

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

1. Reference is made to Exchange Control Directive RK 26, dated 3 February 2009, which enunciated the policy framework on the liberalisation of current account transactions.
2. A number of policy measures were introduced in tandem and in support of the liberalisation framework with the aim of increasing capacity utilization and enhancing the free mobility of capital and cash resources. These measures included the increase in the amount of foreign currency cash exportable in person or in baggage to USD250, 000 on a no-questions asked basis.
3. This measure was introduced to accommodate the convenient importation of goods by foreign exchange licenced shops as the country sought to build on the stocking levels for basic commodities in the various

outlets countrywide. This objective has to a great extent been achieved.

4. Following the enhancement of the multicurrency system in February 2009, coupled with benefits already achieved and those anticipated from the various economic programmes under implementation through STERP, there arises a need to review this threshold.
5. In addition, developments on the global market, in the form of the on-going recession, require that as Monetary Authorities we urgently review the amount of foreign currency cash exportable as a way of cushioning and limiting the level of our country's exposure to the negative effects of this recession.
6. It is also equally important to ensure that we guard against money laundering, thereby complying with the provisions of the SADC protocol and international best practices on Anti-Money Laundering.

7. The issue of money laundering cannot be overemphasized and all stakeholders should strive to put in place systems and structures that guard against use of our country's various platforms as conduits for laundered funds.
8. Against this background, the Reserve Bank has with immediate effect, reviewed the threshold of foreign currency cash that can be exported in person or in baggage from the current USD250,000, as outlined in Clause 15 of Exchange Control Directive RK26 dated 3 February 2009, to USD10,000.
9. Companies and individuals requiring to make payments for transactions in excess of USD10, 000 but not exceeding USD1, 5 million, shall be required to process such transfers through their banker(s) in line with the existing Exchange Control framework.
10. All foreign payments of more than USD1.5 million shall continue to require prior Exchange Control approval.

11. While this Exchange Control Directive operationalises the new threshold for export of currency, the necessary amendments to the relevant Exchange Control legislation shall be done in due course.

Reserve Bank of Zimbabwe