information is risky to the operations of the Bank.



# END OF YEAR PARTY IN PICTURES



The Executive dance



My way of dancing



This is how we do it



Let me show you the dance!



'It's the Amayenge Cultural Ensemble'



Is it the golden oldies?



Do you see that?



I'm just watching



**List of Banks and Other Financial Service Providers**  
**Licensed Under The Banking and Financial Services Act, Cap 387 of the Laws of Zambia**

<b>A. Commercial Banks</b>			
<b>Names of Banks</b>	<b>Head Office Address</b>	<b>Tel No:</b>	
1 AS Bank Zambia Limited	Stand No. 7389, 2 <sup>nd</sup> Floor, Chainda Place, South End		
2 Access Bank Zambia Ltd	P O Box 35273		
3 Absentara Zambia	P O Box 39501, Lusaka		
4 Bank of China Zambia Ltd	P O Box 34556, Lusaka	235350	
5 Barclays Bank Zambia PLC	P O Box 31936, Lusaka	228856-66, 227659- 61	
6 Commonwealth Bank Zambia Ltd	P O Box 35474, Lusaka	224280/6/7	
7 Citibank Zambia Ltd	P O BOX 30037, Lusaka	229925-8	
8 Ecobank Zambia Ltd	Stand No. 22768 (Formerly FTJ Chiluba Institute) Corner Great East/Trabo Mbeki Roads		
9 First Alliance Bank Zambia Ltd	P O Box 33959, Lusaka	229303-6	
10 First Capitalbank	P.O. Box 32678 Lusaka	368754/368774	
11 First National Bank Zambia Ltd	P O Box 36187		
12 Indo-Zambia Bank Ltd	P O Box 35411, Lusaka	224853/225080/ 228074/224652	
13 Investtrust Bank Zambia Ltd	P O Box 32344, Lusaka	238733/5	
14 Sombio Bank Zambia Ltd	P O Box 33611, Lusaka	229285-6	
15 Standard Chartered Bank Zambia PLC	P O Box 32238, Lusaka	222946/229242-60	
16 United Bank for Africa Zambia Ltd	Stand No. 22768 (Formerly FTJ Chiluba Institute) Corner Great East/Trabo Mbeki Roads		
17 Zambia Industrial Commercial Bank	Stand No. 2317 Farmers House/Central Park Corner Cairo/Church Rd, LUSAKA 233708		
18 Zambia National Commercial Bank Ltd	P O Box 33611, Lusaka	221355	

