



**BANK of ZAMBIA**

**OFFICE OF THE DEPUTY GOVERNOR - OPERATIONS**

**July 30, 2013**

**CB Circular No: 17/2013**

**To : All Commercial Banks**

**CHEQUE TRUNCATION SYSTEM (CTS) T+1 CLEARING RULE**

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Further to the meeting held on Monday, July 22, 2013 with the Bankers Association of Zambia on the challenges being faced by commercial banks in implementing the T+1 clearing rule, the Bank of Zambia would like to advise that the deadline has been extended for a further period of six months to February 1, 2014 from the scheduled date of August 1, 2013. This extension is meant to allow commercial banks time to complete business and systems changes in order to comply with the T+1 clearing rule.

Nonetheless, commercial banks are hereby advised that effective August 1, 2013, all up-country cheques will now be cleared and given value at T+2 alongside the local cheques. This therefore means that all cheques deposited across the country, irrespective of location, will now clear at the same time. This is in order to standardize and enhance efficiency in cheque clearing across the country and also ensure that customers receive value timely.

In the meantime, the Bank of Zambia will carry out on-site inspections to determine the preparedness of commercial banks for the implementation of T+1 clearing rule at the end of the extended period. To this effect, the Bank of Zambia shall be contacting respective banks to make arrangements for such inspections.

The Bank of Zambia would like to reiterate that no further requests for extensions shall be entertained and that all commercial banks are expected to take advantage of this period to make changes to their processing systems and procedures in order to ensure readiness for implementation of the T+1 clearing rule come February 1, 2014.

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

Cc: Governor  
Manager – ZECHL