GUIDELINES TO AUTHORISED DEALERS AND THEIR CLIENTS ON FOREIGN EXCHANGE TRANSACTIONS

Issued in Terms of Section 35 (1) of the Exchange Control Regulations: Statutory Instrument 109 of 1996

Facilitating Trade & Investment

Background

Following the liberalisation of the foreign exchange market in line with issued Monetary Policy Statements, and in the interest of ensuring transparency and clarity, these Foreign Exchange Guidelines are being issued by the Reserve Bank to both Authorised Dealers (banks) and the transacting public (corporates and individuals) for all foreign exchange transactions to facilitate trade and investment in Zimbabwe.

These Guidelines are issued to draw attention in convenient form to the law contained in the Exchange Control Act, [*Chapter 22:05*] and the Foreign Exchange Regulations. These Guidelines form a consolidation of previous Foreign Exchange Directives and Circulars issued before 22 April 2025 and are meant **to provide a convenient and easy to reach set of policy and administrative provisions to aid Authorised Dealers to facilitate foreign exchange transactions (trade and investment) and ensure compliance with the regulations.**

These Guidelines are, therefore, issued in terms of Section 35(1) of the Exchange Control Regulations, Statutory Instrument 109 of 1996, for both clarity and transparency to Authorised Dealers and their Clients.

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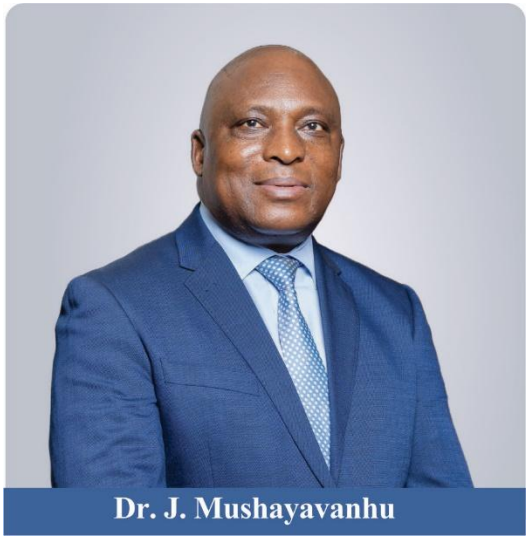

The Reserve Bank of Zimbabwe regulates the financial system and plays a supervisory role with regard to the management of the foreign exchange business. The Reserve Bank is also responsible for ensuring that the country receives true and fair value of its exports, imports and foreign investments. Furthermore, the Reserve Bank is responsible for recording all foreign exchange transactions for Balance of Payments reporting purposes, among other objectives.

In its Strategy Plan (2025-2029), the Reserve Bank conducted a structural realignment of its Exchange Control operations and established a Capital Flows Management Framework, as well as refocusing its compliance enforcement responsibilities. In this context, the Central Bank effectively blended the facilitation of trade and investment, together with enhanced compliance.

Governor's Foreword

These Guidelines to Authorised Dealers on Foreign Exchange Transactions have been developed following submissions made by various stakeholders during the Reserve Bank's Monetary Policy consultative process. In this regard, the Guidelines give credence to the modern Capital Flows Management phenomenon and guides the market on the conduct of trade and investment transactions under the Reserve Bank's reconfigured framework. The Guidelines supersede all the operational guidelines previously issued by the Reserve Bank on foreign exchange transactions.

Part of the Reserve Bank mandate as laid down in the Reserve Bank of Zimbabwe Act [Chapter 22:15], is to ensure monetary and financial data integrity through accurate collection and timely submission of statistical information by the foreign exchange dealers.

The importance of the responsibility of all Authorised Dealers in facilitating cross border trade and investment while ensuring compliance with regulations, cannot be overemphasised. Authorised Dealers should, therefore, ensure that illicit financial transactions are curbed and existing anti-money laundering regulations are adhered to, at all times.

Dr John Mushayavanhu
GOVERNOR
22 April 2025

Authorised Dealers	:	Local Commercial, Merchant banks, Savings banks, Development Banks, Building Societies as well as deposit-taking micro-finance institutions licenced by the Reserve Bank of Zimbabwe to deal in foreign currency
ADLA	:	Authorised Dealers with Limited Authority such as Bureaux de change and Money Transfer Agencies.
AML/CFT	:	Anti-Money Laundering/Countering the Financing of Terrorism
BTA	:	Business Travel Allowance
CDD	:	Customer Due Diligence
CEBAS	:	Computerised Exchange Control Batch Application System (https://forex.rbz.co.zw/cebas/)
CFAAM	:	Capital Flows Administration, Accounting and Management
CEPECS	:	Computerised Exports Payments Exchange Control System (https://cepecsrpt.excon.rbz.co.zw/)
Dealing	:	Refers to buying and selling foreign currency
Denominated Currencies	:	Australian Dollar, Norwegian Kroner, British Pound, Canadian Dollar, Japanese Yen, Danish Kroner, Swedish Krona, Swiss Franc, United States Dollar, Euro
DMS	:	Document Management System
eDMS	:	Enhanced Document Management System (https://edms.rbz.co.zw/)
ELERC	:	External Loans and Equity Review Committee – A Committee responsible for vetting Capital Account applications and other transactions not covered in these Guidelines.
Exporter	:	A person, country, or company that sends goods or services to another country for sale.
FCA	:	Foreign Currency Account
FIU	:	Financial Intelligence Unit
Foreign Investor	:	An individual, consortium or corporate entity holding equity or shares in a local company

Form CD1	:	Currency/ Customs Declaration Form 1 for export of goods
Form CD3	:	Foreign Currency Declaration Form completed by locally registered cross border transporters
Form PTS1	:	Posts & Telecommunications Form Number 1
Form TRAS1	:	Tourism Receipts Accounting System Form Number 1 [Declaration Form for non-consumptive services – tourism]
Form TRAS2	:	Tourism Receipts Accounting System Form Number 2 [Declaration Form for consumptive hunting – tourism]
GSD	:	General Services Declaration Form
HTA	:	Holiday Travel Allowance
IFF	:	Illicit Financial Flows
IPEC	:	Insurance and Pensions Commission
IPO	:	Initial Public Offer
KYC	:	Know Your Customer
LC	:	Letter of Credit
Multicurrency	:	Multi-currency refers to the use of multiple currencies, such as in Accounts, payments, and systems
MMCZ	:	Minerals Marketing Corporation of Zimbabwe
NGOs	:	Non-Governmental Organisations
NPISHs	:	Non-Profit Making Institutions Serving Households
NRTA	:	Non-Resident Transferable Foreign Currency Account.
NOIC	:	National Oil Infrastructure Company
POTRAZ	:	Postal and Telecommunications Regulatory Authority of Zimbabwe
PSEDRS	:	Private Sector External Debt Reporting System
PPP	:	Public Private Partnership
SOE	:	State Owned Enterprise
RBZ	:	Reserve Bank of Zimbabwe
Resident	:	A person or company permanently domiciled in Zimbabwe
Taxidermy	:	The process of preserving animal skins and processing them into life like appearances.

TIMB	:	Tobacco Industry Marketing Board
TT	:	Telegraphic Transfer
UBO		Ultimate Beneficial Owner
Unlisted Companies	:	Companies not quoted on any publicly traded stock exchange
VFEX	:	Victoria Falls Stock Exchange
ZIDA	:	Zimbabwe Investment and Development Agency
ZIMRA	:	Zimbabwe Revenue Authority
ZPWMA	:	Zimbabwe Parks & Wildlife Management Authority
ZSE	:	Zimbabwe Stock Exchange
ZTA	:	Zimbabwe Tourism Authority

Version Control Sheet for the Guidelines to Authorised Dealers and their Clients on Foreign Exchange Transactions.

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1 SECTION ONE: GENERAL ADMINISTRATION

1.1 GENERAL

1.1.1 Multi-Currency System in Zimbabwe

Zimbabwe allows the use of denominated foreign currencies as legal tender alongside with the local currency, the Zimbabwe Gold (ZiG).

The use of the multi-currency system was legalized through the Exchange Control (Exclusive Use of Zimbabwe Dollar for Domestic Transactions) (Amendment) Regulations, 2020 (No. 2), published in Statutory Instrument 85 of 2020 dated 29th March 2020. The Statutory Instrument legalized the use of foreign currency for domestic transactions, that is, transactions carried out within Zimbabwe.

Statutory Instrument 85 of 2020 refers to "free funds" which are defined in Statutory Instrument 109 of 1996 as:

"Money which is lawfully held outside Zimbabwe by a Zimbabwean resident and which was acquired by him otherwise than as the proceeds of any trade, business or other gainful occupation or activity carried on by him in Zimbabwe."

Some examples of lawfully obtained free funds are diaspora remittances, consultant earnings, proceeds from salaries earned from an employer and foreign currency proceeds from sale of goods and/or services on the domestic market.

All corporate entities, Government, Non-Governmental Organisations (NGOs), International Organisations, Embassies and individuals are allowed to freely transact (to buy and sell goods and services) in either foreign currency or local currency.

1.1.2 Conditions Precedent for the Adoption of Mono-Currency

The transition to the exclusive use of ZiG for settling all domestic transactions will be a gradual process anchored on macro-economic stability as enunciated in the National Development Strategy 2 (NDS2) 2026-2030.

As such, the transition is not date-based but is dependent on the achievement of the Conditions Precedent (CPs) outlined as follows: -

i. Durable macro-economic stability characterised by low and stable inflation at single digit levels;

ii. Adequate foreign currency reserves of at least 3-6 months of imports cover, in the medium to long-term;

iii. An efficient foreign exchange management system that eliminates foreign exchange market segmentation and promotes ease of access to foreign currency by importers and for other *bona fide* requirements;

iv. Stable exchange rate dynamics, with minimum over- or undervaluation of the ZiG;

v. Increased demand for ZiG through recalibration of the percentage of Government taxes and broadening payment of public sector goods and services in local currency;

vi. Financial sector stability;

vii. Efficient and secure National Payment Systems, to promote ease of payment in ZiG locally; and

viii. Fiscal and monetary policy cohesion, with low and sustainable National Budget deficits.

Under mono-currency, domestic products and services will be exclusively paid for and settled in local currency, while foreign currency will be reserved for bona fide external payments. **The adoption of mono-currency will not eliminate foreign currency accounts, foreign currency-denominated pension fund holdings, or US dollar-based equities, including those on the Victoria Falls Stock Exchange (VFEX) and Treasury Bills**.

Foreign currency loans and advances made to domestic individuals and non-exporting corporates shall remain denominated in foreign currency.

1.1.3 Role of Authorised Dealers in the Foreign Exchange Market

Authorised Dealers and Authorised Dealers with Limited Authority (ADLAs) are empowered to deal in foreign currency and may provide foreign currency in accordance with these guidelines and any other Directives that the Reserve Bank may issue from time to time.

Foreign currency dealing (to buy and sell foreign currency in denominated currencies), is only limited to Authorised Dealers and Authorised Dealers with Limited Authority (ADLAs).

The attention of Authorised Dealers is drawn to the necessity for a uniform policy in granting foreign currency and they are accordingly required to apply these guidelines in all other rulings given by the Reserve Bank strictly and impartially.

In cases where doubt exists or where applications are not covered by these guidelines, reference must be made to the Reserve Bank.

When it is necessary to submit applications to the Reserve Bank for consideration, Authorised Dealers must state whether they recommend approval or not recommending approval of the application giving reasons in each case, or their reasons for withholding their recommendations.

SECTION TWO:
FOREIGN CURRENCY ACCOUNTS

2 SECTION TWO: FOREIGN CURRENCY ACCOUNTS

2.1 MANAGEMENT OF FOREIGN CURRENCY ACCOUNTS (FCAs)

2.1.1 Opening of Foreign Currency Accounts

Individuals, local and foreign owned corporates, who are registered in Zimbabwe, are allowed to open FCAs denominated in United States Dollar (US$), South African Rand (ZAR), Botswana Pula (BWP), British Pound (GBP), Euro (EUR), Japanese Yen (JPY), Chinese Yuan (CNY), Indian Rupee (INR) and Australian Dollar (AUD) per Authorised Dealer.

Consistent with Anti Money Laundering and Countering Financing of Terrorism (AML/CFT) principles, banks are, however, expected to routinely exercise the Know Your Customer (KYC) and Customer Due Diligence (CDD) in the opening and operation of these Accounts.

Authorised Dealers shall designate and operate foreign currency Accounts as indicated hereunder and shall flag or designate them accordingly for monitoring purposes.

2.1.2 Designation of FCAs

FCAs are designated by source of the foreign currency which include exports, offshore loans, remittances, investments and proceeds from local sales.

Table 1: Foreign Currency Accounts

Account Designation	Source of Funds	Compliance Parameters
FCA (Exports)	Export proceeds	KYC, CDD, ECDD principles as well as AML/CFT principles
FCA (Offshore Loans)	Offshore loan proceeds.	KYC, CDD, ECDD principles as well as AML/CFT principles
FCA (Investments)	Offshore funds provided by a foreign investor	KYC, CDD, ECDD principles as well as AML/CFT principles
FCA (Domestic)	Foreign currency cash deposits from local trade and foreign currency inflows into Trust Accounts.	KYC, CDD, ECDD principles as well as AML/CFT principles
Non-Resident Transferable Account	Funded from offshore sources by non-residents.	KYC, CDD, ECDD principles as well as AML/CFT principles
Non-Resident Corporate Transitory Account	Funded from local sources (customers/debtors) and held by non-resident corporate	KYC, CDD, ECDD principles as well as AML/CFT principles and confirmation by CFAAM

Account Designation	Source of Funds	Compliance Parameters
Individual FCA	Funded with salaries, diaspora remittances, donations and foreign currency cash deposits	KYC, CDD, ECDD principles as well as AML/CFT principles
Non-Governmental, Organisation, Embassies &International Organisations Nostro FCA	Funded with funds sourced from offshore.	KYC, CDD, ECDD principles as well as AML/CFT principles
Bank Nostro FCA	Funded with foreign currency intended for the benefit of a bank, interest receipts, bank charges etc.	KYC, CDD, ECDD principles as well as AML/CFT principles
FCA (Transitory)	Funded from offshore holding funds for making downstream payments	KYC, CDD, ECDD principles as well as AML/CFT principles and confirmation by CFAAM

Corporate FCA (Domestic)

These are Accounts deposited with foreign currency proceeds emanating from commercial activities within Zimbabwe.

Corporate FCA (Exports)

Corporate FCAs (Exports) shall include all corporate FCAs for purposes of holding foreign currency proceeds from export of goods and/or services resulting from the acquittal of Forms CD1/CD3/TR1/TR2/GSD/PTS1. Export proceeds should come from offshore only.

Corporate FCA (Transitory)

These shall include all Accounts used for purposes of holding funds in transit and whose destination is not yet known or billing is yet to be done. The Accounts are funded with offshore funds that are in transit awaiting transfer to the ultimate beneficiaries. For example, FCAs for law firms, real estate agents, insurance companies, Money Transfer Agencies, travel agents, tourism players etc. The Corporate FCA (Transitory) requires prior CFAAM approval.

Corporate FCA (Banks)

These are Foreign Currency Accounts that are used by Authorised Dealers to deposit their own earnings from foreign currency transactions. These shall also include Accounts opened by ADLAs with Commercial Banks.

Funds held in these Accounts shall be used to meet any corporate transactions locally or offshore. However, inter- transfers to individual FCAs shall only be on Account of payments such as dividends, profit sharing and individual benefits.

Corporate FCA (Offshore)

Corporate entities are not allowed to open offshore Accounts without prior Reserve Bank approval.

FCA (Offshore Loans)

These are Accounts funded with foreign currency proceeds emanating from registered offshore borrowings.

FCA (Investments)

These are Accounts opened by local companies to receive offshore funds provided by a foreign investor and/or investment returns realised from cross border/offshore investments undertaken by resident investors.