**NON BANK FINANCIAL INSTITUTIONS LICENCED BY BANK OF ZAMBIA**

**Licensed Under The Banking and Financial Services Act of 1994 (and as amended in 2005)**

<b>A. LEASING AND FINANCE COMPANIES</b>			
<b>Names of Banks</b>	<b>POSTAL ADDRESS</b>	<b>TEL.</b>	<b>FAX</b>
1 Allos Finance Zambia Limited	P O Box 33703, Lusaka	0211-256846/256592	0211-256582
2 Betternow Finance Company Limited	P.O. Box 32170, Lusaka	0211-295261	0211-295262
3 Business Partners International Zambia SME Fund Limited	P O Box 20849, Lusaka	0211-843277	0211-843277
4 Focus Financial Services Limited	P O Box 34536, Lusaka	0211-291310	0211-291312
5 Greenbelt Finance Limited	GSS Sheds, Plot 12600, Mwembeshi Road;	0211-846380	0211-846380
6 Leasing Finance Company Limited	P O Box 72543, Ndola	0212-618844	0212-615485
7 Zambian Home Loans Limited	P O Box 35370, Lusaka	0211 293389	211 293389
<b>B. BUILDING SOCIETIES</b>			
1 Finance Building Society	P O Box 31060, Lusaka	0211-239755	0211-239756
2 Pan African Building Society	P O Box 30053, Lusaka	0211-220688	0211-220698
3 Zambia National Building Society	P O Box 30420, Lusaka	0211-229191	0211-2255104
<b>C. CREDIT REFERENCE BUREAUX</b>			
1 Credit Reference Bureau Africa Limited	P O Box 31199	0211-224263/220530	0211-224252
<b>C. MICRO FINANCE INSTITUTIONS</b>			
1 Agora Microfinance Zambia Limited	P O Box 35179, Lusaka	0211-847838	0211-848838
2 ALS Capital Limited	P O Box 31986, Lusaka	0211-244335	0211-244336
3 Altus Financial Services Limited	Post Net 392 E10, Arcades	0978-872708	0955-956266
4 Bayport Financial Services Limited	P O Box 3318, Lusaka	0211-253922	0211-252386
5 Blue Financial Services Zambia Limited	P O Box 30516, Lusaka	0211-232077	0211-232083
6 Bomach Finance Limited	P O Box 36298, Lusaka	0211-222802	0211-223039
7 Chibuyu Financing Company Limited	P O Box 37789, Lusaka	0977-414610	
8 Christian Empowerment Microfinance Zambia Limited	P O Box 910227, Mongu	0977-880280	
9 Direct Finance Limited	P O BOX 37545, Lusaka	0954-194778	
10 Easy Cash Financial Services Limited	P O Box 35887, Lusaka		
11 Ecsponent Financial Services Limited	Post Dot Net box 316, Private Bag ET, Lusaka	0969-705777	
12 Elpe Finance Limited	P O Box 35560, Lusaka	0211-230366	0211-230366
13 FMC Finance Limited	Central Park, Cairo Road, Lusaka	0211-256865/6	0211-256863
14 FINCA Zambia Limited	P O Box 50061, Lusaka	0211-291903	0211-291903
15 Innovate Capital Solutions Limited	Tito Roads, Rhodes Park, Lusaka	0960-344919	
16 Micro Loan Foundation Zambia	P O Box 510637, Chipata	0216-223833	216-223833
17 Izwe Loans Zambia Limited	P O Box 31747, Lusaka	0211-223350	0211-223349
18 Sigma Financial Solutions Limited			
19 JMAAC Financial Services	Birdcage Drive, Longacres, Lusaka	0211-254567	0211-254569
20 Madison Finance Company Limited	P O Box 34366, Lusaka	0211-231983	0211-231986
21 Meanwood Finance Corporation Limited	P O BOX 31334, Lusaka	0211-236165	0211-236170
22 Microfinance Zambia Limited	P O Box 37102, Lusaka	0211-237180	0211-239752
23 Micro Loan Foundation Limited	P O Box 510637, Chipata	0216-223833	216-223833
24 Moneta Finance Limited	P O Box 37819, Lusaka	0211-227001, 0969-110053, 0979-175147	
25 Nchanga Financial Services Limited	P O Box 10097, Chingola	0212-310801	0212-311501
26 Xionda Financial Services	P O Box 51499, Lusaka	0211-238778	0211-238779
27 Premier Choice Finance Limited	P O Box 38919, Lusaka	0977-789211	0211-256229
28 Pulse Financial Services Limited	P O Box RW 51289, Lusaka	0211-23313	0211-233136
29 TRA Entrepreneurs Financial Centre			
29 Robert & Syis Microcredit Limited	Post Net Box 20, Manda Hill	0211 258549	0211 258549
30 Sigma Financial Solutions Limited	P O Box 35062, Lusaka	0211-293341	
31 Tandiza Zambia Finance Limited	Anchris House, City Square, Kitwe	0212-221754	
32 VisionFund Zambia Limited	P O Box 33911, Lusaka	0211-225146	0211-225142
33 YesCash Zambia Limited	P O Box 39370, Lusaka	0211-239770	0211-239770
34 Zambou Financial Services Limited	P O Box 40348, Lusaka	0966-998108	0966-998108
27 Zampost Microfinance Limited	P O Box 71845, Ndola	0212-611222	212-614831

**E. SAVINGS AND CREDIT INSTITUTIONS**

1	National Savings and Credit Bank	P O Box 30067, Lusaka	+260-211-226234/224771 +260-211-231438
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**F. OTHER FINANCIAL INSTITUTIONS**

1	Credit Reference Bureau Africa Limited	P O Box 31199, Lusaka	0211-220530      0211-224263
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**G. LIST OF BUREAUX DE CHANGE**

