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BANK OF ZAMBIA

P.O. Box 30080 Lusaka
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9 October, 1998

C B Circular No. 8/98

**TO : ALL CHIEF EXECUTIVE OFFICERS OF
BANKS AND FINANCIAL INSTITUTIONS**

**SUBMISSION OF ELECTRONIC VERSIONS OF PRUDENTIAL RETURNS
GUIDELINES**

Background

As you will recall, during January 1998 the Bank of Zambia prescribed new reporting requirements for all banks and financial institutions. Amongst the various reasons for this modification, was the need to **equip the Bank of Zambia with a "one-stop-shop" of financial system data for its economic, monetary and supervisory policy purposes.** These modifications were communicated to you via our **circular number 1/98** of 21 January 1998. In order to aid the banks and financial institutions cope with this change, the Bank of Zambia made available Microsoft Excel '97 spreadsheet versions of the new or modified reporting requirements.

Following from the above, the Bank of Zambia developed Microsoft Access '97 based templates of the "new" reporting formats. Access '97 is part of the Microsoft's Office '97 suite and is a database application. This development will provide banks and financial institutions with the ability to submit to the Bank of Zambia an electronic version of the returns via electronic mail or diskette. This in turn will enable the speedier and efficient means of updating financial data at the Bank of Zambia. The other envisaged benefits of this development are:

- Achievement of internal consistency of submitted information
- Significant reduction of errors during the processes of data capture and transfer between documents
- Provision of an electronic database with the capability of being queried and generating customised reports.
- Act as an input to achieve an efficient means of financial system supervision.
- Reduction of stationery costs of banks and financial institutions

Revised submission procedures

With effect from 30 November 1998, the Bank of Zambia will revise its submission requirements, to take advantage of the inherent benefits of the development of the Access '97 database system as follows:

1. Software requirements

- a) All banks and financial institutions will be required to install the Microsoft Access '97 database software for purposes of fulfilling the reporting requirements of the Bank of Zambia as described in this guideline
- b) In order to ensure the processing efficiency of the Bank of Zambia's Microsoft Access '97 database system, it is recommended that computers with a minimum memory capacities of 32MB RAM are used for this purpose.

2. Mode of submission

- a) All banks and financial institutions are required to submit their reporting requirements as prescribed by the Bank of Zambia from time to time via the **electronic mail or diskette mode**.
- b) The mode of submission shall remain at the discretion of the bank or financial institution, but will require prior agreement with the Bank of Zambia.
- c) (i) Where the submissions are via the electronic mail mode the covering electronic mail text shall indicate the duly completed returns attached in the submission
- (ii) Where the submissions is via the diskette mode the covering letter signed off by the Chief Executive Officer and Chief Finance Officer or manager shall indicate the duly completed returns attached to the submission

3. Hard copies to be retained and submitted

- a) All banks and financial institutions shall retain hard paper versions of the returns submitted to the Bank of Zambia in whichever mode, signed off to this effect by the Chief Executive Officer and Chief Finance Officer or manager provided that:

the retention period of the returns shall at the minimum comply with document retention periods and other requirements as prescribed by the **Banking and Financial Services Act 1994 CAP 387**.

- b) Copies of the returns submitted to the Bank of Zambia shall be deemed to reflect the true and fair record of the position obtaining at the bank or financial institution.
- c) The hard paper versions of the returns shall be submitted to the Bank of Zambia in accordance with the submission schedule prescribed from time to time

4. Submission schedules

The submission schedules and frequencies shall be communicated by the Bank of Zambia from time to time. However, the schedules and frequencies as communicated in circular number 1/98 remains in effect.

5. Penalties

A penalty of K100,000 per return per day will be incurred for any delayed submissions or for incorrect returns.



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DEPUTY GOVERNOR - OPERATIONS