Individual FCA

These are individual Accounts funded from individual or personal earnings by residents and Zimbabweans living in the Diaspora such as wages, salaries, donations, consultancy fees, diaspora remittances or other services offered by individuals in their capacity. Funds held in these Accounts are free funds except for proceeds from disposal of immovable property.

Non-Resident Transferable FCA (NRTA)

These are Accounts opened by Authorised Dealers on behalf of individuals who visit or come to Zimbabwe on temporary visits or to settle and work in Zimbabwe during a period less than 12 months. Authorised Dealers may also open such Accounts on behalf of non-resident corporates, under advice to the Reserve Bank.

Funds held in these Accounts may be used for purposes of meeting both local and offshore expenses. Funds held in these Accounts are freely remittable.

Approval by Reserve Bank is, however, required before loans, overdrafts or guarantees are granted to non-resident Account holders.

Authorised Dealers shall report all transactions managed through these Accounts to the Reserve Bank on a monthly basis.

Non-resident corporates intending to invest in Zimbabwe but are yet to conclude the investment transaction, shall open Corporate FCAs (Non-Resident) for purposes of holding their investment proceeds.

Non-residents who require their FCAs to be funded from local sources shall require prior Reserve Bank approval. Add requirements

Nostro Bank Accounts (Correspondent Banks)

Authorised Dealers are allowed to open and maintain any number of nostro Accounts with correspondent banks of their choice for the management of their FCA balances in conformity with international prudential regulations.

FCAs for Embassies, NGOs, Diplomatic Missions

Authorised Dealers can open and maintain Accounts in favour of Embassies, Non-Profit Making Institutions Serving Households (NPISHs), NGOs, Diplomatic Missions and International Organisations. Such Accounts may be opened without prior reference to the Reserve Bank. The funds held in these Accounts can be used to fund domestic and international transactions.

Evidence Accounts/Collection Accounts

Evidence Accounts are special foreign currency Accounts domiciled offshore for the purposes of receiving foreign currency proceeds and these Accounts require prior Reserve Bank approval. The Accounts are usually opened to provide comfort to suppliers of foreign credit since loan repayments are directly repaid from these Accounts.

The following operational modalities apply to the administration of Evidence Accounts: -

i. Only exporters with approved lines of credit are eligible for the opening of an Evidence Account.
ii. After the approved loan has been fully repaid the need for the Evidence Account immediately falls away.

2.1.3 Operation of FCAs

FCA Deposits

Individuals and corporates may deposit any amount into their FCAs, and the Authorised Dealer may use their discretion to enquire on the source of such funds, before sanctioning such a deposit, especially where large amounts are involved [Authorised Dealers to apply "Know Your Customer" (KYC) and Customer Due Diligence (CDD) principles].

FCA Withdrawals

The amount of foreign exchange cash that can be withdrawn from these FCAs is limited to US$1,000 and US$10,000 per day for individuals and corporates, respectively, as guided by the Financial Intelligence Unit (FIU) from time to time.

2.1.4 Utilization of FCA Balances

Individuals, Embassies, NGOs and International Organisations can use their FCA balances for their obligations (both domestic and foreign) without any restriction.

Corporate entities are permitted to make domestic payments and foreign payments from their Corporate FCAs in line with these guidelines.

2.1.5 Interbank Foreign Exchange Market

Authorised Dealers and ADLAs shall purchase foreign currency from willing sellers at a market determined exchange rate for onward sale to willing buyers, under the Willing-Buyer-Willing-Seller trading arrangement. Purchase of foreign currency by market participants with insufficient Foreign Currency Accounts (FCAs) balances under this foreign exchange trading arrangement shall strictly be to fund bona-fide external obligations. However, market participants are not permitted to participate on the interbank foreign exchange market using proceeds from local borrowings, except where eligible special finance facilities have been created by the Reserve Bank.

In administering this foreign exchange trading arrangement, Authorised Dealers are required to serve customers on a first come-first served basis and desist from matchmaking of buyers and sellers of foreign currency. In all cases, Authorised Dealers must apply KYC, CDD, ECDD principles as well as uphold AML/CFT principles.

For the purposes of measuring the foreign exchange demand, Authorised Dealers are required to submit daily foreign exchange uncovered foreign currency demand by 1000hrs.

2.1.6 Cash Swaps between Authorised Dealers

Authorised Dealers may swap foreign currency cash between themselves, without specific Reserve Bank approval. In addition, banks may issue cash payouts to ADLAs against their FCA balances to facilitate their trade.

2.1.7 Switching of Currencies

Authorised Dealers are advised that it is permissible to conduct switching of currencies using international cross rates without specific Reserve Bank Approval.

2.1.8 Issuance and Usage of International Debit and/or Credit Cards

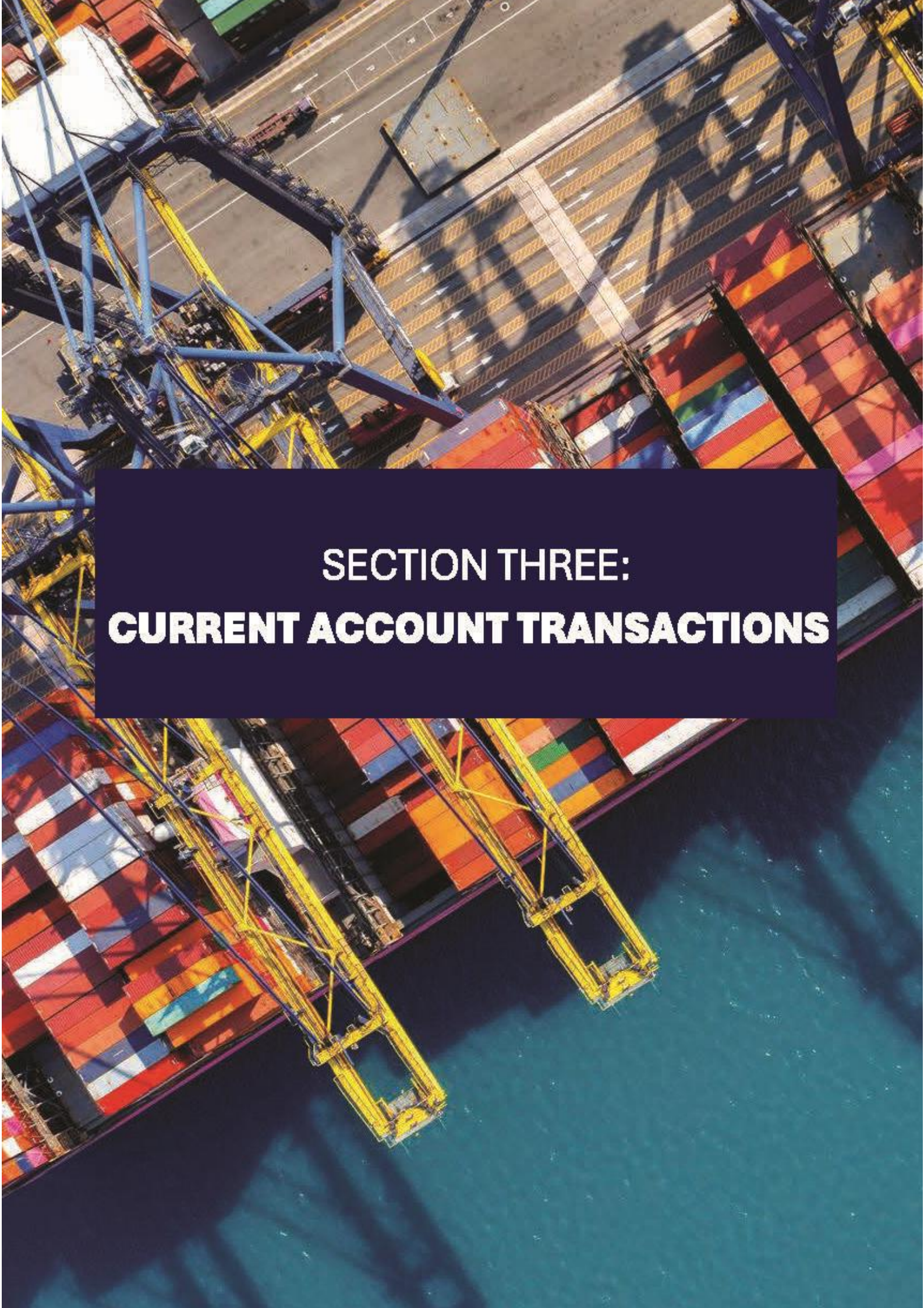
Authorised Dealers may issue debit/credit cards to individuals, Embassies, NGOs and International Organisations in line with international best practice. These cards may be used on the domestic market or internationally.

Individuals may use debit and/or credit cards to meet foreign personal expenses/imports up to a maximum of US$1 million per annum per individual. However, no limits shall apply to Embassies, NGOs and International Organizations and Authorized Dealers may use KYC and CDD including FCA holders' balances or lending criteria to determine the card limits.

The debit and/or credit cards may also be issued to Corporate FCA holders and usage of such cards on the international market shall be subject to existing Foreign Exchange regulations. However, no limits shall apply on all domestic payments.

Authorised Dealers are required to strictly adhere to the KYC and CDD principles for all their customers in order to enhance operational efficiency and safeguard abuse on the use of international cards.

For reporting purposes, Authorised Dealers are required to submit monthly card transaction schedules by the 7th day of each month, covering card usage transactions for the preceding month.



SECTION THREE:
CURRENT ACCOUNT TRANSACTIONS

3 SECTION THREE: CURRENT ACCOUNT TRANSACTIONS

3.1 ADMINISTRATION OF IMPORTS

3.1.1 Registration of Importers

Every importer must be registered with the Reserve Bank (CEBAS and eDMS) for reporting purposes.

Authorised Dealers shall, on a 'Know Your Customer' basis, satisfy themselves and certify to the Reserve Bank that the company is a bona-fide entity and provide company documentation to facilitate registration relating to the following: -

i. Completed Importer Registration Form;
ii. Certificate of Incorporation, CR14, CR6, CR5;
iii. Directors' proof of residence;
iv. Copy of the Directors' IDs; and
v. Company proof of residence.

For ease of reporting of transactions by individuals, Authorised Dealers may register individuals conducting cross-border payments at bank level, using their client database, with the National Identity Number (ID) being used as the unique reference number for residents and passport number for non-residents.

3.1.2 Import Payments

Authorised Dealers may process foreign payment transactions for corporates and individuals without seeking prior Reserve Bank approval.

Authorized Dealers may process payments for the actual cost of goods, freight charges, insurance cover relating to the imports as well as any other incidental costs incurred in the purchase and shipment of the goods such as inspection fees, freight forwarding, clearing and port charge.

The related import charges shall not exceed 30 per centum of the FOB value of the goods concerned. However, import-related charges of up to 80 per cent of the FOB value may be authorised, provided that—

(a) the goods are of exceptional mass in relation to their value;
(b) air freight is required due to operational or logistical constraints; or
(c) the goods constitute dangerous or hazardous items requiring specialised handling or transportation.

For Balance of Payments (BOP) reporting purposes, all foreign payments should be reported on the Computerized Exchange Control Batch Application System (CEBAS) within 24 hours of processing payment.

It is important to ensure that an accurate description of the payment being made is provided to the Authorized Dealer to enable the correct categorization of the foreign payments.

Remittances by Non-Profit Making Institutions Serving Households (NPISHs) should be treated in the same manner as resident corporates.

Authorized Dealers may cancel payments for failed transactions or returned funds, provided the request is supported by bank statements and telegraphic transfer evidence. All such requests shall be authorised on the DMS prior to cancellation of CEBAS, with the relevant DMS reference duly quoted. Cancellations resulting from reporting errors by Authorized Dealers shall, however, continue to be submitted to Reserve Bank.

3.1.3 Advance Payment and Cash on Delivery

Authorized Dealers may facilitate advance payments for import of goods and/or services, using their own Standard Operating Procedures (SOPs) in line with good corporate governance.

The acquittal for import payment for goods shall be processed subject to the condition that the importer shall produce Zimbabwe Revenue Authority (ZIMRA) Form 21 Bill of Entry (Import), within 90 days or any other delivery period stated by the supplier up to a maximum period of 180 days after the processing of payment, showing that the goods concerned have been imported into Zimbabwe.

For fuel imported through the pipeline, such payments shall be acquitted using the bulk Bill of Entry (Import) and National Oil Infrastructure Company (NOIC) Release Order.

The advance payment for services shall be acquitted subject to the condition that the importer shall furnish the Authorised Dealer with a completion of work certificate supported by job cards/time sheets, Auditors' Certificate (where applicable) and/or Form ECSPAD.

The above requirements also apply to cash on delivery transactions and payments facilitated through Documentary credits/letters of credit.

Upon receiving acquittal documentation, the Authorised Dealer must verify the documentation to ensure that the nature and value of goods and/or services received are consistent with what was paid for and the acquittal of the payment in CEBAS must be done within 48 hours from the receipt of such documentation.

Authorised Dealers may also authorise acquittal for payments in instances where the consignee on Bills of Entry (Import) is an agent/local dealer/sister company of the importer and exporters approved under registered third-party payments. All such acquittals shall first be authorised by Authorised Dealers in DMS prior to the actual acquittal on the CEBAS system, quoting the relevant DMS reference over and above the Bill of Entry (Import) Customs reference.

Acquittals of payments involving cases of fraud, liquidation, theft/destruction of goods in transit, missing documents, or use of alternative documents (internal company documents, Police Certificate of Location, Board Resolution, ZIMRA Support Letters etc) shall be referred to the Capital Flows Administration, Accounting and Management Division irrespective of amount involved.

The following documentation must accompany the submission to Reserve Bank for cases referred to above: -

i. Letter from the Authorized Dealer;
ii. Letter from the importer justifying the need for acquittal;
iii. Letter from the supplier where applicable;
iv. Police Report where goods have been stolen or importer has been defrauded;
v. Proof of receipt of funds where applicable;
vi. Acceptable alternative proof of receipt of the goods in Zimbabwe (Police certificate of location for equipment, internal company documents, etc);
vii. Letter from ZIMRA confirming that they no longer have the relevant documents due to passage of time;
viii. Any other relevant supporting documents; and
ix. Extension of Acquittal Period.

In cases where goods and/or services have not been imported into Zimbabwe within the prescribed period, the importer may seek extension of the acquittal period and the request should be supported by the relevant documentation such as support letter from the supplier, Bill of Lading/road consignment note.

The requests for initial extension of acquittal period for advance payments with values not exceeding US$500,000 for a maximum of 90 days shall be processed by Authorized Dealers both in DMS and CEBAS upon presentation of required documentation.

Thereafter, subsequent requests for further extension(s) shall be referred to the Reserve Bank.

Authorised Dealers shall, monthly diarise, and pursue all outstanding import payments with the importers concerned in writing (or via email) and refer non -compliant importers to the Reserve Bank after 180 days from the date of payment in cases where there has been no or unsatisfactory response from the importer.

3.1.4 Credit Terms

Supplier Credit Agreements, Arrangements or Contracts by corporates are required to be registered with the Reserve Bank.

The respective applications shall be accompanied by a valid Agreement or Contract duly signed by both parties, clearly stating duration of the Agreement, nature of goods or services, payable fees and payment terms.

Authorised Dealers should report the values of all goods and/or services under the credit arrangements extended to the importers by foreign suppliers in the Computerised Exchange Control Batch Application System (CEBAS). The reporting should be done within fourteen (14) days from the date of receipt of goods and provision of services.

In reporting the Supplier Credit Arrangement, Authorised Dealers are required to state the following details: -

- Name and country of the foreign supplier;
- Description of goods or services imported;
- Invoice number(s), date, value and currency;
- Tenor of the Credit Arrangement; and
- Date of receipt of goods or date when the service was rendered

Where services are imported under open Account, Authorised Dealers shall process such payments against presentation of completion of work certificate supported by job cards/time sheets and/or Form ECSPAD and supplier statement confirming the outstanding amount.

Payments for imports where the import documents are older than five years should be confirmed by the Reserve Bank.

