

Customer Notice

FOREIGN EXCHANGE DIRECTIVE FXD5 OF 2026 – CIRCULAR TO CLIENTS

Policy Measure:	Policy Highlight:	What it means:
1. Foreign Currency Retention Threshold for Exporters	<ul style="list-style-type: none"> Banks and all exporting clients are being advised that the foreign currency retention level on export receipts has been maintained at 70%. Accordingly, the export receipts surrender portion, which is currently at 30%, is maintained and shall be sold to the Reserve Bank at the prevailing Weighted Average Willing Buyer-Willing Seller (WBWS) Interbank Market Exchange Rate 	<ul style="list-style-type: none"> All customers who are exporters will continue to retain 70% of their export proceeds in foreign currency and the remaining 30% will be liquidated into local currency
2. Payment Arrangements for the Gold Delivered to the Refiners	<ul style="list-style-type: none"> Artisanal and Small-Scale Gold Miners (ASGM) shall be paid 90% in foreign currency and 10% in local currency for the Gold delivered to the Refiners. Large-Scale Gold Miners (LSGM) shall continue to be paid 70% in foreign currency and 30% in domestic currency for the Gold delivered to the Refiners. 	<ul style="list-style-type: none"> Purchase of Gold from both Small and Large miners now constitute a percentage of domestic currency to promote use of the currency
3. Local Financing for the Production and Purchasing of Seed Cotton and Green Leaf Tobacco	<ul style="list-style-type: none"> Seed cotton and tobacco merchants can use own savings or 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 Drawdown of Borrowed funds will be subjected to 70:30 liquidation with local currency being deposited into special (ZiG) Seed Cotton Buying Account and special (ZiG) Tobacco Buying Account respectively. Cotton and Tobacco Merchants are required to pay seed cotton growers and tobacco growers 70% in foreign currency and 30% in domestic currency. 	<ul style="list-style-type: none"> Statutory Instrument 23 of 2026 has eased the financing of tobacco and cotton by allowing the to source finance locally without prior Reserve bank authority. Payments to cotton and tobacco growers should be disbursed at 70:30 ratio to promote use of local currency.
4. 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	Payments by merchants to growers should be disbursed at a ratio of not less than 70:30 to promote use of local currency.
5. Accounting for Foreign Currency Receipts in the Tourism Industry	<ul style="list-style-type: none"> * With effect from 1 March 2026, all non-consumptive tourism operators (tourism services providers other than exclusive sport hunting), are required to complete on-line, a Form TRAS1 and submit the same together with copies of bank statements by the 7th of each month * Cross-border downstream payments using funds from the Transitory (FCAs), are permissible 	All non-consumptive tourism players (except sport hunting) are now required to submit Form TRAS 1 online and send a bank statements to their banks for onward submission to the Reserve Bank of Zimbabwe.
6. Accounting for Foreign Currency Receipts in the Cross-Border Road Freight Services Industry	Locally registered cross-border road freight operators, of the requirement to declare to the Zimbabwe Revenue Authority (ZIMRA) their foreign currency earnings on the Form CD3 and acquit the respective Form CD3 within 90 days of crossing the international border	Non-compliant cross-border road freight operators shall be subjected to hefty fines as well as black-listing in the Reserve Bank CEPECS system.
7. Gearing Ratio of Greenfield Foreign Investments	<p>Gearing ratio (debt-to-equity) limit for Greenfield foreign investments (Foreign investments were parent company builds new operational facilities such as factories, offices, or infrastructure) is 2:1</p> <p>Foreign investments undertaken under Public Private Partnerships (PPPs) such as Build Operate and Transfer (BOT) projects are exempted from the same.</p>	Foreign investors (other than PPP and BOT) who invest in new start-up businesses can only inject debt capital (offshore loans) of maximum two times the equity capi
8. Conditions Precedent for the Adoption of Mono-Currency	<p>Transition to the exclusive use of ZiG for settling all domestic transactions will be a gradual process anchored on macro-economic stability as enunciated in the National Development Strategy 2 (NDS2) 2026-2030 and the transition is not date-based.</p> <p>Under mono-currency, domestic products and services will be exclusively paid for and settled in local currency, while foreign currency will be reserved for bona fide external payments. The transition will not eliminate foreign currency accounts, investments and debt for domestic companies and individuals.</p>	The transition to mono currency is no longer time fixed but is now dependent on the achievement of Conditions Precedent (CPs) that are derived from the National Development Strategy 2

Notes: The 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.

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