

Customer Notice



We wish to advise our valued customers on the key provisions of Foreign Exchange Directive FXD5/2026 issued by the Reserve Bank of Zimbabwe following the Monetary Policy Statement of 27 February 2026.

The policy measures are aimed at deepening domestic currency usage, consolidate price and exchange rate stability.

Customers to note the following:

1. Foreign Currency Retention for Exporters

- The foreign currency retention threshold for exporters remains at 70% of gross export proceeds, while 30% shall be sold to the Reserve Bank of Zimbabwe at the prevailing Willing Buyer–Willing Seller (WBWS) interbank exchange rate.

2. Payment Arrangements for the Gold Delivered to the Refiners

With effect from 1 March 2026:

- Artisanal and Small Scale Gold Miners (ASGM) will receive 90% in foreign currency and 10% in local currency for gold delivered to the refiners.
- Large Scale Gold Miners (LSGM) will continue to receive 70% in foreign currency and 30% in domestic currency for gold delivered.

3. Local Financing for the Production and Purchasing of Seed Cotton

- In line with Exchange Control (Cotton Finance) (Amendment) order, 2026 (No.1), published in SI 23/2026, seed cotton merchants can use own savings, 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 of Zimbabwe.
- For borrowed funds, upon drawdown for the purchase/buyback of seed cotton, 30% shall be sold to the Reserve Bank of Zimbabwe 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.
- To support the use of the domestic currency seed cotton merchants are required to pay seed cotton growers 70% in foreign currency and 30% in domestic currency, for the delivered seed cotton.

4. Local Financing for the Production and Purchasing of Green Leaf Tobacco

- In line with the Exchange Control (Tobacco Finance) (Amendment) Order, 2026 (No. 2), published in SI 24 of 2026, tobacco merchants may use their own savings, borrow or raise funds from the local market to finance the production and buyback of green leaf tobacco, without seeking prior approval from the Reserve Bank of Zimbabwe.
- For borrowed funds, upon drawdown of foreign currency for the purchase or buyback of green leaf tobacco, 30% shall be sold to the Reserve Bank of Zimbabwe, and the local currency proceeds shall be deposited into a special (ZiG) Tobacco Buying Account. The remaining 70% of the foreign currency shall be credited to a special (FCA) Tobacco Buying Account.
- In support of domestic currency usage, tobacco merchants are required to pay tobacco growers 70% in foreign currency and 30% in local currency for delivered green leaf tobacco.



5. Settlement of Value for Delivered Crops for Export

- All crops for export acquired by the buyers or consolidators should be settled with the farmers in proportion of not more 70% of the value of the crop in foreign currency and not less than 30% in domestic currency.

6. Accounting for Foreign Currency Receipts in the Tourism Industry

- The Reserve Bank of Zimbabwe has observed that many tourism operators are failing to report earnings on Form TRAS 1 or deposit foreign currency into banks.
- To strengthen reporting of foreign currency earnings, effective 1 March 2026, all non-consumptive tourism operators (excluding exclusive sport hunting providers) must submit Form TRAS 1 online together with bank statement copies by the 7th of each month.
- Following the expanded destination marketing in tour package development and to enhance ease of doing business, cross – border downstream payments from Transitory FCAs are now permissible.

7. Accounting for Foreign Currency Receipts in the Cross-Border Road Freight Services Industry

- The Reserve Bank of Zimbabwe has expressed the need for cross-border road freight operators to properly complete the Foreign Currency Declaration Form 3 (Form CD3). This is to enhance revenue collection and tax collection, reduce foreign currency outflow and strengthen local banking relationships.
- We remind all cross-border road freight operators that it is a regulatory requirement to declare foreign currency earnings to the Zimbabwe Revenue Authority (ZIMRA) at the ports of exit using Form CD3. This declaration must be submitted within 90 days of crossing the border trip.

Failure to comply with this obligation may result in substantial fines and blacklisting in the Reserve Bank of Zimbabwe's CEPECS system. We strongly encourage all operators to adhere to these requirements to avoid penalties and ensure smooth business operations.

8. Gearing Ratio of Greenfield Foreign Investments

- The gearing ratio (debt-to-equity) limit for Greenfield Foreign direct investments remains 2:1.
- Investments made through Public Private Partnerships (PPPs) including Build Operate and Transfer (BOT) projects are exempt from the 2:1 debt-to-equity limit.

9. Offshore Settlement for Domestic Transactions

- Local companies must settle domestic transactions locally and not offshore.
- Domestic financial transactions between local companies must be settled within the country, and the use of offshore accounts should be restricted solely to external debt servicing.

10. Publication of Daily Reference Exchange Rates

- Reserve Bank will continue to publish the Daily Reference Exchange Rate on its website. This rate is calculated as the weighted average of all Willing Buyer–Willing Seller (WBWS) interbank foreign exchange transactions.
- An electronic Foreign Exchange Market Trading System is under development to enhance trading efficiency and price discovery and will be announced once ready for deployment.



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11. Conditions Precedent for the Adoption of Mono-Currency

- The shift to using ZiG exclusively for all domestic payments will be gradual and based on achieving macro-economic stability, as outlined in the National Development Strategy 2 (NDS2) 2026–2030.
- These conditions include low and stable inflation, adequate foreign currency reserves, exchange rate stability, financial sector stability, fiscal and monetary discipline.
- Under the mono-currency system domestic goods and services will be paid for and settled only in ZiG, foreign currency will be reserved for genuine bona fide external payments.
- Foreign currency accounts (FCAs), USD denominated assets, (including those on the Victoria Falls Stock Exchange (VFEX) equities, foreign denominated pension funds, treasury Bills and foreign currency loans will remain denominated in foreign currency.

12. Access to Updated Foreign Exchange Policies.

- All measures are now incorporated into the 2026 Foreign Exchange Guidelines.
- These latest Guidelines are accessible to all interested stakeholders on the Reserve Bank of Zimbabwe website <https://www.rbz.co.zw> under Capital Flows Management section.
- You can get hold of our team on the following email, exchangecontrol@zb.co.zw for enquiries.

13. Compliance Monitoring and Market Discipline

- Compliance is critical to maintaining market integrity. Noncompliance may result in fines, reputational damage, license suspension or legal action.
- Customers are encouraged to review internal processes to ensure compliance.
- Enforcement and monitoring will be intensified.

Should you have any questions relating to the above information, feel free to contact us as follows on email exchange@zb.co.zw or call any one of the following Filda Gwadu or Hilgard Madiwa on 08677241629.

Warm Regards,
ZB Bank Trade Finance and International Banking