3.1.5 Service Agreements

Where the provision of services (professional, technical, consultancy, management, administration, software, royalty/franchise) involves Agreements with recurring fees, the Agreements must be registered with Reserve Bank, after which payments can be made without reference to the Reserve Bank.

Notwithstanding the tenure of the Agreement, Service Agreements are registered for a period of one year and renewal is subject to compliance with conditions of initial registration.

Authorised Dealers may process any outstanding payments for approved/registered Agreements up to US$500,000 for services rendered during the registration period, within a period of one year after expiry of the registration.

3.1.6 Service Agreements - Private Entities

When submitting applications for registration of Service Agreements, Authorized Dealers shall ensure that the applicant provides the following information:

i. Cover letter from the Authorized Dealer;
ii. Request letter from the applicant;
iii. A valid contract/Agreement duly signed by both parties, clearly stating duration of the Agreement, nature of services, payment terms and fees payable, any other conditions;
iv. Details of the relationship between the parties;
v. Revenue for the previous year and projected revenue for the current year;
vi. Details of other service contracts already registered/renewed and their contract values and declaration by the applicant confirming that consolidated service payments shall not exceed the 3% of annual gross revenue threshold; and
vii. Support letters from regulatory bodies such as (IPEC, POTRAZ, etc).

In cases where the amount payable under the service contract exceeds US$100,000 the following additional documentation should be provided:

i. Copy of external partner company registration documents;
ii. Letter confirming the arrangements or Agreements from the external partner on its official letterhead; and
iii. Names of Director(s) of the external partner.

3.1.7 Service Agreements – State Owned Enterprises

In order to promote good corporate governance in the public sector, the registration of external service contracts by State-Owned Enterprises (SOEs) requires support letters from parent Ministries and/or Mutapa Investment Fund where the contract value is below the State Procurement Board's minimum threshold or tender approval from the State Procurement Board for contracts with values starting from the minimum threshold. This is over and above the minimum requirements specified under private entities.

Authorised Dealers are also required to advise their clients entering into service contracts with foreign service providers to include skills training component to facilitate effective skills transfer and to also ensure the engagement of local companies where skills are locally available.

3.1.8 Renewal of Service Agreements

Over and above the afore-mentioned requirements, applications for renewal of Service Agreements should be supported by the following additional information: -

i. An addendum duly signed by both parties (in cases where there are changes to clauses/ rates/fees applicable or where the Agreement has expired) clearly stipulating that the service is still necessary; and
ii. Performance report clearly outlining scope of works performed, outstanding works where applicable, amount paid, value of services rendered, amount acquitted and outstanding balance from the initial amount approved.

3.1.9 Threshold on Aggregate Foreign Payments for Services

In order to guard against Illicit Financial Flows (IFFs) through payments arising from Service Agreements between related and unrelated companies, the aggregate of foreign payments for services by local companies to all related and unrelated companies shall not exceed 3% of audited gross annual revenue and/or projected gross annual revenue.

The principle of aggregated services and 3% of gross revenue implies that during a financial year, a company shall ensure that the sum of all payments for services for Agreements renewed and registered during that financial year, do not exceed 3% of projected annual revenue.

The 3% of annual gross revenue is a threshold and, therefore, should not be misconstrued as the basis for pricing services. The service fees payable shall be a function of the services rendered.

Foreign payments for services more than the 3% threshold, shall form the basis of a specific application to Reserve Bank. This threshold does not apply to service payments relating to reseller/agency/dealership/retrocession Agreements. For cases to be referred to Reserve Bank, the following information should be provided: -

i. Cover letter from the Authorized Dealer;
ii. Letter from importer indicating the financial reporting period and justification for the waiver of 3% threshold;
iii. Details of relationship between companies;
iv. Revenue for the previous year and projected revenue for the current year; and
v. Details of other Service Agreements registered/renewed/projected to be registered and their respective contract values- (A table / an excel sheet listing all Service Agreements registered/to be registered, nature of services, projected annual payments for services of each Agreement, and its respective percentage share to projected company's gross annual revenue).

Over and above the afore-mentioned requirements, applications for renewal of the waiver on the 3% threshold should be supported by the following: -

i. Performance report indicating the total payments remitted under the previous approval, outstanding payments and benefits realised; and
ii. Justification for renewal of the waiver.

3.1.10 Once Off Foreign Payments for Services

Authorised Dealers are allowed to process once off foreign payments for services inclusive of workshop/seminar/conference, exhibition, subscriptions and membership fees of up to US$250,000 per annum/company/bank in DMS prior to processing of the actual payment. Authorized Dealers must adhere to this limit by keeping a register of all once-off service payments. Upon reaching the limit, subsequent applications must be registered with the Reserve Bank.

3.1.11 Business Travel Allowance

Authorised Dealers may issue the equivalent of up to US$500 per day per travel in respect of business travel allowance, where (a) the applicant is a business organization; and (b) the journey concerned is to be undertaken solely in connection with the applicant's business.

This should be processed upon presentation of the following: -

i. An itinerary Accounting for each working day of the journey; and
ii. Breakdown of the amount requested.

The threshold of US$500 applies to funds accessed from the interbank market. To be cleared in Directive

3.1.12 Payment for Insurance and Reinsurance premiums

A business organization may remit insurance and/or reinsurance premiums subject to approval by Reserve Bank provided the application is supported by a letter from Insurance and Pensions Commission (IPEC) stating the amount to be remitted and its nature.

Authorised Dealers may authorise remittance of short-term insurance premiums relating to travel subject to the Authorised Dealer using its own Standard Operating Procedures (SOPs) in line with good corporate governance.

3.1.13 Dividends

A corporate entity may be authorised to remit dividends to foreign shareholders, including dividends due to former residents of Zimbabwe, up to 100 per centum of the body corporates net after-tax profits.

An application for the remittance of a dividend must be submitted to an authorised dealer within twelve months from the end of the financial year in respect of which the dividend is payable, and must be accompanied by: -

a) a certified copy of the resolution of the applicant's board of directors or governing body declaring the dividend;
b) audited financial statements, where the dividend is a final dividend, or a pro-forma profit and loss account, where the dividend is an interim dividend;
c) an auditor's cash-flow statement confirming that the applicant has sufficient financial resources of its own to pay the dividend; and
d) an auditor's certificate confirming that the dividend emanates from bona fide trading profits for the year concerned and not from retained earnings or capital profits.

3.1.14 Director's Fees

A corporate entity may be authorised to remit amounts payable as fees to a non- resident director if the company furnishes the Authorised Dealer with a written statement of:

(a) the services the non-resident director is rendering to the company;

(b) the fees paid to all directors (resident & non-resident) of the company supported by either Board Resolution/Shareholders Resolution; and
(c) any local expenses, including airfares and salary, which the company is paying for the non-resident director.

Before processing the remittance for the above stated fees, the Authorised Dealer must ensure that the amount of the fee is reasonable and does not exceed the fees paid to the company's resident directors.

3.1.15 Commission

Authorised Dealers may authorise the remittance of commission by corporate entities up to following limits:

(a) confirming commission up to 2.5 per centum of the C.I.F. value of the goods concerned;
(b) buying commission, up to 5 per centum of the F.O.R. or F.O.B. value of the goods concerned;
(c) foreign travel agents commission, up to 10 per centum of the value of the sale concerned;
(d) selling commission, up to 7.5 per centum of the F.O.B. value of the goods concerned.

Selling commission may be deducted at source. Any commission not reflected in section 15C of the Form CD 1 shall not be regarded as payable for the purposes of this paragraph.

3.1.16 Third-Party Country Foreign Payments

In line with Ultimate Beneficial Ownership (UBO) principle, third party country payments shall require prior Reserve Bank approval.

Applications for third party country payments shall be supported by the following documents: -

i. Applicant's letter;
ii. Application letter from the Authorized Dealer;
iii. Justification for the supply arrangement;
iv. Projected value of the imports under the arrangement;
v. Relevant Supply/Agency/Dealership Agreement or Support Letters, including details of buying commission where applicable;

vi. Registration Documents of the Supplier and Agent/Third Party;
vii. Details of Shareholders and Directors of the Supplier and Agent/Third Party; and
viii. The Authorised Dealer should use its own Standard Operating Procedures (SOPs) in line with good corporate governance.

Third party country payments for education may be processed by Authorised Dealers on DMS prior to processing payments.

3.1.17 Importation of Foreign Currency Notes and Coins

Authorised Dealers are allowed to import foreign currency notes and coins from their correspondent banks without prior Reserve Bank approval.

Authorised Dealers are required to report cash imports in CEBAS and submit returns to Reserve Bank in the form of Nostro Account Statements, Airway Bill, and cash utilisation schedule within 7 days of importation of foreign currency notes and/or coins.

Individuals who import foreign currency cash shall comply with the Bank Use Promotion and Suppression of Money Laundering Act [*Chapter 24:24*] and AML/CFT regulatory requirements.

For the purposes of monitoring and Accounting, Authorised Dealers should report all the foreign payments on CEBAS.

3.1.18 Payments for NGOs, Embassies, International Organisations

There are no restrictions on the utilisation of funds held by NGOs, Embassies and International Organisations. Authorised Dealers are advised to exercise KYC and CDD principles when facilitating cross border transactions for NGOs, Embassies, and International Organisations.

3.1.19 Flagging Framework for Non-Acquittal of Payments

Importers with non-acquitted foreign payments which are overdue, are red flagged in CEBAS. Any subsequent payments for goods and/or services by a red flagged importer attracts an administrative penalty fee of 5% of the overdue amount. For avoidance of doubt, import penalty must not be levied on red flagged importers for non-trade related payments, that is, loan repayments and dividends.

Authorised Dealers are required to reconcile the penalties from importers on a weekly basis and transfer the funds to Reserve Bank, Treasury Operations every Monday by 1200hrs for charges levied for the previous week. The penalties must be pre-acquitted on CEBAS and respective proof of transfer of funds and breakdown of penalties by importer submitted via CEBAS to Reserve Bank by Tuesday 1200hrs.

Importers who are red-flagged in the CEBAS are permitted to participate on the Willing Buyer-Willing Seller interbank market.

3.1.20 Other Miscellaneous Payments

All corporate monetary donations, gifts and other miscellaneous payments require prior Reserve Bank approval subject to the provision of relevant documentation.

Remittance for refunds may be processed by Authorised Dealers subject to provision of relevant documentation such as proof of receipt of funds and proof of cancellation.

3.2 ADMINISTRATION OF EXPORTS

3.2.1 Registration of an Exporter

Every new exporter of goods or services shall be registered in CEPECS through their respective Authorised Dealers.

A CEPECS Exporter Registration Form shall be completed by the exporter and submitted to Reserve Bank through an Authorized Dealer. The form is available on the following URL link https://www.rbz.co.zw/index.php/regulation-supervision/exchange-control/foreign-investment-trade-framework/102-export-facilitation

The following documentation is needed for registration of new corporate exporters of goods or services: -

i. Duly completed Registration Form for Exporters of Goods and Services;
ii. CR6; and
iii. Certificate of Incorporation.

The following documentation is required for registration of an individual exporter: -

i. Duly completed Exporter Registration Form;
ii. Certified copy of the National Identity card or Passport; and
iii. Proof of residence (such as utility bill).

Authorised Dealers shall apply to Reserve Bank for registration of exporter supported by the applicable documentation mentioned above and their cover letter.

3.2.2 Liberalisation of Current Account Exports Transactions

As part of the current Account liberalisation, administrative controls which relate to prior approval of Forms CD1 were removed leaving the Reserve Bank with the primary objective of ensuring that the country's export earnings are fully and timely Accounted for and that Zimbabwe realizes the true and fair value from its exports.

No goods and/or services of any description may be exported, in any manner, unless payment for the goods and /or services has been made in an approved manner, or shall be so made within three months (90 days) from date of export, or when contractually due, or such other period as Reserve Bank may direct, and that the amount of the payment reflects the true current market value of the goods and/or services which is, in all circumstances, satisfactory in the interest of Zimbabwe.

Authorised Dealers are required to facilitate export shipments through the completion of the relevant export documentation in the CEPECS. Some exporters can also raise export documentation from their own premises and export without going through the Authorised Dealer. The completion of the export documentation in the system shall represent the declaration by the exporter and undertaking that payment shall be received within the stipulated period.

3.2.3 Retention and Utilization of Export Proceeds

Authorised Dealers are advised that all export proceeds are subject to the applicable surrender requirement, currently at 30% of gross export receipts. The sale of the surrender portion shall be at the prevailing interbank exchange rate, and the settlement thereof shall be through normal banking channels. The retained portion, currently at 70% of gross export receipts, may be retained for an indefinite period.

For exporters with overdue export proceeds, the surrender requirement shall be 50% of the received export proceeds.

Exporters with overdue export proceeds are allowed to participate on the interbank foreign exchange market.

3.2.4 Export Documentation

Table 2 shows export declaration Forms currently in use.

Table 2: Export Declaration Forms

Form Type / Name	Sector	Purpose
Form CD1	Real Sector - Goods	For declaration of export of goods in CEPECS prior to Export Shipment.
Form CD3	Transport Services	For declaration of cross-border road transport/freight charges prior to crossing the border.
Form TRAS1	Non-Consumptive Tourism Services	For monthly declaration of non-consumptive tourism earnings for both foreign and domestic tourism.

Form Type / Name	Sector	Purpose
Form TRAS2	Consumptive Tourism Services	For declaration of consumptive tourism (hunting) earnings. Declaration of receipts for every hunting safari.
Form PTS1	Telecommunications	For monthly declaration of post and telecommunication receipts.
Form GSD	General Services	For declaration of earnings arising from rendering any other service not specified above.

3.2.5 Completion of Form CD1

Forms CD1 shall be completed for all exports except for:

i. Accompanied exports by individual cross-border traders exporting goods with a value of less than US$2,000 per consignment; and
ii. Certain categories of goods covered by ZIMRA temporary import procedures deemed not suitable for completion of Form CD1.

Authorised Dealers may not process any Form CD1 in respect of which they have reason to believe or suspect that any of the declarations made therein by the exporter are untrue or misleading. The Form CD1 should be completed with acquittal in mind. In this respect, the meticulous completion of these forms shall save everyone in the processing costs, time and unnecessary delay.

3.2.6 Exports in Pursuance of Contract of Sale

Authorised Dealers and Exporters (Corporate Clients) may process Form CD1 in CEPECS provided that the following conditions are complied with: -

i. The exporter has been registered with the Reserve Bank;
ii. That the currency in which payment is to be made is satisfactory and is in accordance with these guidelines;
iii. That the time limit in which payment is to be made is satisfactory and is in accordance with these guidelines;

iv. That where the nature of the contract requires that the exporter pays any charges or allows any discounts or commissions, all such charges have been indicated on the relevant section of the Form CD1. Where the discounts and commissions are in excess of the stipulated thresholds, specific Reserve Bank approval shall be required; and

v. That special documentation is provided for export of special goods such as precious minerals, pedigree livestock, bulk commodities, biological samples etc, such as permits and licences.

3.2.7 Acquittal of Forms CD1

Within 48 hours of receipt of export proceeds, the Authorised Dealer shall pre-acquit the relevant Forms CD1 and submit to Reserve Bank an application for final acquittal of the Forms CD1, attaching documentary proof of receiving payment in the form of a copy of a Telegraphic Transfer (TT) and bank statement.

Acquittal of Forms CD1 shall be processed using funds received directly from offshore through normal banking channels. Where export proceeds have been received in cash, the application for acquittal should be accompanied by an authenticated ZIMRA Form 47, proof of deposit of the funds and copies of stamped passport pages.

In cases where the foreign currency cash would have to be used before depositing into a bank Account, the Authorised Dealer should count, authenticate and verify the imported cash.

3.2.8 Completion of Forms CD3

All local trucking companies (holders of Bilateral/ PTA permits) authorised under the Road Motor Transportation Act [Chapter 13:15], to engage in cross border transportation and are carrying goods on behalf of foreign entities are required to complete the Forms CD3.

