



**EXCHANGE CONTROL CIRCULAR NO. 6 OF 2020
TO BUREAUX DE CHANGE**

**ISSUED IN TERMS OF SECTION 35 (1) OF THE EXCHANGE CONTROL
REGULATIONS STATUTORY INSTRUMENT 109 OF 1996**

1. Reference is made to the Mid-Term Monetary Policy Statement issued by the Governor on 21 August 2020. In order to bring into effect the foreign exchange measures contained in the Mid-Term Monetary Policy Statement, Bureaux De Change are advised and directed as follows:-

BUREAUX de CHANGE FOREIGN CURRENCY TRADING ARRANGEMENTS

2. With immediate effect, the exchange rate spread for bureau de change transactions has been reviewed from the current 3.5% to 5.0% above the prevailing auction rate.
3. In addition, with immediate effect, bureaux de change shall be required to sell at the Foreign Exchange Auction at their reserve price, 80% of their consolidated foreign currency balances held every Monday and report to Exchange Control on the attached amended EC Form - DPT.

BUREAUX de CHANGE TRANSACTIONS REPORTING SYSTEM (BDCTRS)

4. With effect from 1 September 2020, the Bank will introduce a Bureaux de Change Transactions Reporting System (BDCTRS), in order to improve efficiency and effectiveness of the operations of bureaux de change. The BDCTRS is a web-based system through which all bureaux de change and money transfer (remittance) transactions shall be reported to the Reserve Bank on a real-time basis.
5. In line with the provisions of Statutory Instrument 104 of 2015, all Authorised Dealers with Limited Authority must be configured to interface with the BDCTRS. In this regard, all bureaux de change and money transfer business entities will be required to connect to the system.

6. Users of the BDCTRS will be trained on how to use the system before rollout.

TOLL FREE LINE TO ENFORCE COMPLIANCE WITH AUCTION RATES

7. The Bank has noted with concern the rampant malpractices by businesses that are charging for goods and services at parallel market exchange rates, yet they would have accessed foreign currency from the Foreign Exchange Auction or interbank market or bureaux de change.
8. To curb such delinquent behaviour and enforce compliance, the Bank has established toll free lines (0800 6009 - Telone Lines only; 0808 6770 - Econet Lines only) through which the public or consumers may report such malpractices and other foreign currency related transgressions. This will assist the Bank to deal with the reported cases in the interest of the Nation.

COMPLIANCE MONITORING

9. Bureaux de change are advised to comply with the above policy measures to ensure efficiency, effectiveness, and sustainability of the Foreign Exchange Auction system, which is critical for price stability.

Please be guided accordingly.



F. Masendu

Director

EXCHANGE CONTROL

26 August 2020

EC-FORM-DTT

INSTITUTION CODE:
 FINANCIAL YEAR:
 START DATE:
 END DATE:

Daily Summary of BDC Transactions

Opening Balance (Cash and Account)	
Total Purchases	
Total Sales	
Closing Balance (Cash and Account)	

FOREIGN CURRENCY PURCHASES											FOREIGN CURRENCY SALES						
CUSTOMER NAME (Purchaser)	ID NUMBER/ PASSPORT NUMBER	CURRENCY CODE (USD, ZAR, EUR, BWP, GBP)	AMOUNT (INFLOW)	USD EQUIVALENT (PURCHASES)	EXCHANGE RATE APPLIED (1:XXX.XX)	BTGS DOLLAR AMOUNT TRANSFERRED	TRANSACTION PURPOSE CODE (PURCHASER USES OR SWITCH)	CUSTOMER NAME (Sales)	ID NUMBER/ PASSPORT NUMBER	CURRENCY CODE (USD, ZAR, EUR, BWP, GBP)	AMOUNT (OUTFLOW)	USD EQUIVALENT (SALES)	EXCHANGE RATE APPLIED (1:XXX.XX)	BTGS DOLLAR AMOUNT RECEIVED	TRANSACTION PURPOSE CODES (AS LISTED)	CLIENT METHOD OF PAYMENT (CASH/ACCOUNT)	TRANSACTION DISTRICT

NOTE: - Indica with section 3.3.1 of Exchange Control Circular number 8 of 2019, please note that ID particulars are not required for Purchases and Sales of USD500 and below. For purchases and sales of USD500 and below the Bureau Dechange shall per receipt number under customer name for administration purposes.

TRANSACTION		CODE	TRANSACTION CODES	
Number	TRANSACTION	CODE	Number	TRANSACTION
1	Raw Materials	RAW	23	Freight Insurance, Charter
2	Fuel	FUE	24	Others
3	Spares & Machinery	SAM	25	Navigation, L.A.T.A
4	Debt Service	DEB	26	Over Board Investments
5	Business Travel Allowance	BTA	27	Spares
6	Personal Travel Allowance	PTA	28	Provision
7	Medical	MED	29	Expenses
8	Education	EDU	30	Tourist/ Tourism Services
9	Inventory	INV	31	Entertainment
10	Subscriptions	SUB	32	Leisure Fees
11	Professional / Technical	PRO	33	Commissions, claims
12	Management Agreements	MAN	34	Salaries
13	Royalty Agreements	ROY	35	Dividends
14	Discounts / Fees	DIS	36	Refills
15	Reinsurance	REI	37	Disinvestments
16	Rent	REN	38	Refunds
17	As outward transfer	5	39	Conference
18	Chicken tickets and transfers	ELMCT	40	Meetings
19	Embassy	EMB	41	Purchase of Soft wares
20	Funds for EMBASSIES	EBMS	42	Credit Card Transactions
21	Diplomats	DIPLC	43	Food
22	Services Payment	SERVICE		FOOD