



POLICY REVIEW

21 MARCH 2014

"You will recall that Government put in place Statutory Instrument No. 55 of 2013 and Statutory Instrument No. 33 of 2012. These regulations were passed principally to support the implementation of monetary Policy. However, challenges have arisen in the implementation of these instruments. To allow for further consultations, Government has decided to revoke these Statutory Instruments immediate effect.

I would like to assure our citizens that Government in consultation with other stakeholders will look at other veritable options to protect and safeguard public interests. We need to intensify efforts aimed at enhancing Zambians' participation in the economy."

- Honourable Alexander B. Chikwanda, MP, Minister of Finance

Revocation of Statutory Instruments 33 (2012) and 55 (2013)

The American Chamber of Commerce in Zambia applauds the decision of Government, announced today by the Honourable Alexander Chikwanda, Minister of Finance, to revoke, respectively, Statutory Instruments (SI)33 of 2012 and (SI)55 of 2013. In July 2013, the Chamber had published a policy brief on SI55 in which it advised the Ministry of Finance that much of the private sector would be negatively affected by the policy's impact. Indeed, both policies created significant financial restrictions and additional compliance costs for companies operating in the import and export sectors, which placed Zambia at a significant disadvantage in attracting foreign investment when compared to more liberalised economies like Mauritius and Botswana.

As these policies were intended to support monetary policy and increase citizen participation in the economy, we expect that the Ministry of Finance will continue to consult the private sector towards developing effective solutions to challenges surrounding these policy objectives, including monitoring the balance of payments, tax compliance, and the impact of foreign investment in the Zambian economy. As always, the American Chamber of Commerce in Zambia looks to work closely with Government in its policy planning, implementation, and monitoring to promote private sector development through greater trade, investment, and commerce.

The American Chamber of Commerce in Zambia serves to further the development of commerce and promote the interests of its members in trade and investment, and gather and disseminate information on trade and investment between the United States of America, Government of Zambia, and American and Zambian business communities.