The freight earnings should be received through normal banking channels in Zimbabwe, within 90 days of exiting or entering Zimbabwe with a cargo belonging to a foreign entity.

Local trucks carrying goods whose payment for freight is from local companies shall be declared in Section 15 (b) of the Form CD1, for example, if the contract of sale is inclusive of freight like C & F Basis. However, ZIMRA may require that such loads should be declared on Forms CD3. Non-compliant cross-border road freight operators shall be subjected to hefty fines as well as blacklisting in the Reserve Bank CEPECS system.

The Form CD3 is not applicable to foreign registered haulers.

3.2.9 Acquittal of Forms CD3

Within 48 hours of receipt of freight charges, the Authorised Dealer shall pre-acquit the relevant Forms CD3 and submit to Reserve Bank an application for final acquittal of the Forms CD3, attaching documentary proof of receiving payment in the form of a copy of a Telegraphic Transfer (TT) and bank statement.

Acquittal of Forms CD3 shall be processed using funds received directly from offshore through normal banking channels. Where freight charges have been received in cash, the acquittal should be accompanied by an authenticated ZIMRA Form 47, proof of deposit of the funds and copies of stamped passport pages.

Where a Form CD3 was used for loads whose payments are from local companies, the Form shall be exceptionally acquitted.

3.2.10 Completion of Form TRAS1

All operators in non-consumptive tourism registered by Zimbabwe Tourism Authority (ZTA) are required to declare their earnings from local and foreign tourism on a Form TRAS1 monthly by the 15th of the following month through an Authorised Dealer of their choice.

Authorised Dealers shall ensure that tourism operators within their portfolios are regularly reminded to make the monthly TRAS1 returns.

In cases where payment was received for packaged tours, funds shall be credited to the Transitory Special FCA (Exports) pending issuance of final invoices for billing purposes. The Transitory Special FCA should be confirmed by the Reserve Bank.

With effect from 1 March 2026, all non-consumptive tourism operators (tourism services providers other than exclusive sport hunting), are required to complete on-line, a Form TRAS1 and submit the same together with copies of Bank Account Statements by the 7th of each month.

Following the expanded destination marketing in tour package development and in the spirit of enhancing the ease of doing business in the tourism industry, cross-border downstream payments using funds from the Transitory Special (FCAs), are permissible.

3.2.11 Completion of Form TRAS2

All Hunting Safari Operators and all taxidermists are required to declare their foreign currency earnings on Form TRAS2.

The maximum foreign Agent Commission allowed to be paid in the hunting industry is 15% of daily rates.

Before the commencement of a hunt, a Safari Operator shall complete a Form TRAS2 with pre-hunt details for approval by Zimbabwe Parks and Wildlife Management Authority (ZPWMA).

After completion of the hunting safari, the Safari Operator shall capture details of the animal hunted and the financial data.

The taxidermist will capture on the Form TRAS2 the details of the animal treatment fees.

Hunting proceeds (hunt funds) shall be received within 30 days from the last day of the hunt whilst taxidermist fees will be received within 90 days.

3.2.12 Acquittal of Forms TRAS2

After receipt of hunt funds, the Authorised Dealer shall pre-acquit the Form TRAS2 and submit to Reserve Bank for acquittal of the payment lines for the hunt funds attaching proof of payment. At this stage, a Form CD1 for the exportation of the hunted trophy can be done.

The Form TRAS2 shall be fully acquitted when the taxidermist's bank has pre-acquitted the payment line for processing fees and submit an application for acquittal of the processing fees.

Forms CD1 for export of hunting trophies shall be acquitted using the Reserve Bank Authorities that acquitted the hunt funds and processing fees.

3.2.13 Completion of Form PTS1

All Postal and Telecommunication operators licenced by the Postal and Telecommunications Authority of Zimbabwe (POTRAZ) who offer or receive telecommunication services to/from foreign partners, are required to declare their earnings by completing the Form PTS1 monthly.

The Forms PTS1 are completed per international partner.

All roaming and interconnection Agreements with international partners shall be registered by the Reserve Bank.

3.2.14 Acquittal of Forms PTS1

The acquittal of Form PTS1 is allowed on a net basis, that is after offset, without Reserve Bank approval. Netting off of revenue by local telecommunications operators and their international partners is allowed as per the norm in the telecommunications industry as per the provisions of the International Telecommunications Union (ITU).

Within ninety (90) days following the last day of the month in which the services were rendered, the declared net funds shall be received in Zimbabwe.

Upon receipt of export proceeds, the Authorised Dealer shall pre-acquit the relevant Forms PTS1 within 48 hours and submit to Reserve Bank an application for final acquittal of the Forms PTS1, attaching documentary proof of receiving payment and bank statement.

3.2.15 Completion of Form GSD

All service providers shall complete the Form GSD when a service has been rendered to a foreigner. These provide include cross border bus operators, cross border rail transport, corporate business consultancy services, other than providers of cross border road freight services, tourism activities and posts and telecommunication services,

Authorised Dealers shall complete Forms GSD for all the foreign currency receipts for services rendered to foreigners that are not Accounted for through other declaration forms.

3.2.16 Acquittal of Forms GSD

Within ninety (90) days following the last day of the month within which the services were rendered, the declared funds shall be received in Zimbabwe.

Upon receipt of export proceeds, the Authorised Dealer shall pre-acquit the relevant Forms GSD within 48 hours and submit to Reserve Bank an application for final acquittal of the Forms GSD, attaching documentary proof of receiving payment and bank statement.

3.2.17 Barter Trade Transactions

Residents are not permitted to execute barter trade transactions of any kind without prior approval of the Reserve Bank.

3.2.18 Administration of Overdue Export Documentation

Exporters with overdue export documentation shall be flagged by CEPECS system for conspicuous identification.

Each Authorised Dealer shall write monthly reminder letters or emails to their clients (exporters) with overdue export documentation. Where the Authorised Dealers face challenges with identified exporters with overdue export documentation, they may refer the exporter/s to the Reserve Bank for further follow-up.

Authorised Dealers are required to provide the exporters with the list of export documentation which shall fall overdue in the following calendar month.

At any given time, the Authorised Dealer should know the reasons for the overdue amount under their books.

3.2.19 Accounting for Proceeds in the Tobacco Sector

The marketing of green leaf tobacco is governed by the Exchange Control Tobacco Finance Order, Statutory Instrument 61 of 2004 and the subsequent Exchange Control (Tobacco Finance) (Amendment) Order, 2026 (No. 2), published in Statutory Instrument 24 of 2026.

In terms of Statutory Instrument 61 of 2004 as amended by Statutory Instrument 24 of 2026, tobacco merchants are permitted to use both offshore financing and financing sourced from the local market. Funds drawn down for the purpose of purchasing green leaf tobacco shall be subject to the applicable surrender requirement.

The following transactional process shall apply:-

i. Tobacco merchants shall drawdown from their approved offshore lines or loans from local banks, or use their retained earnings for purposes of buying green leaf tobacco;
ii. Upon drawdown, applicable surrender requirement shall be sold to the Reserve Bank at the prevailing interbank exchange rate and the local currency equivalent shall be deposited into a special local currency tobacco buying Account; and

iii. The remaining portion shall be deposited into a special foreign currency tobacco buying Account.

3.2.20 Settlement of Value for Delivered Crops for Export

In line with the drive to promote the use of domestic currency, all crops for export acquired by the buyers or consolidators, should be settled with the farmers in proportion of not more than 70% of the value of the crop in foreign currency and not less than 30% in domestic currency.

Tobacco purchases by merchants at the Tobacco Auction Floors shall be paid in both foreign currency and local currency in the ratio 70% foreign currency and 30% local currency using proceeds from the merchant's special tobacco buying Accounts.

The Authorised Dealer shall furnish Reserve Bank with monthly statements of the special tobacco buying Accounts indicating inflows (drawdowns) and outflows (payments to tobacco growers). Such statements shall be submitted by the 7th of the month following the one being reported on.

Daily, by 1000 hours the Authorised Dealer shall furnish the Reserve Bank's Capital Flows Administration, Accounting and Management Division with a return indicating amounts drawn down and the portion that has been sold to the Reserve Bank.

Merchants may also drawdown from offshore lines of credit or loans accessed from local banks for the purposes of financing tobacco production. Funds drawn for the purpose of financing tobacco production are not subject to the surrender requirement.

3.2.21 Exports of Tobacco

Tobacco is exported in various forms, namely: -

i. Green Leaf - Only 2% is allowed (Monitored by TIMB);
ii. Processed tobacco - Strips, Trimmed and Threshed, loose leaf, Bundled, Leaf, Butted loose leaf, Scraps, Fines & Stems;
iii. Semi-Manufactured - Cut Rag; and
iv. Manufactured - Cigarettes & Snuff.

3.2.22 Completion of Form CD1 for Tobacco Exports

Authorised Dealers shall raise Forms CD1 for export of unmanufactured tobacco declaring the following: -

i. The form in which tobacco is being exported;
ii. The TIMB grades blended to come up with the export consignment;
iii. The crop year, i.e the year in which the tobacco was bought from the Tobacco Auction Floors;
iv. TIMB export permit number, confirming TIMB authorization of that export;
v. TIMB import permit number if the tobacco was imported; and
vi. The value-added component.

3.2.23 Form CD1 Acquittal Process

Where a tobacco merchant financed tobacco production and purchasing using offshore lines of credit, they shall be granted a special dispensation to maintain Evidence Accounts in the books of the offshore lender for the purpose of loan repayments.

Opening of Evidence Accounts should be registered with the Reserve Bank.

Export proceeds from the export of processed tobacco shall, therefore, be channeled through these Evidence Accounts (where applicable).

At the acquittal of the relevant Forms CD1, Authorised Dealers are required to furnish the Reserve Bank with the following: -

i. Documentary evidence showing flow of funds into the merchant's Evidence Account; and
ii. Documentary evidence showing the repatriation of value addition into the country.

Once a merchant has fully repaid their offshore obligations, the need for an Evidence Account automatically falls away and 100% of the export proceeds shall be repatriated into the country.

3.2.24 Accounting for Export Proceeds in the Cotton Sector

In terms of Statutory Instrument 150 of 2008, and the subsequent Exchange Control (Cotton Finance) (Amendment) Order, 2026 (No. 1), published in Statutory Instrument 23 of 2026, seed cotton merchants can use own savings or borrow or raise funds from the local market to finance the production and buyback of seed cotton, without seeking prior approval from the Reserve Bank.

For the borrowed funds, upon drawdown of the foreign currency for the purchase or buyback of the seed cotton, 30% shall be sold to the Reserve Bank and the local currency proceeds shall be deposited into a special (ZiG) Seed Cotton Buying Account. The remaining 70% of the foreign currency shall be credited into a special (FCA) Seed Cotton Buying Account.

In line with these measures, seed cotton merchants are required to pay seed cotton growers 70% in foreign currency and 30% in domestic currency, for the delivered seed cotton.

The following transactional process shall apply: -

i. Cotton merchants shall drawdown from their approved offshore lines of credit or loans accessed from local commercial banks as well as retained earnings for the purposes of buying seed cotton;
ii. Upon drawdown, the applicable surrender requirement shall be sold to the Reserve Bank at the prevailing interbank exchange rate and the local currency equivalent shall be deposited into a special local currency cotton buying Account;
iii. The remaining portion shall be deposited into a special foreign currency cotton buying Account; and
iv. Cotton purchases by merchants shall be paid in both foreign currency and local currency in the ratio of 70% foreign currency and 30% local currency using proceeds from the merchant's special cotton buying Accounts.

The Authorised Dealer shall furnish Reserve Bank with monthly statements of the special cotton buying Accounts indicating inflows (drawdowns) and outflows (payments to cotton growers). Such statements shall be submitted by the 7th of the month following the one being reported on.

Every Monday by 1000 hours, the Authorised Dealer shall submit to the Capital Flows Administration, Accounting and Management Division of the Reserve Bank, the amounts drawn down and the portion that has been sold to the Reserve Bank. The cotton merchants shall submit a return indicating the Volume (kgs) and US$ value of the seed cotton purchased during the preceding week.

Merchants may also drawdown from offshore lines of credit or loans accessed from commercial banks for the purposes of financing cotton production. Funds drawn for the purpose of financing cotton production shall not be subject to the surrender requirement.

3.2.25 Export of Cotton Lint

Authorised Dealers shall raise Forms CD1 for export of cotton lint, provided that the export is supported by the relevant export permit.

3.2.26 Form CD1 Acquittal Process

Where the cotton merchant financed cotton production and purchases using offshore lines of credit for the purpose of buying seed cotton, they have a special dispensation to maintain Evidence Accounts in the books of the offshore lender for the purpose of loan repayments.

Opening of Evidence Accounts should be registered with the Reserve Bank.

Export proceeds from the export of cotton lint shall, therefore, be channeled through these Evidence Accounts (where applicable).

At the acquittal of the relevant Forms CD1, Authorised Dealers are required to furnish Reserve Bank with the following documents: -

i. Documentary evidence for the flow of funds into the merchant's Evidence Account; and
ii. Documentary evidence for the repatriation of the value addition into the country.

Once a merchant has fully repaid their offshore obligations, the need for an Evidence Account automatically falls away and 100% of the export proceeds shall be repatriated into the country.

3.2.27 Accounting for Proceeds from the Export of Flowers

The bulk of fresh cut flowers produced in Zimbabwe are sold at International Auction Floors and prices are not known beforehand. Fresh cut flower exporters thus raise Forms CD1 with indicative prices for customs purposes.

At the acquittal of the relevant Forms CD1, fresh cut flower exporters are required to furnish Reserve Bank with Auction Floor Sales Statements showing the actual price that would have been realized at the Auction Floor.

The fresh cut flower Form CD1 shall, therefore, be acquitted on the basis of the actual price realized at the Auction Floor.

Fresh cut flowers produced in Zimbabwe and exported as direct sales should be declared and acquitted on the basis of the actual selling price.

3.2.28 Approval to Use Manual Forms CD1/CD3

Manual Forms CD1/CD3 shall be used when the CEPECS system is down and a specific approval by the Reserve Bank has been granted.

The Authorised Dealer shall issue partially completed Manual Forms CD1/CD3 to the applicant, on condition that the exporter's name, address and the Reserve Bank approval details shall be completed by the bank on issuing the pre-stamped Forms.

The Manual Form CD1/CD3 shall, however, be regularized in CEPECS system 48 hours after the export has been done. This effectively means that a corresponding electronic Form shall be created.

Once manual processing system has been evoked and closed, each Authorised Dealer is required to submit to Reserve Bank returns indicating the Manual Forms CD1 issued to exporters and the corresponding electronic Forms CD1.

3.2.29 Payment Arrangements for the Gold Delivered to the Refineries

In line with the drive to promote the use of domestic currency, with effect from 1 March 2026, Artisanal and Small-Scale Gold Miners (ASGM) may be paid in proportion of not more than 90% of the value of the Gold in foreign currency and not less than 10% in domestic currency.

The Large-Scale Gold Miners (LSGM) shall continue to be paid 70% in foreign currency and 30% in domestic currency.

3.2.30 Export of Gold

All exports of Gold require prior Reserve Bank approval.

The applicant should submit the following documents for consideration of the application:

i. The Gold Export Certificate;
ii. Gold Dealership Licence;
iii. Assays; and
iv. The pro-forma invoice indicating the quantity, price and total value of gold to be exported.

Applications to export Gold shall be processed within 24 working hours from the time of submission from the Authorised Dealer in the Document Management System (DMS).

The approval granted shall be quoted on all the relevant CEPECS Forms CD1 for all exports of Gold which shall be raised and approved by the Authorised Dealer.

3.2.31 Export of Diamonds

All exports of Diamonds require prior Reserve Bank approval.

