



PRESS RELEASE

CONSTITUTIONAL AMENDMENT BILL NO.10 OF 2019

The Bank of Zambia is aware of numerous social media reports suggesting that the proposed Constitution of Zambia (Amendment) Bill No. 10 of 2019 seeks to take away some of the powers vested in the Central Bank such as supervising the financial sector and printing of the currency. The said social media reports allege that the powers being taken away will now be performed by the Central Government through Cabinet.

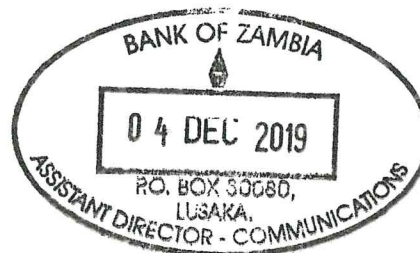
The Bank wishes to state that the said reports are not correct. The proposed provisions relating to the Central Bank were motivated by the Bank which is of the view that the Constitution should only contain broad constitutional principles which are operationalised through detailed legislation passed by Parliament. In this regard, the Bank submitted proposals for amendment of the Constitution regarding the Central Bank's functions to be restricted to the primary function, while additional functions, objectives and powers will continue to be subject of an Act of Parliament as envisaged under Article 215 of the Constitution of Zambia, Act No. 2 of 2016.

The Bank has thus submitted to the Government that the primary function of the Bank should be to formulate and implement Monetary Policy. This submission is consistent with best practice on central banking and also complies with the SADC Model Law for Central Banks which stipulates that all Central Banks in the region should move towards adopting a single primary objective.

The Bank of Zambia will continue to supervise the financial sector as well as print and issue currency of the Republic of Zambia through enabling provisions in the Bank of Zambia Act, Chapter 360 of the Laws of Zambia and the Banking and Financial Services Act No. 7 of 2017.

Issued by:


Communications Division
Bank of Zambia
P O Box 30080
LUSAKA



Telephone number +260 211 399300
Email: info@boz.zm

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