



Trade Communiqué

Clarification on the de-dollarisation policy in Zambia

In response to the recent coverage regarding the proposed de-dollarisation policy in Zambia, we would like to provide clarity and context to tourism stakeholders.

What?

The Zambian government, through the Bank of Zambia (BoZ), has proposed a de-dollarisation policy aimed at strengthening the Kwacha as the sole legal tender for domestic transactions. These new currency regulations are still in draft form and under consultation. These have not yet been implemented as law.

Why?

The primary aim is to regulate domestic transactions between Zambian entities, encouraging the use of Kwacha for local business-to-business dealings.

How does this affect tourism?

The draft regulations include specific exemptions for the tourism sector:

- Non-resident foreigners may pay for tourism services in foreign currency.
- Tourism enterprises registered under the Tourism and Hospitality Act, 2015 are exempt from restrictions on receiving foreign currency payments.
- Companies may continue to quote in USD when dealing with international companies or individuals.

What's next?

- The tourism industry has voiced concerns about potential impacts on the sector. These concerns are being considered as part of the consultation process.
- Any changes will go through due process before implementation. There is no immediate change to current practices.
- Provide feedback through appropriate channels if you have concerns about potential impacts on your business.

What can you do?

- Continue conducting transactions as usual. Quoting and accepting payments in US dollars for all tourists and companies is still currently allowed.

- Stay informed about the legislative process and be prepared to adapt if the policy is enacted. Provide feedback through appropriate channels if you have concerns about potential impacts on your business.
- Reassure international clients that their transactions will not be affected by the proposed policy. Emphasize that the policy aims to stabilise the local economy without disrupting international tourism.

We will keep you updated on any developments. In the meantime, please assure your clients that Zambia remains open and welcoming to international visitors, with no immediate changes to how they can pay for tourism services.