



ZIMBABWE

ACT

Note by Veritas

This Act was gazetted on 23 March 2017.

The Act is deemed to have come into effect on 31 October 2016.

To amend the Reserve Bank of Zimbabwe Act [*Chapter 22:15*] and to provide for matters connected therewith or incidental thereto.

ENACTED by the Parliament and the President of Zimbabwe.

1 Short title and commencement

This Act may be cited as the Reserve Bank of Zimbabwe Amendment Act, 2017 and is deemed to have come into force on the 31st October, 2016.

2 Interpretation

In this Act—

“bond note” means a unit of legal tender whose par value in relation to the United States dollar is backed by a guarantee extended to the Reserve Bank by one or more international financial institutions, and “bond coins” shall be construed accordingly;

“principal Act” means the Reserve Bank of Zimbabwe Act [*Chapter 22:15*] (No. 5 of 1999);

“Reserve Bank” means the Reserve Bank of Zimbabwe Act referred to in section 4 of the Reserve Bank of Zimbabwe Act [*Chapter 22:15*] (No. 5 of 1999);

“unit of a bond note” means a unit (“one dollar”) or multiple thereof in which a bond note is denominated.

Printed by the Government Printer, Harare

DISTRIBUTED BY VERITAS

e-mail: veritas@mango.zw; website: www.veritaszim.net

Veritas makes every effort to ensure the provision of reliable information, but cannot take legal responsibility for information supplied.

3 New section inserted in Cap. 22:15

The principal Act is amended by the insertion in Part VI (“Banknotes and Coinage”) of the following section after section 44A—

“44B Legal tender of bond notes and coins

(1) In this section, “bond note” means a unit of legal tender whose par value in relation to the United States dollar is backed by a guarantee extended to the Reserve Bank by one or more international financial institutions.

(2) The Minister may by notice in a statutory instrument prescribe that a tender of payment of bond notes and coins issued by the Bank that are exchangeable at par value with any specified currency other than Zimbabwean currency prescribed as legal tender for the purposes of section 44A shall be legal tender in all transactions in Zimbabwe to the same extent as that prescribed currency.

(3) Section 42 shall apply to bond notes prescribed under subsection (2) as they apply to banknotes.”.

4 Issuance of bond notes and validation of bond coins

- (1) The issuance by the Reserve Bank of—
- (a) the bond notes referred to in this section; and
 - (b) the bond coins in circulation before the commencement of this Act;

shall be deemed to have been prescribed by the Minister in terms of section 44B(1) of the principal Act as inserted by this Act.

(2) There is hereby issued by the Reserve Bank in terms of section 44B(1) of the principal Act as inserted by this Act bond notes in such units as shall be specified by the Bank and whose design, form and material shall be determined by the Bank and notified to the public.

(3) The tender of payment of bond notes issued by the Reserve Bank shall be legal tender in all transactions in Zimbabwe as if each unit of a bond note is exchangeable for one United States dollar.

(4) Every one hundredth part of a unit of a bond note shall be deemed to be equivalent to and exchangeable for one United States cent.