1	A and I Bureau de Change Limited	P O Box 35443, Lusaka	0211-224350/0955 544417
2	Acc-FX Bureau de Change Limited	P O Box 34253, Lusaka	0973-692920
3	Amachi Bureau de Change Limited	P O Box 350157, Lusaka	0211 840624
4	A-Plus Bureau de Change Limited	P O Box 38235, Lusaka	0211-225518
5	APT Bureau de Change Limited	P O Box 34553, Lusaka	0211-225637/0977-307511
6	Base Bureau de Change Limited	P O Box 50967, RW Lusaka	0977-111427
7	Becky's Bureau de Change Limited	P O Box 50727, Lusaka	0211-228217
4	Bimm Bureau de Change Limited	P O Box 34656, Lusaka	0211-220647
5	Bullion Bureau de Change Limited	P O Box 35248, Lusaka	0211-235196/0977-691983
6	C & A Bureau de Change Limited	P O Box 32007, Lusaka	0211-235543
7	Casha Bureau de Change Limited	P O Box 32543, Lusaka	0211-232922/0955-797827/0977-788026
8	CFB Bureau de Change Limited	P O Box 33456, Lusaka	0211-231109/0977-883209
9	Challenge Bureau de Change Limited	P O Box 36020, Lusaka	0211-229359/0977-418581
10	Chibuyo Bureau de Change Limited	P O Box 37788, Lusaka	0211-237682/0977-414610/0978-678697
11	Contech Bureau de Change Limited	Lumumba Road, Lusaka	0977-303132/0950-341180
12	Cross Rate Bureau de Change Limited	Dedan Kimathi Road, Lusaka	0977-874180
13	Dit Bureau de Change Limited	P O Box 36413, Lusaka	0211 324091
14	Dimes Bureau de Change Limited	Panganani Road, Lusaka	
15	Dips Bureau de Change Limited	P O Box 34389, Lusaka	0211-224190
16	Don Chi Bureau de Change Limited	P O Box 430106, Nakonde	0977-575116/0971-518330
17	Dondou Bureau de Change Limited	P O Box 23110, Kitwe	0212-232017/0974-912057
18	EL Thomas Bureau de Change Limited	P O Box 34253, Lusaka	0211-222879
19	ESNA Bureau de Change Limited	P O Box 34459, Lusaka	0979 780008
20	Excel Bureau de Change Limited	P O Box 33283, Lusaka	0211 238324/0973-511842
21	Favour Bureau de Change Limited	Katooi Village, Nakonde	
22	Flex Bureau de Change Limited	P O Box 37804, Lusaka	0211-225316
23	Forex King Bureau de Change Limited	P O Box 36175, Lusaka	0211-236730
24	Forex Master Bureau de Change Limited	Lottie House, Cairo Road, Lusaka	
25	FS Bureau de Change Limited	P O Box 34982, Lusaka	0211-840072      0211-287133 0978-842225
26	FX Africa Bureau de Change Limited	P O Box 51066 RW, Lusaka	0211-222247/0977-809666
27	Gobena Bureau de Change Limited	P O Box 34247, Lusaka	0211-287262/0979-488372
28	Golden Coin Bureau de Change Limited	P O Box 36552, Lusaka	0211-235850
29	Goldfield Bureau de Change Limited	P O Box 32253, Lusaka	0211-233847      0211-233847
30	JIT Bureau de Change Limited	P O Box 36720, Lusaka	0211-846417      0211-846418
31	Kasirija Bureau de Change	P O Box 36175, Lusaka	0977-746233
32	Kooli Care Bureau de Change Limited	P O Box 670136, Mazabuka	0954-550930/0977-865198
33	Khobili Bureau de Change Limited	Postnet 79 P/Bag E891, Lusaka	0211-292979/0977-759326
34	Khondwani Bureau de Change Limited	Post Net 303, Lusaka	0977-789872
35	Link Bureau de Change Limited	P O Box 35297, Lusaka	0211-223706
36	M & T Bureau de Change Limited	P O Box 31249, Lusaka	0211-251438/0977-858889