Reserve Bank shall be furnished with the following in order to consider the application: -

i. The Diamond Valuation Certificate issued by Minerals Marketing Corporation of Zimbabwe (MMCZ);
ii. The pro-forma Invoice issued by MMCZ indicating the quantity and value of the diamonds to be exported; and
iii. The Export Permit from the Ministry of Mines and Mining Development.

Applications to export Diamonds shall be processed within 24 working hours from the time of submission from the Authorised Dealer in the Document Management System (DMS).

The reference number shall be quoted on all the relevant CEPECS Forms CD1 which shall be raised against the granted approval by the Authorised Dealer.

3.2.32 Export of Chrome Ore

Exportation of chrome ore requires prior Reserve Bank approval.

MMCZ shall submit through an Authorised Dealer an application to raise a Form CD1, which shall be accompanied by the following documentation;

i. An Export Permit issued by the Ministry of Mines and Mining Development
ii. An export invoice issued by MMCZ indicating the value and quantity of chrome ore; and
iii. A copy of the telegraphic transfer or relevant documentary evidence confirming receipt of pre-payment, where applicable.

The reference number shall be quoted on all the relevant CEPECS Forms CD1.

3.2.33 Export of Foreign Currency Cash

The maximum amount of foreign currency cash that may be taken out of Zimbabwe on the person or in the baggage of a person who is leaving Zimbabwe shall be a total of US$2,000 or its equivalent in any other currency, combination of currencies or gold coins.

3.2.34 Export of Local Currency Cash

The maximum amount of domestic currency notes and coin that may be taken out of Zimbabwe on the person or in the baggage of a person leaving Zimbabwe shall be an amount equivalent to US$2,000.

3.2.35 Export of Demonetized Bank Notes

The amount of demonetized bank notes and coin that may be exported from Zimbabwe on person or in the baggage of a person leaving Zimbabwe, is limited to 100 pieces of each denomination.

3.2.36 Export and Acquittal of Mineral Samples

Export of Mineral samples requires prior Reserve Bank approval.

Applications by Authorised Dealers to Reserve Bank for the export of mineral and mineral ore samples must be accompanied by the following documentation: -

i. Application by the exporter; and
ii. Copy of the Export Permit duly issued by the Ministry of Mines and Mining Development.

Applications by Authorised Dealers to Reserve Bank for acquittal of Forms CD1 for minerals and mineral ore samples must be accompanied by authenticated Geological Laboratory Assay Results.

The Assay Results Analysis Sheet must show mineral composition and respective quantities found in the analysed samples.

3.2.37 Export and Acquittal of Ordinary Samples

Export of ordinary samples (outside Mining do not require prior Reserve Bank approval. The relevant Forms CD1 shall be raised and acquitted simultaneously.

3.2.38 Export of Gifts and Donations

Export of gifts and donations above US$10,000 require prior Reserve Bank approval.

The applicants shall, through Authorised Dealers, furnish Reserve Bank with the following: -

i. Nature or description of gift;
ii. Value of the gift;
iii. Purpose for which the gift is being given;
iv. Relationship between exporter and recipient; and
v. Relevant Export Permit where the donated goods require such permits.

3.2.39 Deductions of Trade Discount, Cash Discount and Selling Commissions

Deductions at source of trade discounts, cash discounts and selling commissions from export earnings require prior Reserve Bank approval.

The application shall be supported by the following: -

i. A signed Agreement between the exporter and the entity to receive the commission or discount;
ii. The services that the external partner shall be offering to the exporter, i.e Marketing Agent, debt collection etc; and
iii. The tenor of the relationship.

The gross export earnings should be repatriated into the country and the discounts and commissions related to the exports be remitted from Zimbabwe.

3.2.40 Export of Equipment on Contract

Exportation of equipment on a temporary basis is subject to an application to the Reserve Bank.

Zimbabwean companies can secure contracts in other countries, such as construction, land preparation, earthmoving or agricultural activities or leasing, for which equipment has to be taken out to execute the contract.

Reserve Bank shall be furnished with the following: -

i. The signed contract between the parties, which contract shall specify the amount to be paid to the Zimbabwean company, frequency of payment, and how it shall be paid;
ii. The current value of the equipment, supported by a valuation certificate from an independent valuator; and
iii. The date the equipment is expected to be brought back into the country.

3.2.41 Export of Aircrafts

Exportation of Aircrafts requires prior Reserve Bank approval.

The application to Reserve Bank shall be supported by the following documents: -

i. A letter of support from Civil Aviation Authority of Zimbabwe;
ii. A valuation certificate from an independent reputable valuator; and.

iii. In the case of military planes, a support letter from the Ministry of Defence shall be required.

3.2.42 Export of Firearms

Exportation of Firearms requires prior Reserve Bank approval. The application must be supported by the following: -

i. Clearance by the Zimbabwe Republic Police; and
ii. A declaration on the purpose for which the Firearms are being exported.

3.2.43 Export of Goods under Bulk and Consignment Arrangement

Bulk and consignment exports shall be registered with the Reserve Bank for raising the requisite Form CD1 in CEPECS because of special arrangements which have to be taken into consideration.

Bulk export application has to satisfy the following conditions: -

i. Firm order/contract between Exporter and Consignee;
ii. Consignee is known;
iii. Quantity of goods is known;
iv. Value of goods known; and
v. Order cannot be moved at once due to logistical constraints.

Consignment export application has to satisfy the following conditions: -

i. Buyer of goods to be exported is not known at the time of export. As a result, the consignee for Customs Declaration purposes is the warehouse outside Zimbabwe;
ii. Quantity required at warehouse may be continuously stockpiled;
iii. Need to keep stock in warehouse outside Zimbabwe; and
iv. Order cannot be moved at once due to logistical constraints.

The exporter seeks approval of export of a defined global quantity of product exported in several shipments spread over a specified period.

The Reserve Bank shall allow, through an approval number, for the creation of a "Main CD1". Semantically, the "Main Form CD1" represents the Reserve Bank approval. Reserve Bank approval details are entered into the database and include:

i. Reserve Bank approval number;
ii. Validity period of Reserve Bank approval;

iii. Type of goods;
iv. Global quantity;
v. Country of destination; and
vi. Port of exit.

After registration to export under bulk and/or consignment arrangement, the Authorised Dealer shall raise the Master CD1 (based on the bulk export invoice) in the CEPECS system, and furnish the respective exporter with the relevant Master Forms CD1 numbers. The derived "Master Form CD1" is the document shown to the Customs (ZIMRA) on exit of goods. This document shall be used for several border crossings, as new cargos (so-called "shipment-lines") shall be created to facilitate MULTIPLE consignment exits.

The exporter shall have direct access to CEPECS at their own premises and raise the requisite Export Shipment Lines under each Master Form CD1.

Reserve Bank approval for bulk & consignment can only be extended in terms of duration by Reserve Bank.

Master Forms CD1 and shipment lines cannot be created after expiry of corresponding Reserve Bank approval.

Only one type of good can be exported under one Reserve Bank approval.

3.2.44 Cancellation of CEPECS Export Documentation

Cancellation of export declaration forms may be considered provided that the documentation has not yet been utilized for export.

An application for cancellation of Forms CD1/CD3/TRAS2/PTS1/GSD shall list the respective numbers which need to be cancelled and the reason for cancellation.

3.2.45 Extension of Acquittal Period of Export Documentation

The following documentation shall be attached on the application:-

i. Duly signed letter from the Authorised Dealer;
ii. Letter from the applicant justifying the need to extend the Forms CD1/CD3/TRAS2/PTS1/GSD; and
iii. Detailed payment plan for the expected export proceeds.

3.2.46 Registration of Tourism Marketing Agreements

Applications to register Marketing Agreements by tourism operators where commission is more than 15% require confirmation by the Reserve Bank.

SECTION FOUR:
CAPITAL AND FINANCIAL ACCOUNT

4 SECTION FOUR: CAPITAL AND FINANCIAL ACCOUNT

4.1 OVERVIEW

The Capital Account has been partially liberalised in Zimbabwe. Applications pertaining to the receipt or payment of capital transfers and/or acquisition/disposal of non-financial assets as well as transactions associated with changes of ownership in the foreign financial assets and liabilities of the country must form the basis of specific applications to the External Loans and Equity Review Committee (ELERC).

This Committee is responsible for considering and making decisions on all applications relating to the Capital and Financial Account. The common cases considered by the ELERC.

4.2 ADMINISTRATION OF EQUITY TRANSACTIONS

4.2.1 Investment in Unlisted Companies

Foreign investors may invest up to 100% in unlisted companies for existing projects. However, foreign investors cannot invest up to 100% in unlisted companies which fall under Reserved Sectors.

The investments can be in the form of dilutions, mergers, acquisitions and rights issues.

The exchange of securities between residents and non-residents requires prior Reserve Bank approval. All such applications shall be submitted through an Authorised Dealer and supported by company registration documents and profiles of the transacting parties.

4.2.2 Disinvestment from an Unlisted Company

Disinvestment proceeds including capital appreciation due to foreign investors are fully remittable after Reserve Bank approval has been granted.

To facilitate the processing of such proposals the following details must be furnished to Reserve Bank: -

i. The date when the investment was undertaken;
ii. The disinvesting company's registration documents, as well as the liquidation and distribution Account from a reputable firm of auditors;

iii. Details on how the foreign investment was funded originally as well as documentary evidence of the receipt of the funds in foreign currency through normal banking channels;
iv. Latest audited financial statements;
v. Justification of valuation methods used to deduce the share disposal value,
vi. A valuation certificate from a reputable independent valuator, in case where the initial investment was in the form of physical assets;
vii. A Sale Agreement, where the disinvestment is by way of sale of shares, giving full names of the buyer(s) and their respective residential status; and
viii. Indication whether the shares (if any) are being disposed at par, premium or at a discount. Disposal of shares at a discount is discouraged.

4.2.3 Dilution into an Unlisted Company

Dilution is when the acquisition of a domestic asset by a foreign investor results in the reduction of local shareholding or ownership and an increase in the foreign shareholding in that company.

To facilitate the processing of such applications, applicants should furnish the following information to Reserve Bank;

i. Company Registration Documents for the parties to the transaction;
ii. Company Profiles for the parties to the transaction;
iii. Latest audited financial statements for the entity whose shareholding is the subject of the dilution;
iv. Valuation report from a reputable independent valuer;
v. Demonstration of whether the shares/equity are being bought at par or at a premium;
vi. Indication of how the shares will be financed;
vii. Justification for the dilution, i.e. will the dilution proposal rescue local operations and/or jobs; and
viii. Details of applicants' business in Zimbabwe including full names of the shareholders, their residential status and percentage shareholding before and after the dilution proposal.

4.2.4 Mergers and Acquisitions

Mergers and acquisitions arise where two or more entities including a foreign investor, listed or unlisted, intend to amalgamate or where one company intends to acquire a majority stake in another company.

The following information must be submitted to Reserve Bank with the application for a merger or acquisition: -

i. Pre-merger and post-merger shareholding structure;
ii. Latest audited financial statements of the merging entities;
iii. Valuation report from a reputable independent valuer
iv. Copy of the Agreement between the parties.
v. Rationale for the merger/acquisition and benefits to accrue from the transaction;
vi. Board resolution or (shareholder consent) sanctioning the transaction;
vii. Projected plans for the merged business; and
viii. A clearance letter from the Competition and Tariff Commission.

4.2.5 Restructuring

Restructuring occurs when there is a re-arrangement or reorganization of the shareholding structure of a company due to a swap of shares.

Any restructuring exercise that involves a foreign shareholder which impact the shareholding structure of a local entity requires prior Reserve Bank approval.

4.2.6 Rights Issue

A rights issue is an invitation to existing shareholders to purchase additional shares in the company (shareholding changes).

The following should be furnished to Reserve Bank for all company Rights Issue proposals: -

i. Pre and post-rights issue shareholding structure;
ii. Prospectus where applicable;
iii. Latest audited financial statements;
iv. Shareholder consent to the transaction and Board Resolution; and
v. The rationale for the rights issue.

4.2.7 Investment in Locally Listed Companies

Guidelines governing the participation of foreign investors or non-residents on the local stock exchanges.

4.2.8 Shares Listed on Local Stock Exchanges Denominated in Local Currency

Foreign investors or non-residents are allowed to participate on local stock exchanges denominated in local currency such as Zimbabwe Stock Exchange and Financial Securities Exchange, provided they finance the purchase of shares by inward transfer of foreign currency through normal banking channels.

No prior Reserve Bank approval is required for such investments.

The purchase of shares by non-residents is limited to 49% of the total equity of the company with a single investor acquiring a maximum of 15% of the shares on offer.

Non-resident Zimbabweans (diaspora) can invest without any limit on the stock exchanges.

Dividends are freely remittable upon submission of relevant documentation to the Authorised Dealer.

The disinvestment proceeds are 100% remittable.

4.2.9 Shares Listed on the Victoria Falls Stock Exchange

Foreign investors or non-residents are allowed to participate on the Victoria Falls Stock Exchange (VFEX) provided they finance the purchase of shares by inward transfer of foreign currency through normal banking channels.

Foreign currency raised by local companies on listing on the VFEX shall be credited into FCA (Investments) and not subjected to any statutory liquidation.

Dividends and disinvestment proceeds received in foreign currency by resident investors shall be credited into FCAs and used for local and foreign payments.

Dividends and disinvestment proceeds due to non-resident investors are freely remittable.

4.2.10 Disinvesting from Listed Entities

Disinvestment proceeds due to non-residents are freely remittable.

Before remitting sale proceeds, Authorised Dealers should ensure that the following documentation is presented: -

i. Documentary evidence of inward transfer of funds for the initial investment; and
ii. Instruction from the investor to the Stockbroker ordering the disinvestment.

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4.2.11 Investment on the Money Market

Foreign investors may subscribe for up to 100% of primary issues of bonds provided the purchase is financed by inward transfer of foreign currency through normal banking channels.

Authorised Dealers should, however, advise the Reserve Bank of such bond investments by foreign investors.

Foreign investors can also freely invest in other money market instruments without seeking Reserve Bank approval.

Disinvestment proceeds are freely remittable provided there is proof of receipt of initial investment funds from offshore through the bank.

4.2.12 Dual Listing

Dual listing is the listing of the same share on two or more stock exchanges.

All cases for dual listing of a locally incorporated company require prior Reserve Bank approval, supported by a prospectus and a letter from Securities Exchange Commission of Zimbabwe (SECZIM).

In cases of dual listing, the primary listing shall be on the local stock exchange with a minimum of at least 51% of listed shares at all times.

Foreign investors shall, however, be permitted to buy up to 49% of the shares in the dual listed company.

4.2.13 Scrip (Stock) dividend

Scrip/stock dividend is the payment of a dividend to existing owners in the form of stock/equity. Shares are issued from the authorised share capital of the company in proportion to the dividend declared per share. The effect is an increase in the number of

shares in issue and may not affect the shareholding structure of a company if all the shareholders choose to take up the offer.

In considering scrip dividends, Reserve Bank requires the following: -

i. Certified copy of the Board of Directors' Resolution declaring the dividend;
ii. Evidence that the declaration of the dividend is in accordance with company's policy and has been sanctioned by the Board of Directors;
iii. Latest audited financial statements which are less than six months old in the case of a final dividend or a pro-forma Profit and Loss for an interim dividend;
iv. Professional certification of the dividend declared;
v. An auditors' cash flow statement confirming that the company has sufficient own resources to pay the dividend;
vi. Retained earnings would not have qualified for remittance as the dividend would have lapsed and therefore profits would not be for that trading year;
vii. Financial statements of the subsidiaries in the case of holding companies;
viii. To ascertain income that would have been derived from the subsidiaries and is for the Account of the holding company; and
ix. Number of shares to be issued and the anticipated level of possible dilution.

Any other treatment of dividends outside the specified transactions above requires prior Reserve Bank approval. This includes conversion of dividends into an external loan to a local company or reinvestment into another entity.

