

**The Bank of Zambia Act, 2022****The Bank of Zambia (Export Proceeds Tracking Framework) Directives, 2023**

IN EXERCISE of the powers contained in sections 50 and 73 of the Bank of Zambia Act, 2022, the following Directives are hereby made:

1. *Short title*

These Directives may be cited as the Bank of Zambia (Export Proceeds Tracking Framework) Directives, 2023.

2. *Interpretation*

In these Directives, unless the context otherwise requires:

“bank” has the meaning assigned to the word in the Banking and Financial Services Act;

“Bank” means the Bank of Zambia established in accordance with the Constitution and the Bank of Zambia Act, 2022;

“export proceeds” means the monetary consideration paid or payable to an exporter in respect of goods and/or services sold abroad from Zambia;

“exporter” means a person who is entitled to receive a payment in foreign currency from outside Zambia in respect of goods and/or services sold abroad from Zambia;

“export of services” means when a service is supplied from Zambia into another jurisdiction or when a service is supplied in Zambia to a consumer from abroad.

“financial institution” has the meaning assigned to the word in the Banking and Financial Services Act;

“foreign exchange” includes—

(a) bank notes and coins, other than the currency of Zambia, which are legal tender outside Zambia;

(b) a unit of account of an international body to which Zambia is a member;

(c) any financial instrument denominated in a currency other than that of Zambia;

(d) any right to receive foreign bank notes or coins in respect of any balance at a financial service provider located within or outside Zambia; and

(e) foreign currency denominated travellers cheques, credit and debit cards and similar modes of foreign currency payment;

“international transaction” means the buying or selling of or offering to buy or sell goods and/or services to or by a person who is not resident in Zambia;

“outflows” means current, financial or capital account flows of money to a jurisdiction outside Zambia from a person in Zambia; and

“person” means an individual, a company or an association of persons whether corporate or unincorporate.

3. *Application*

These Directives apply to—

(a) a bank;

(b) a financial institution; and

(c) an exporter of goods and/or services.

4. *Authority of the Bank*

(1) The Bank shall, for the purposes of these Directives, be the regulatory authority.

(2) The Bank may, subject to such conditions as may be considered necessary, delegate to any person the performance of any of the powers conferred upon it in these Directives.

5. *Electronic Balance of Payments (e-BoP) Monitoring System*

(1) The Bank shall establish an electronic Export Proceeds Tracking Framework for purposes of these Directives.

(2) The electronic Export Proceeds Tracking Framework referred to in sub-Directive (1) will link the Electronic Balance of Payments Monitoring System with other Government agencies, including institutions responsible for the collection of revenue or administration of import and export formalities.

6. *Bank account for exporter*

(1) An exporter shall open and maintain an account with a bank or financial institution domiciled in Zambia for purposes of these Directives.

7. *Export declaration and notification*

- (1) Notwithstanding the Control of Goods Act, an exporter shall, for any proposed export to which these Directives apply, complete and submit to Zambia Revenue Authority (ZRA) the customs export declaration Form CE 20.
- (2) The Customs Form referred to in sub-Directive (1) shall be electronically cleared by an authorized officer of the ZRA.
- (3) An exporter who sells goods and/or services abroad shall, by way of acquittal, notify the bank or financial institution of the receipt of export proceeds within ninety (90) days from the date of export and/or service delivery date.
- (4) An exporter who is unable to receive the export proceeds within the 90 day limit shall seek an extension of up to 9 months from the lapse of the 90 day period by informing the bank or financial institution and the Bank of the delay. The request for extension of time shall be made at any time before the expiry of the 90 days.
- (5) An exporter who fails to comply with sub-Directive (4) commits an offence.
- (6) A bank or financial institution shall, for any export on which a declaration is made, notify the Bank by periodic returns through submission of money receipts and remittances report on the e-BoP Monitoring System.

8. *Mode of payment for exports*

An exporter shall receive payment for goods and/or services sold abroad from Zambia as follows:

- (1) for all non-credit payments for exports, denominated in any foreign currency, by means of electronic transfer of funds or cash deposit equivalent to the value of the export;
- (2) for an export on credit terms, denominated in any foreign currency, by irrevocable letter of credit issued by a bank or financial institution; and
- (3) for an export on credit terms agreed by both parties, denominated in any foreign currency, by means of electronic transfer of funds within ninety (90) days from the date of export and/or service delivery date.

9. *Applicability of anti-money laundering measures*

These Directives do not exempt a bank or financial institution from their obligations under the Financial Intelligence Centre Act, 2010, the Prohibition and Prevention of Money Laundering Act, 2001, or any other written law relating to money laundering and proceeds of crime.

10. *Inspections by the Bank*

The Bank may conduct an inspection on any persons and enterprise/exporter to whom these Directives apply for the purpose of ascertaining accurate monitoring of export proceeds of goods and/or services.

11. *Offence and penalty*

- (1) A person who contravenes these Directives commits an offence and is liable, upon conviction, to a fine not exceeding *five hundred thousand penalty units* or to imprisonment for a period not exceeding *five years or to both*.
- (2) A person who contravenes these Directives commits an offence and may be liable to revocation of their tax clearance certificate and blocking of Taxpayer Identification Number (TPIN) for export purposes.
- (3) Where an offence under these Directives is committed by a body corporate or an unincorporate body, every director or manager of the corporate or unincorporate body directly involved in the transaction is liable, upon conviction, as if the director or manager had personally committed the offence, unless the director or manager proves to the satisfaction of the court that the act constituting the offence was done without the knowledge, consent or connivance of the director or manager or that the director or manager took reasonable steps to prevent the commission of the offence.
- (4) Where the Bank is satisfied, after due investigation, or where a person admits an offence in terms of these Directives, the Bank may compound the offence and impose such administrative penalties as prescribed.

12. *Commencement*

These Directives shall come into force on 1 January 2024.

LUSAKA

28th December, 2023

DR. F. CHIPIMO,

*Deputy Governor-Operations*