37	MASTT Bureau de Change Limited	P O Box 36249, Lusaka	0211-222260/75      0211-261864
38	Megabyte Bureau de Change Limited	P O Box 320164, Lusaka	0211-847728
39	MIR Bureau de Change Limited	P O Box 34547, Lusaka	0211-235974
40	Munkam Bureau de Change Limited	P O Box 33155, Lusaka	0977-399551
41	Mutumbi Bureau de Change Limited	P O Box 36571, Lusaka	0962-219626
42	Mwilinga Bureau de Change Limited	Postnet Box 415, P/Bag E91, Lusaka	0977-836600
43	My Queen's Bureau de Change Limited	Shop 96A, President Avenue Ndola	0954-800501
44	Nichwana Bureau de Change Limited	P O Box 36893, Lusaka	0955-404524
45	NTC Bureau de Change Limited	P O Box 33459, Lusaka	0211-845832
46	Pacific Bureau de Change Limited	P O Box 36474, Lusaka	0979-471427
47	Prestige Bureau de Change Limited	P O Box 30436, Lusaka	0977-655153
48	Quantum FX Bureau de Change Limited	P O Box 35058, Lusaka	0211-274910/0965-621233 0950-710498/0971-252149
49	RADOX Bureau de Change Limited	P O Box FW 467, Lusaka	0211-227864/0977-350300
50	Rosoco Bureau de Change Limited	P O Box 39044, Lusaka	0211-228983
51	Runnymede Bureau de Change Limited	Private Bag 383X, Lusaka	0211-261978      0211-256688 0977-720593
52	Saints Bureau de Change Limited	P O Box 51428, Lusaka	0211-227939/0966-185400
53	Sammic Bureau de Change Limited	Commonwealth Avenue, Lusaka	
54	Sigma Bureau de Change Limited	P O Box 350062, Lusaka	0211 221795      0966 436809
55	Southern Comfort Bureau de Change Limited	P O Box 38329, Lusaka	0973-369729
56	Stallion Bureau de Change Limited	P O Box 50008, Lusaka	0211 225821
57	Stero Bureau de Change Limited	P O Box 33804, Lusaka	0211-222736/0955-915588/0967-878902
58	Struts Bureau de Change Limited	P O Box 36341, Lusaka	0211-256376/0955-805100/0974-004152
59	Superstar Bureau de Change Limited	P O Box 30045, Lusaka	0211 239614/0977-326858
60	Supreme Bureau de Change Limited	P O Box 51260, Lusaka	0211- 235759
61	Top Rate Bureau de Change Limited	Kabulonga, Lusaka	0976 217660
62	Trade Vest Bureau de Change Limited	Dedan Kimathi Road, Lusaka	
63	Travelux Bureau de Change Limited	Foxdale Court, Lusaka	0977-699595
64	UAE Exchange Bureau de Change Limited	P O Box 36774, Lusaka	0211-274100
65	Unifinance Bureau de Change Limited	P O Box 35495, Lusaka	0211-237575/0977-858719
66	V & M Bureau de Change Limited	P O Box 37274, Lusaka	0977 876153
67	Variety Bureau de Change Limited	P O Box 32152, Lusaka	0211-234024
68	Vodette Bureau de Change Limited	P O Box 710065, Mamsa	0218 821600
69	Vermak Bureau de Change Limited	Private Bag E017, Lusaka	0211-840632/0977-280294/0977-805890
70	Vistegan Bureau de Change Limited	Private Bag, E835, Lusaka	0977 797829/0977-889890
71	Walk Tall Bureau de Change Limited	P O Box 73819, Ndola	0212-621929/+26-0955-678432
72	Wealth Bureau de Change Limited	South Gate Mall, Lusaka	0977-219103/0955-649737
73	Wumri Bureau de Change Limited	P O Box 430240, Nakonde	0977-582060/0979-199260
62	Zamica Bureau de Change Limited	P O Box 36571, Lusaka	0211 847844/0966-324645
62	Zanwiche Bureau de Change Limited	P O Box 31129, Lusaka	0211-233282





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