4.2.14 Remittance of Dividends from Retained Earnings

Payment of dividends to non-resident shareholders from retained earnings requires confirmation by the Reserve Bank. In considering such transactions, Reserve Bank shall be furnished with the following information: -

i. Certified copy of the Board of Directors' Resolution declaring the dividend;
ii. Latest audited financial statements or Management Accounts of the company declaring the dividend;
iii. An auditors' certificate confirming that the company has sufficient own resources to pay the dividend; and
iv. Justification or reasons for paying the dividend from retained earnings.

4.2.15 Cross Border Investments

This relates to outward foreign direct investment by Zimbabwean residents into foreign or offshore markets, subject to meeting Reserve Bank criteria. Individuals that hold free funds do not need to submit applications to Reserve Bank for cross border investments.

Cross-border investments can be in the form of the establishment of offshore branches, holding companies or subsidiaries, affiliates, marketing, representative offices and these proposals require prior Reserve Bank approval.

Residents with approved cross border investments require prior Reserve Bank approval for any restructuring or creation of foreign liabilities which have a reducing effect on their shareholding. In addition, remittance of additional capital offshore requires prior Reserve Bank approval.

The following information must be submitted to Reserve Bank with the application for cross border investments: -

i. The name of the company investing offshore;
ii. Detailed ownership structure, including residential status of the shareholders of the company;
iii. The company's local and foreign business focus;
iv. The rationale for investing offshore as well as the company's focus on the new proposed project-business plan or due diligence report;
v. Details of the initial capital requirement;
vi. Source of funds to be used to establish the offshore investment;
vii. A three-year historical analysis of the company's operations as well as export track record supported by suitable documentary evidence;
viii. A five-year cash-flow projection, clearly showing the investments anticipated, annual turnover, total costs, net profits, dividends and other income accruing to Zimbabwe from the cross border investment;
ix. Three years audited financial statements or management Accounts for the local investing company; and
x. Other regulatory approvals where applicable depending on the sector in which the company operates in.

4.2.16 Establishment of Offshore Companies Owning Local Assets

Establishment of offshore companies owing local assets require prior Reserve Bank approval.

The following information must be submitted to Reserve Bank with the application for establishment of offshore companies: -

i. Company profile of the entity establishing an offshore holding company;
ii. Detailed ownership structure, including residential status of the shareholders of the company;
iii. The rationale for establishing an offshore holding company;
iv. Basis of share swap where establishment is through a reverse takeover or share swap;
v. The intended methodology of mobilizing capital offshore i.e. through equity or debt instruments;
vi. The targeted amount to be raised and its application to support local operations;
vii. Audited financial statements including the latest covering five (5) years where applicable;
viii. In the absence of audited financial statements especially for startup companies or small to medium enterprises, management Accounts may be considered;
ix. Board resolution supporting the offshore structure; and
x. Other regulatory approvals where applicable, depending on the sector in which the company operates in.

4.2.17 Offshore Restructuring

Where shares in a locally incorporated company owned by foreign investors are sold to other foreign investors externally, prior Reserve Bank approval is required.

A locally incorporated company may own cross-border investments which it may want to restructure through a shift in shareholding/ownership. Prior Reserve Bank approval is required before implementation of such transactions.

The following should be furnished to Reserve Bank for all company restructuring proposals: -

i. An organogram showing the group's ownership structure and percentage shareholding both before and after the proposed restructuring;
ii. The rationale for restructuring and basis for share swap;
iii. Latest audited financial statements for the swapping entities; and
iv. Board Resolution approving such restructuring.

4.2.18 Listing on External Stock Exchanges (Bourses)

Listing on external stock exchanges by local companies require prior Reserve Bank approval.

Local entities aspiring to list on an external stock exchange should submit and meet the following minimum requirements: -

i. Company profile which should clearly specify the nature of operations and existing shareholders and their residential status;
ii. Audited financial statements including the latest, covering a period of five (5) years;
iii. Management Accounts may be considered for startup companies;
iv. Draft or final Prospectus for offshore listing, clearly highlighting among other issues, the quantity of shares to be listed offshore, share price, listing expenses and amount to be raised offshore;
v. Where the investment is not through an Initial Public Offer (IPO), details of investment acquisition/mergers or share swaps; and
vi. Board resolution supporting the primary or secondary listing offshore.

4.2.19 Participation in Offshore Employee Share Ownership Schemes

An employee stock ownership plan (ESOP) is an employee benefit plan that gives workers ownership interest in the company in the form of shares of stock.

In cases where the ESOP involves local workers or the company contributing financially on behalf of employees in a non-resident company, such structures require prior Reserve Bank approval.

Such applications should have the following supporting documentation: -

i. Total amount to be remitted abroad to acquire shares in the foreign company under the ESOP;
ii. Investment and Share Subscription Agreement;
iii. Relationship between the local company and the foreign company;
iv. Detailed profile of the foreign company which is issuing shares to local workers;
v. Vesting period;
vi. List of employees participating in the foreign ESOP; and
vii. Source of funds to be used for participating in the foreign ESOP.

4.2.20 Pension Remittances

Non-resident individuals who wish to receive offshore pension from Zimbabwe, are required to formally emigrate, then repatriate their approved pension proceeds to the countries where they are destined. Such pension remittances, involving pension commutation and monthly pension require no prior Reserve Bank approval provided the beneficiary has formally emigrated.

4.2.21 Offshore Investments by Insurance Entities and Pension Funds

Resident corporates such as fund managers, pension funds, and asset managers that are permitted by the Insurance and Pensions Commission (IPEC) and/or SECZIM to invest in securities offshore require Reserve Bank approval.

Such applications should have the following supporting documentation: -

i. Profiles of investor and investee entities;
ii. Board Resolution where applicable;
iii. IPEC support letter;
iv. SECZIM support letter;
v. Amount to be invested;
vi. Source of funds;
vii. Destination for the investment;
viii. Nature of investment and the rationale for the external investment; and
ix. Tenure of investment and expected returns.

4.3 ADMINISTRATION OF PRIVATE SECTOR EXTERNAL LOANS

4.3.1 Contraction of Offshore Loans by Corporates

Authorised Dealers may approve all external loans of up to US$20 million provided the terms and conditions of the loan are in line with these guidelines. However, contraction of external loans above US$20 million shall require prior Reserve Bank approval.

The submissions to Reserve Bank shall be supported by the following: -

i. Client mandate letters;
ii. Profile of the applicant (including shareholding structure);
iii. Board resolution.
iv. Signed Loan Agreement;
v. Enhanced term sheet;
vi. Existing borrowings;

vii. Cashflow projections;
viii. Latest audited financial statements or management Accounts; and
ix. Valuation of security (in instances where the security is immovable assets, shares or mineral resources);
x. Loan Amortisation Schedule.

Upon submission of loan applications for approval or registration with Reserve Bank, Authorised Dealers are required to advise the Reserve Bank whether the facility shall be drawdown through Telegraphic Transfers, importation of physical goods or foreign currency cash.

All loan proceeds should be received in Zimbabwe through normal banking channels. Where borrowers receive loan proceeds in the form of foreign currency cash, Authorised Dealers are required to ensure that such cash receipts comply with Anti-Money Laundering and Combating Financing of Terrorism (AML-CFT) requirements, in terms of declaration of the source of the cash. The cash receipts should be accompanied by a stamped ZIMRA Form 47, proof of deposit of the funds and copies of stamped passport pages.

Where borrowers receive loan proceeds in the form of goods, Authorised Dealers are required to submit commercial invoice, Bill of Entry (Import) and ZIMRA release order.

Authorised Dealers are required to report on the approved loans on the Private Sector External Debt Reporting System (PSEDRS), within 7 days from the date of approval or registration. All drawdowns and repayments shall be updated on the system as and when they are processed.

All approved loans should be drawn down within a period of six (6) months effective from the date of approval. Following the expiration of the 6-month validity period for drawdowns, such Loan Agreements must be resubmitted to the Authorised Dealer or Reserve Bank for consideration and issuance of new approval.

4.3.2 Pricing of External Loans

Authorised Dealers should ensure that the loan terms are within the set ELERC thresholds in terms of pricing as shown in Table 3.

Table 3: Pricing of External Loans

All Charges per Annum Except L/C Confirmation Fees)	Tenor				
	1 Year and less	Between 1 Years and 2 Years	Between 2 Years and 5 Years	Between 5 Years and 9 Years	Above 9 Years
Margin Above Reference Rate of up to (p.a)	6.00%	7.00%	8.00%	9.00%	10.00%
Commitment Fees (Only for committed lines)	1.00%	1.00%	1.00%	1.00%	1.00%
Total Margin	7.00%	8.00%	9.00%	10.00%	11.00%
L/C Confirmation Fees (per quarter)	1.5%	1.5%	1.5%	1.5%	1.5%
Total Flat Fees	4.00%	4.00%	4.00%	4.00%	4.00%

However, tobacco financing, shareholder loans and notional vendor finance are as per the external borrowing guidelines shown in Table 4.

Table 4: Pricing of Tobacco and Shareholder Loans

All charges per annum except L/C Confirmation fees)	Tobacco Pre/Post Export Finance	All shareholder loans, including vendor financing loans
Margin Above Reference Rate of up to (p.a)	5.00%	5.00%
Commitment Fees (Only for committed lines)	0.5%	0.5%
Total Margin	5.5%	5.5%
L/C Confirmation Fees (per quarter)	1.5%[	1.5%
Total Flat Fees	4.00%	4.00%

Authorised Dealers should also submit applications regardless of the amount, if they have terms and conditions that require specific Reserve Bank approval such as the following: -

i. Facilities with certain terms outside the ELERC guidelines and the applicant has exhausted all efforts to negotiate with the lender to align with the guidelines;
ii. The facility is secured by immovable assets, securities and mineral claims; and

iii. Facilities that have terms that include opening and maintenance of offshore Accounts.

For applications to qualify for the above-mentioned (ii) securitisation arrangement, the following conditions shall apply: -

i. The debt cover ratio (i.e. value of the asset and the proposed loan amount) shall not be more than two times the loan amount; and
ii. In the event of the need to liquidate the asset to realise the security, Zimbabwean residents shall have the right of first refusal.

Upon registration of the offshore loan by the Reserve Bank, the following will also require specific approval: -

i. Receipt of loan proceeds through another bank;
ii. Adoption of the facility by another bank;
iii. Renewal/extension of the facility;
iv. Conversion of the loan into equity;
v. Adjustment of loan terms that is, interest, security; and
vi. Cession of loan obligations to a different borrower or lender.

The applications to Reserve Bank shall be supported with the following:-

i. Mandate letter from the client;
ii. Consent letter from the previous administering bank where the bank seeks to adopt an approval; and
iii. Copy of the signed addendum to the Loan Agreement for renewal, cession or adjustment of terms.

External loans should be utilised for productive purposes and not for consumptive purposes such that borrowers are expected to generate cashflows to service the external facilities. Authorised Dealers are advised that all offshore borrowings to fund capital and financial Account transactions require prior Reserve Bank approval.

4.3.3 Parastatals and Public Entities Borrowing

The contraction of offshore loans by Parastatals and Public Entities requires approval by the External and Domestic Debt Committee (EDDC) under the Ministry of Finance, Economic Development and Investment Promotion.

4.3.4 Letters of Credit

Authorised Dealers, using their relationships with foreign counterparts, may establish (LCs for their clients, without seeking Reserve Bank approval.

However, LCs which require cash cover to be remitted to a foreign bank require prior Reserve Bank approval.

4.3.5 Guarantees

All guarantees where either of the parties is a non-resident require prior Reserve Bank approval.

Applications for guarantees should include the following information: -

i. Amount and Purpose of guarantee;
ii. Duration for which guarantee is required; and
iii. Underlying Agreement including terms of guarantee.

4.3.6 Lending to Non-Residents

Authorised Dealers are not permitted to lend to non-residents without prior Reserve Bank approval.

4.3.7 Financial Derivatives

For the purposes of these guidelines, a derivative shall be defined as a financial instrument whose value derives from some underlying asset price, reference rate or index such as a stock, bond, currency, or commodity.

Authorised Dealers may enter into derivative transactions, such as forward contracts, futures, securitization instruments, swaps, options and other similar financial instruments.

Authorised Dealers may arrange financial derivatives of value less than US$5 million, for locals and or resident financial players, without seeking Reserve Bank approval. Issuance of such derivatives should, however, be done under advice to Reserve Bank.

Where foreigners are involved in the derivatives, which may be in instruments which either involve initial outlay, physical delivery and commodities, specific Reserve Bank approval shall be required.

Authorised Dealers must exercise prudence when dealing in derivative products, and ensure that they put in place appropriate risk management strategies to mitigate against prevalence of risks emanating from trading in these instruments.

4.3.8 Profit Sharing Arrangements for Selected Sectors

Foreign investors are permitted to inject non-equity and non-debt capital into local entities with the view of participating in the risk and return of the company. Such arrangements shall require prior Reserve Bank approval.

The following Greenfield and Brownfield projects are eligible for profit sharing arrangements: -

i. Agriculture;
ii. Mining operations;
iii. Manufacturing; and
iv. Information Requirements.

The submissions to the Reserve Bank shall be supported by the following: -

i. A copy of ZIDA certificate confirming approval and registration of the Greenfield project;
ii. Names and residential status of foreign partners;
iii. Company profile which should clearly specify the nature of Operations
iv. List of existing shareholders and their residential status;
v. Copy of the Profit-Sharing Agreement between local and foreign partner;
vi. Board resolution by the locally incorporated entity; and
vii. Cash flow projections covering the tenor of the Profit-sharing Agreement.

In order for the Reserve Bank to fully Account for the contribution made by the foreign investor, all companies in the profit-sharing arrangements shall be required to submit to the Authorised Dealer, the proof of receipt of funds injection by the foreign investor, and also showing whether capital injection was in the form of cash or importation of capital equipment.

Furthermore, in order for Reserve Bank to fully Account for the share of profits paid to the foreign investor, all companies operating under the profit-sharing arrangement shall be required to submit to the Authorised Dealer copies of financial statements upon which the sharing or distribution of profits was based for each particular period a profit is distributed.

4.3.9 Debt to Equity Ratio for Greenfield Investments

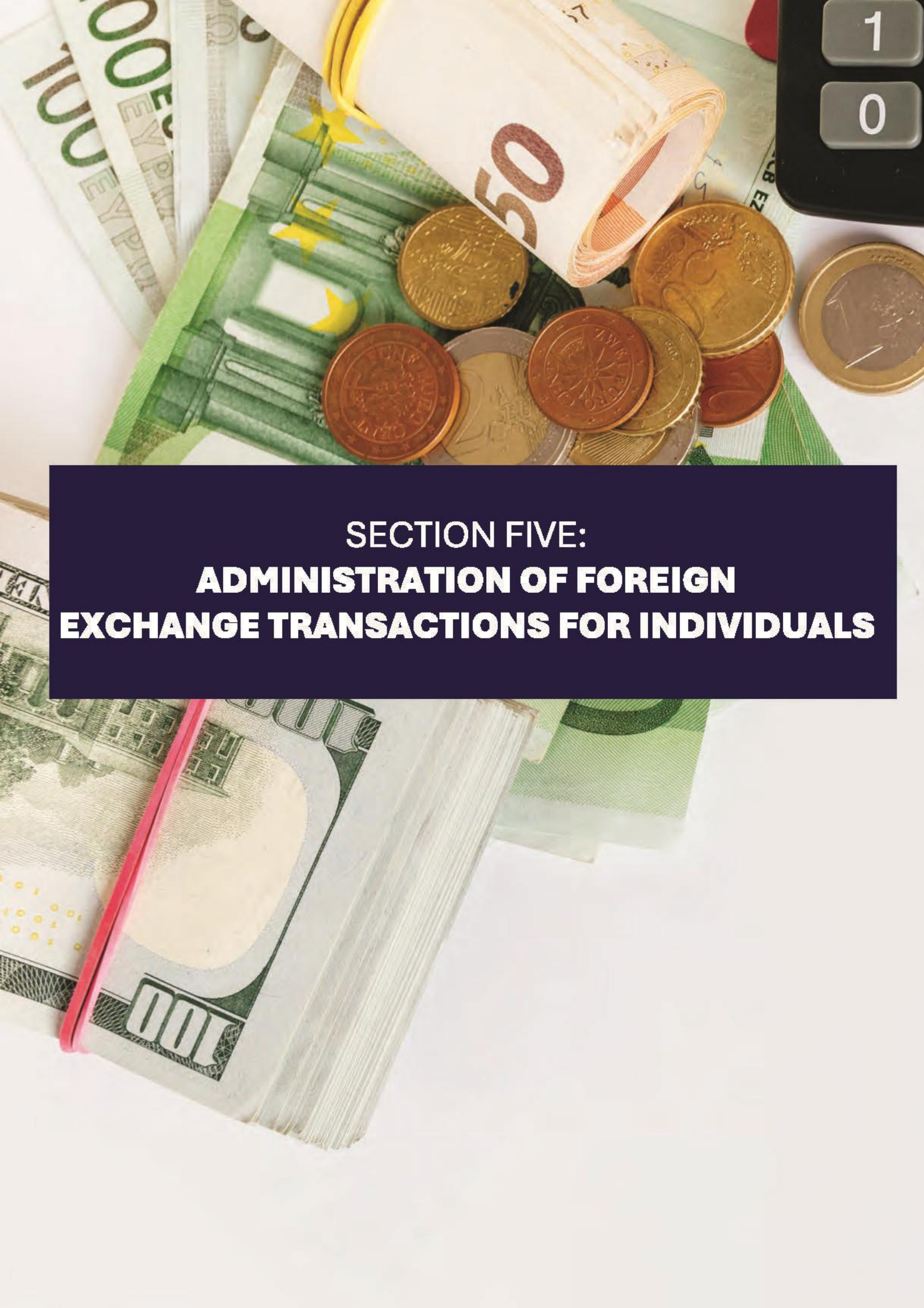
In order to foster sustainability of foreign investments in a manner that ensures a beneficial mix of debt to equity without entirely funding projects from debt-creating flows, funding structures for Greenfield projects shall be in the range of 2:1.

Foreign investments undertaken by foreign investors in partnership with the Government or other public institutions, under the auspices of Public Private Partnerships (PPPs) especially the Build Operate and Transfer (BOT) may be funded using 100% foreign debt.

Foreign investments undertaken under Public Private Partnerships (PPPs) such as Build Operate and Transfer (BOT) projects are not subject to the gearing ratio (debt-to-equity) limit of 2:1.

4.3.10 Offshore Settlement for Domestic Transactions

Domestic financial transactions between locally incorporated companies must be settled locally. As such, consideration for operation of Offshore Accounts shall be limited to external debt servicing only.



SECTION FIVE:
ADMINISTRATION OF FOREIGN EXCHANGE TRANSACTIONS FOR INDIVIDUALS

6 SECTION FIVE: ADMINISTRATION OF FOREIGN EXCHANGE TRANSACTIONS FOR INDIVIDUALS

6.1 IMPORTS ADMINISTRATION FOR INDIVIDUALS

6.1.1 Sources of Funding

Under the multicurrency system, individuals may finance their external requirements using the following sources: -

i. Own funds in Individual FCA;
ii. Interbank foreign exchange market;
iii. Foreign currency loan proceeds from a local bank; and
iv. Any other legal source.

All external payments by individuals should be done through normal banking channels, observing the AML & CFT requirements.

6.1.2 Registration of Individual Importers

For ease of reporting of transactions by individuals, Authorised Dealers are required to register individuals conducting cross-border payments at bank level, using their client database and paying attention to the following documents: -

i. National Identity Number (ID), which should be used as the unique reference number for residents and Passport number for non-residents; and
ii. Proof of residence for the individual importer.

6.1.3 Transactions Processed at Authorised Dealer (bank) Level

Requests for payment of goods or services and payment of external obligations by individuals, are processed at Authorised Dealer (bank) level in line with the KYC and CDD principles.

In cases where individuals have accessed local currency loans from banks and they wish to access the interbank market using the loan proceeds, prior Reserve Bank approval is required.

Table 5: Considerations for Individual Transactions

	Transaction Type	Key Considerations & Accompanying Documents	Reporting Requirements to Authorised Dealer
1.	Goods import	❖ Invoice from external supplier. ❖ Importer Declaration Form. ❖ Copy of ZIMRA stamped Bill of Entry (Import) & supplier statement in cases where goods are supplied on credit.	❖ Need for CEBAS reporting. ❖ Copy of ZIMRA stamped BoE (Import) for advance payments for acquittal of payments in excess of US$10,000.00 .
2.	Services Import (Repairs, Legal Fees and Subscriptions)	❖ Invoice from service provider. ❖ Statements of Account. ❖ Court documents, where applicable. ❖ Renewal notices for subscriptions. ❖ Importer Declaration Form	❖ Need for CEBAS reporting.
3.	Foreign Education Expenses	Authorised Dealers are allowed to process educational fees to meet all expenses directly related to full time or correspondence course of study, including pocket money and living expenses for education, provided the following information is submitted: - ❖ Letters of admission in case of new students. ❖ Invoice and /or statement of Account from college, university or professional board. ❖ Any suitable documentary evidence from the institutions. ❖ Importer Declaration Form.	❖ Need for CEBAS reporting.
4.	External Examination Fees	Requests for payment of external examination fees by local schools, universities or colleges may be approved on submission of the following: - ❖ A list of the students' names. ❖ Documentary evidence from the external Examination	❖ Need for CEBAS reporting

	Transaction Type	Key Considerations & Accompanying Documents	Reporting Requirements to Authorised Dealer
		Boards confirming amount payable. ❖ Importer Declaration Form.	
5.	Foreign Medical Expenses	❖ A referral letter from a local specialist. ❖ Invoice(s) for the foreign hospital or specialist confirming cost of treatment. ❖ Importer Declaration Form.	❖ Need for CEBAS reporting.
6.	Holiday Travel Expenses	❖ Copy of valid national passport. ❖ Invoice showing banking details of the airline or travel agent. ❖ Travel itinerary where applicable. ❖ Maximum of US$400 per day, and up to maximum of 7 days per travel up to an equivalent of US$10,000 per annum. ❖ Importer Declaration Form. This threshold applies for funds accessed from the interbank market.	❖ Need for CEBAS reporting. ❖ Submission of proof of travel (stamped relevant passport page).
7.	Remittance of employment earnings by Expatriates	Authorised Dealer may authorise remittance of up to 50% of gross monthly salary, allowances and bonus funded from either FCA or interbank market Before authorising such payment, Authorised Dealer must be satisfied with documentary evidence relating to:- ❖ Letter of appointment or contract from employer. ❖ Copy of payslip/ salary certificate. ❖ Valid work permit. ❖ Copy of valid national passport. ❖ Application letter justifying the need to repatriate salary. ❖ Importer Declaration Form.	❖ Need for CEBAS reporting.

	Transaction Type	Key Considerations & Accompanying Documents	Reporting Requirements to Authorised Dealer
8.	Alimony and Child Maintenance	❖ Application letter. ❖ Divorce order where applicable. ❖ Children's birth certificate(s). ❖ Documentary evidence confirming residential status of the child or external beneficiary. ❖ Importer Declaration Form.	❖ Need for CEBAS reporting.
9.	Monetary Gifts/ Donations	❖ Beneficiary. ❖ Banking details. ❖ Relationship. ❖ Motivation for the donation. ❖ Importer Declaration Form. Amounts in excess of US$10,000.00 per transaction require prior Reserve Bank approval.	❖ Need for CEBAS reporting.
10.	Pension Remittances	❖ Confirmation letter from pension fund. ❖ Reserve Bank approval under which the emigration application was considered. ❖ Importer Declaration Form.	❖ Need for CEBAS reporting.
11.	Family Upkeep	❖ Application letter. ❖ Documentary evidence confirming residential status of external family members. ❖ Documentary evidence confirming relationship between the applicant and the external beneficiaries. ❖ Importer Declaration Form Amounts in excess of US$10,000.00 per transaction require prior Reserve Bank approval.	❖ Need for CEBAS reporting.
12.	Rentals due to Non-resident Residential Property Owners	❖ Lease Agreement clearly showing the names of the lessor and lessee and the address of the residential property. ❖ Importer Declaration Form.	❖ Need for CEBAS reporting.

6.1.4 Use of Debit & Credit Cards

Individuals are allowed to utilise their debit and credit cards when undertaking transactions in other jurisdictions or paying for goods or services using online payment platforms.

Use of debit and credit cards should, however, be conducted in line with the internal requirements of the issuing bank or financial institution, hence the need for the card holder to be conversant about the internal requirements of his or her bank.

6.1.5 Cash Imports on Person or In Baggage

In addition to the use of international debit and credit cards, individuals are permitted to import foreign currency cash into the country through normal ports of entry.

The individual importing the cash into the country is expected to declare the cash import on ZIMRA Form 47 which is available at the ports of entry.

For individuals importing cash on behalf of corporates, the cash should be expeditiously deposited into the Foreign Currency Account (FCA) of the respective corporate and the relevant ZIMRA Form 47 should be presented to the bank when making the cash deposit, together with relevant passport pages for the individual importer.

6.2 EXPORTS ADMINISTRATION FOR INDIVIDUALS (NON-CORPORATES)

6.2.1 Registration of a Non-Corporate Exporter

Every new exporter of goods or services shall be registered in CEPECS through their respective Authorised Dealers.

A CEPECS Exporter Registration Form shall be completed by the exporter and submitted to Reserve Bank through an Authorized Dealer. The form is available on the following URL link https://www.rbz.co.zw/index.php/regulation-supervision/exchange-control/foreign-investment-trade-framework/102-export-facilitation.

The following documentation is needed for registration of a non-corporate exporter: -

i. Duly completed Exporter Registration Form;
ii. Certified copy of the National Identity card or Passport; and
iii. Proof of residence.

6.2.2 Export of Goods by Non-Corporate Exporter

Non-corporates are permitted to export accompanied goods with a value not exceeding US$2,000.00 through the ports of exit and such exports do not require the completion of export documents such as Form CD1.

Export of goods with a value in excess of US$2,000.00 is treated as a commercial export which is required to abide by the country's exports formalities which include the completion of Form CD1. In this regard, the Guidelines that govern the export of goods by businesses become applicable.

6.2.3 Export of Foreign Currency Cash

The maximum amount of foreign currency cash that may be exported out of Zimbabwe on the person or in the baggage of a person who is leaving Zimbabwe shall be a total of US$2,000 or its equivalent in any other currency, combination of currencies or gold coins. (Statutory Instrument 166 of 2024, dated 7 October 2024).

In line with international best practices and the need to comply with AML & CFT requirements, individuals are encouraged to make use of their credit and debit cards when conducting transactions in other jurisdictions. (Statutory Instrument 166 of 2024, dated 7 October 2024).

6.2.4 Export of Local Currency Cash

The maximum amount of Zimbabwean currency notes and coins that may be taken out of Zimbabwe on a person or in the baggage of a person leaving Zimbabwe shall be an amount equivalent to US$2,000.00. (Statutory Instrument 166 of 2024, dated 7 October 2024).

6.2.5 Export of Demonetised Bank Notes

The amount of demonetized bank notes and coins that may be exported from Zimbabwe on person or in the baggage of a person leaving Zimbabwe, is limited to 100 pieces of each denomination.

6.2.6 Earnings from Private International Business & Employment

Earnings by individuals from private export, employment, content creation, performances (arts and crafts), services and fortuitous income (such as awards, gambling/ betting), are treated as free funds.

6.3 ADMINISTRATION OF CAPITAL & FINANCIAL ACCOUNT TRANSACTIONS FOR INDIVIDUALS (NON-CORPORATES)

6.3.1 Capital Account Framework

The country's Capital and Financial Account is partially liberalised and as a result there are prudential measures that are in place to govern transactions that fall under the Capital and Financial Account. Given the vulnerability of the Capital and Financial Account to external shocks and developments, the prudential measures that are currently in place are aimed at protecting the interests of the country in a sustainable manner.

In this regard, individuals are advised to comply with all the requirements associated with transactions falling under the Capital and Financial Account. In line with international best practices and AML & CFT requirements, such transactions should be conducted through normal banking channels, wherein banks are mandated to apply the KYC and CDD principles when processing such transactions.

6.3.2 Offshore Investments by Non-Corporates

Resident individuals with free funds are permitted to invest offshore up to US$50,000 cumulatively per individual per annum. Offshore investments within this set threshold are processed at bank level.

For purposes of these Guidelines, offshore investments by non-corporates include the following: -

i. Operation and funding of offshore Accounts;
ii. Money market placements;
iii. External stock exchanges;
iv. Residential immovable property; and
v. Medical insurance, educational & life assurance policies.

6.3.3 Investments and Disinvestment in the Property Market

Transactions in the property market fall under the Capital and Financial Account, hence the existence of prudential measures currently in place to facilitate participation by non-resident individuals in a sustainable manner.

Individual foreign investors and non-resident Zimbabweans are permitted to acquire residential immovable property without seeking prior Reserve Bank approval.

The purchase price should, however, be remitted through normal banking channels and the investment should be registered with the Reserve Bank, ex-post, supported by the following information: -

i. Copy of the Sale Agreement;
ii. Documentary evidence in the form of telegraphic transfers confirming receipt of initial purchase price in the country;
iii. Indication of source of funds for the purchase; and
iv. Copies of relevant passport pages confirming residential status of the purchaser.

Individual foreign investors and non-resident Zimbabweans are free to disinvest from the property market and proceeds are freely remittable for residential properties being paid for from Zimbabwe. The requests for remittance of property sale proceeds are processed at Authorised Dealer (bank) level submitting the following information; -

i. Reserve Bank approval under which the initial investment was registered;
ii. Copies of telegraphic transfer confirming receipt of the initial purchase consideration into the country;
iii. Copy of the current Sale Agreement; and
iv. Copies of relevant passport pages confirming residential status of the seller.

6.3.4 Retention of Property Sale Proceeds Offshore by Non-Resident Zimbabweans and Non-Corporate Foreign Investors

The retention of immovable property sale proceeds being settled offshore by the purchaser, requires prior Reserve Bank approval.

The application should be accompanied by the following information; -

i. Copy of the Sale Agreement;
ii. Request by the seller with justification for retention of funds offshore;

iii. Indication of how statutory obligations due to ZIMRA shall be settled together with other related costs;
iv. Documentary evidence in the form of telegraphic transfers confirming receipt of initial purchase price in cases where the seller initially used offshore funds to acquire the property;
v. Indication of source of funds;
vi. Completed Form "A'' Emigration clearly indicating the property currently owned by the non-resident seller, applicable to non-resident Zimbabweans who have taken up permanent residence in other countries; and
vii. Relevant passport pages confirming residential status of the property seller and buyer.

6.3.5 Treatment of Disinvestment Proceeds for Residents Using Offshore Funds

Resident individuals with external financial resources are permitted to freely invest in the property market through purchase of residential properties without seeking Reserve Bank approval.

The property acquisitions by resident individuals with external financial resources are required to be registered with Reserve Bank within 14 days from the date of purchase.

The ex-post registration of investments into the property market by resident individuals with external financial resources, shall be accompanied by the following documentation: -

i. Copy of Sale or Cession Agreement duly signed by the seller and purchaser;
ii. Proof of inward receipt of funds from outside supported by copies of telegraphic transfers; and
iii. Purpose of acquisition (whether for investment purposes or personal occupation).

Resident individuals who acquired immovable residential property using external financial resources are required to seek prior Reserve Bank approval in the event that they intend to dispose of their property and invest the sale proceeds offshore. The application to the Reserve Bank should be accompanied by the following supporting information: -

i. Application letter by the seller requesting investment of funds offshore;
ii. Reserve Bank approval under which the initial purchase was registered ex-post;
iii. Proof of inward receipt of funds from outside as supported by copies of telegraphic transfers which were initially used to purchase the property; and
iv. Copy of Sale or Cession Agreement duly signed by the seller and purchaser.

6.3.6 Treatment of Disinvestment Proceeds from Properties Acquired Using Local Resources

The remittance of the proceeds emanating from disposal of immovable property purchased by individuals (both residents & non-residents) using local financial resources shall be submitted to the Reserve Bank for consideration.

For emigrating individuals (permanent or temporary), Authorised Dealers are required to furnish Reserve Bank with the following information: -

i. Application letter from seller requesting for remittance of sale proceeds;
ii. Completed Form "A" Emigration clearly indicating the properties currently owned by the emigrant and/or bank balances related to property sale proceeds (applicable to permanent emigration);
iii. Copy of work permit, employment contract or relevant passport pages showing granting of visa (temporary emigration); and
iv. Copy of Sale Agreement duly signed by the seller and purchaser; and

6.3.7 Treatment of Sale Proceeds for Residents using Local Resources

Residents who utilized local financial resources to acquire residential immovable property, upon disinvesting, are permitted to invest offshore an amount not exceeding US$50,000.00 per annum per individual, which is in line with the allowable threshold for offshore investments by resident individuals. Such requests are processed at Authorised Dealer (bank) level.

6.3.8 Treatment of Disinvestment Proceeds from Deceased Estates

For non-resident individuals who are beneficiaries of deceased estates which have immoveable property acquired using local financial resources, the Authorised Dealers should ensure that the following information accompany the application to the Reserve Bank:-

i. Copy of the Will;
ii. Final liquidation and distribution Account stamped by the Court;
iii. Copy of the Agreement of Sale;
iv. Application letter by the estate beneficiary clearly indicating residential status and banking details;
v. Documentary evidence confirming residential status of beneficiaries; and
vi. Any supporting documents from estates administrators.

6.3.9 Remittance of Rental Income due to Non-resident Individuals

Rentals due to non-resident Zimbabweans and foreign investors who formally acquired residential immovable property, are freely remittable provided a signed copy of the Lease Agreement is lodged with the bank.

6.3.10 Acquisition of Commercial Properties by Individual Foreign Investors

Individual foreign investors intending to acquire commercial properties may only do so through a locally incorporated company that shall hold title to the commercial property.

In this regard, such investments are dealt with under corporate transactions wherein the country's laws governing investments shall apply.

6.3.11 Participation on the Victoria Falls Stock Exchange

Resident individuals may utilise their foreign currency resources to invest on the Victoria Falls Stock Exchange (VFEX).

Upon, disinvestment, the proceeds realised from the VFEX are retained and utilised onshore. In case of utilising the disinvestment proceeds to undertake offshore investments, the threshold for offshore investments by resident individuals, shall apply.

Non-resident individuals may invest on the VFEX. Such investments should, however, be done through normal banking channels that include local stockbrokers and custodial service providers such as banks.

Upon disinvestment, the proceeds realised from the VFEX may be remitted offshore and such requests are processed at Authorised Dealer (bank) level. Before remittance of the disinvestment proceeds, the Authorised Dealer should be furnished with the following documents: -

i. Copy of the deal slip or statement confirming shares disposed & their value.
ii. Documentary evidence confirming receipt of the initial funds from offshore.

6.3.12 Participation on the Zimbabwe Stock Exchange & Other Stock Exchanges Denominated In Local Currency

Non-resident individuals are free to invest on the Zimbabwe Stock Exchange (ZSE) and other Stock Exchanges denominated in local currency and the investment funds should

be remitted to Zimbabwe through normal banking channels into the Account of a stockbroker or custodial bank.

Upon receipt of the foreign currency into the country, the funds should be liquidated through normal banking channels in exchange for local currency and invested on the ZSE or any other stock exchange denominated in local currency.

Upon disinvestment from the ZSE or any other stock exchange denominated in local currency, the disinvestment proceeds are freely remittable using funds sourced from the interbank foreign exchange market. Before remitting the funds, the Authorised Dealer should have sight of the following documents: -

i. Proof or confirmation of receipt of foreign currency from offshore; and
ii. Deal slip or statement confirming the shares sold and the value in local currency.

6.3.13 Participation by Non-Resident Individuals on the Money Market

Non-resident individuals are free to invest in the money market without any limitations using external financial resources. Such investments are, however, undertaken in line with AML & CFT requirements.

Investments into the money market by non-resident individuals are done under advice to Reserve Bank and the Authorised Dealer (bank) attaching the following documents:-

i. Nature of the money market investment; and
ii. Copy of the telegraphic transfer confirming receipt of investment funds from offshore.

On maturity of the money market investment, non-resident individuals are free to remit the disinvestment proceeds to their respective countries. Before remitting the disinvestment proceeds, the Authorised Dealer (bank) handling the disinvestment request should satisfy itself that the initial funds invested in the money market came from offshore.

6.3.14 Offshore Borrowings by Individuals Inclusive of Mortgages

Resident individuals require Reserve Bank approval before contracting an offshore loan. Such requests should be submitted through an Authorised Dealer (bank) and the following information should be submitted: -

i. Application letter from the resident borrower providing purpose of borrowing; -
ii. Copy of the Loan Agreement or Mortgage Loan Agreement;
iii. Term sheet for the loan; and
iv. Source of funds for the repayment.

6.3.15 Local Borrowings by Non-Resident Individuals

Non-resident individuals require prior Reserve Bank approval to borrow from local banks, and such requests should be accompanied by the following information: -

i. Purpose of borrowing & source of repayment;
ii. Relevant documentary evidence confirming residential status of the borrower; and
iii. Copy of the Loan Agreement.

6.4 DIASPORA REMITTANCES

6.4.1 Inward Remittances

A resident individual can receive diaspora remittances in foreign currency, in cash, mobile wallet or bank Account. The remittances in foreign currency may be received through the following formal channels: -

i. Money Transfer Agencies (MTAs);
ii. Individual Foreign Currency Account held with a local bank; and
iii. Mobile money platforms.

The recipient is free to utilise the remittances to meet both domestic and external requirements.

6.4.2 Outward Remittances

Individuals residing in Zimbabwe are allowed to send person to person remittances up to US$5,000 per transaction and up to US$50,000 per annum.

6.4.3 Registered Remittance Operators & Money Transfer Agencies

Individuals are advised to send or receive international remittances through registered remittance operators and money transfer agencies. For security and convenience, the list of Authorised Dealers with Limited Authority is provided on the official Reserve Bank of Zimbabwe website https://www.rbz.co.zw/index.php/regulation-supervision/exchange-control/authorised-dealers-with-limited-authority

SECTION SIX: **COMPLIANCE**
SECTION SEVEN: **APPEALS**
SECTION EIGHT: **CONCLUSION**

7 SECTION SIX: COMPLIANCE

7.1.1 Compliance with Trade and Investments Regulations

Authorised Dealers are expected to comply with the provisions as set out in these Guidelines.

The Reserve Bank carries out routine offsite and onsite compliance, monitoring and enforcement inspections to ensure compliance with the foreign exchange rules and regulations by Authorised Dealers, Authorised Dealers with Limited Authority (ADLAs), corporates and individuals. Any contraventions with the established regulatory framework undermine the conduct of trade and investment transactions and compromise the integrity of the financial sector.

7.1.2 Key Compliance Parameters

Authorised Dealers, Authorised Dealers with Limited Authority and Corporates are, therefore, required to put in place adequate internal control systems to ensure compliance with foreign exchange rules and regulations. Where there are gaps and identified areas of non-compliance, the Reserve Bank shall capacitate market players through relevant capacity building initiatives.

The key compliance parameters are as follows: -

(i). Non-acquittal of export and import documentation within prescribed timelines - Authorised Dealers, corporates and individuals are required to acquit foreign payments within ninety (90) days from the transaction date and export receipts within ninety (90) days of shipment date, unless otherwise authorised by the Reserve Bank;

(ii). Non-application of surrender requirements on export receipts within prescribed timeline - Authorised Dealers are required to sell to the Reserve Bank the statutory surrender portion (currently at 30%) immediately on receipt of the export proceeds and/or within 24 hours and declare daily to the Financial Surveillance Division on the EC Form Exporters' Retention;

(iii). Falsification of export and import documentation - Foreign Exchange market participants must ensure that all documents are authentic. Falsification of

documents is an offence in terms of Section 5(1)(b) of the Exchange Control Act [*Chapter 22:05*];

(iv). Non-registration of external loans and Service Agreements - Authorised Dealers, corporates and individuals are required to register foreign loans, Service Agreements, investments and any other foreign obligations;

(v). Establishment of cross-border investments without prior authorisation by the Reserve Bank – All corporate foreign investments are required to be registered and authorised by the Reserve Bank prior to execution. Resident individuals are allowed to invest offshore up to a maximum of US$50,000.00 per annum without Reserve Bank approval;

(vi). Under valuation of exports and over-pricing of imports (mis-invoicing)- Authorised Dealers must ensure that there are no cases of over-invoicing of imports and under-pricing of exports by their clients thereby promoting transfer pricing;

(vii). Non-reporting and non-submission of Statutory Returns on approved trade and investment transactions - Authorised Dealers are required to adhere to the terms and conditions of approval contained in *the Guidelines to Authorised Dealers and their Clients on Foreign Exchange Transactions (FXD3*) dated 9 May 2025 and should submit Statutory Returns as prescribed;

(viii). Wrong classification and coding of trade and investment transactions - Authorised Dealers are required to ensure correct classification and coding of transactions on Returns submitted to the Reserve Bank in line with the issued guidelines; and

(ix). Abuse of the Willing-Buyer Willing-Seller (WBWS) Interbank Market - Authorised Dealers are required to enhance their KYC/CDD/ECDD to avoid corporates' masking of borrowed funds through multiple bank transfers culminating in the abuse of the WBWS foreign exchange interbank market. Authorised Dealers are required to conduct prudential analysis of their client's supporting documentation for accessing foreign currency on the WBWS interbank foreign exchange market, to prevent 'double dipping' and payments not supported by *bona-fide* invoices and/or shipping documents.

7.1.3 Penalties for Non-Compliance with Foreign Exchange Regulations

Authorised Dealers, Authorised Dealers with Limited Authority, corporates and individuals are advised that failure to comply with foreign exchange rules and regulations will result in corrective action being taken on such matters of non-compliance. Such corrective action includes imposition of dissuasive and effective penalties which have been revised upwards to 1% of the transaction amount or one hundred thousand United States dollars (US$100,000.00 or ZiG equivalent), whichever is greater.

Additionally, the Reserve Bank reserves the right to suspend or revoke the foreign exchange trading licence of any Authorised Dealer or Authorised Dealer with Limited Authority found in violation.

8 SECTION SEVEN: APPEALS

In line with Section 43 of the Regulations, Statutory Instrument 109 of 1996, any person who is aggrieved by the decision of an Exchange Control authority has the right to appeal to the External Loans and Equity Review Committee (ELERC) comprised of the Governor and the Permanent Secretary in the Ministry of Finance, Economic Development and Investment Promotion, within 30 days from receipt of a response from Reserve Bank.

The Committee, after deliberating on the matter as it considers necessary, may confirm, vary or set aside the Reserve Bank's decision.

8.1.1 Second Appeals and/or Exemptions

Any person who is not satisfied by External Loans and Equity Review Committee's decision(s) may appeal against the decision(s) within 30 days after being notified of the decision(s), to the Minister of Finance, Economic Development and Investment Promotion.

9 SECTION EIGHT: CONCLUSION

These Guidelines shall be updated from time to time and shall be available on the Reserve Bank website. The Reserve Bank shall continue to engage all relevant stakeholders with a view to improve the ease of doing business and reduce cost of doing business in line with global market developments and international best practices.

For clarifications regarding the contents of this Guideline, individuals and corporates are advised to approach any nearest branch of a registered Authorised Dealer (bank) of their choice.

Any unresolved queries regarding these Guidelines should be directed in writing to:

The Director
Capital Flows Administration, Accounting and Management Division
Reserve Bank of Zimbabwe
80 Samora Machel Avenue
P O Box 1283
HARARE

Tel: +263 242 703 000, +2638677000477
Email Address: tchitauro@rbz.co.zw
Website: www.rbz.co.zw

ANNEXURE 1: INTERBANK FOREIGN EXCHANGE TRADING GUIDELINES

1. INTRODUCTION

1.1. The Reserve Bank hereby provides clarifications and refinements to the Interbank Foreign Exchange Trading Guidelines issued on 3 May 2024, to continue deepening and improving the efficiency of the interbank foreign exchange market price discovery mechanism.

2. PUBLICATION OF DAILY REFERENCE EXCHANGE RATES

2.1. In line with the current Foreign Exchange Market Trading Guidelines, the Reserve Bank shall continue to publish on its website, the Daily Reference Exchange Rate, is calculated as the weighted average of all Willing Buyer - Willing Seller (WBWS) interbank foreign exchange transactions.

2.2. The calculation of the Reference Exchange Rate shall reflect the total foreign exchange volume of trade per day, which will represent the foreign exchange trading of the previous day after the cut-off time of 1200hrs and the current day's trading from opening at 0800hrs to cut-off time of 1200hrs of that day.

2.3. The Reserve Bank is developing an electronic Foreign Exchange Market Trading System to enhance foreign exchange trading efficiency and price discovery. The electronic foreign exchange trading system will offer real-time price quotes, advanced charting, high-speed execution, secure, and reliable trade execution.

3. FOREIGN EXCHANGE TRADING MODALITIES

3.1. The following arrangements shall apply in the trading of foreign currency on the interbank market: -

Purchases of the Exports Surrender Portion from the Market

3.2. The Reserve Bank shall purchase all the exports surrender from the market at the prevailing exchange rate of the day in the Willing-Buyer-Willing-Seller Interbank Foreign Exchange Market.

3.3. Authorised Dealers are expected to settle trades in line with the prevailing foreign exchange trading regulations and/or Directives.

Reserve Bank Foreign Exchange Interventions in the Market

3.4. In line with policy, the Reserve Bank, as part of its Open and Interbank Market Operations, shall sell available proceeds from exports surrender to the market.

3.5. To ensure that all Authorised Dealers have access to the foreign exchange from the Reserve Bank, interventions of foreign exchange will be conducted under the following arrangements: -

(i) The Reserve Bank shall sell foreign currency on a particular trading day via the Refinitiv Platform, or through recorded telephone.

(ii) The Reserve Bank shall sell foreign currency to willing Authorised Dealers based on the availability of funds and the price discovery mechanism.

(iii) Applicable exchange rate - The Reserve Bank shall sell available foreign currency at its prevailing sell rate on the trading day.

(iv) Settlement - The Reserve Bank shall settle all such trades in line with the prevailing foreign exchange trading regulations and/or directives.

(v) Application of Funds - Authorised Dealers shall be expected to on-sell funds purchased from the Reserve Bank within 48 hours at a margin, consistent with international best practice.

(vi) Trading Transactions - Authorised Dealers shall be expected to on-sell these funds on the Interbank Foreign Exchange Market to their clients, to support genuine evidence-backed trade and bona fide transactions in line with existing rules and regulations and international best practice.

(vii) No Borrowing to Buy Foreign Exchange - Foreign currency purchases shall not be funded from local currency loan proceeds. Authorised Dealers are required to ensure compliance with this requirement. Those purchasing foreign currency shall be fully funded with the respective ZiG amount.

(viii) No Sourcing of Foreign Exchange from Multiple Authorised Dealers by One Customer - Individuals or corporates shall not be allowed to make multiple applications for the same invoice through various Authorised Dealers.

Authorised Dealers are required to ensure compliance and apply appropriate due diligence on all foreign exchange applications.

(ix) Monitoring - The Financial Surveillance Division shall carry out regular checks on foreign currency trading by all Authorised Dealers to ensure compliance with the foreign exchange rules and regulations.

3.6. All Authorised Dealers are required to adhere to principles of fair foreign exchange practices in line with the Foreign Dealers' Dealing Code and international best practice.