



LEGAL ALERT

UNIFORMISATION OF EXCHANGE RATE AND MAXIMUM SPREAD BETWEEN CURRENCY BUY AND SELL RATES

On 30 March of the current year Banco de Moçambique approved Notice no. 6/GBM/2017, setting out new rules applying to exchange offices and banks, pertaining to the exchange rates they practise, thus aiming at ensuring more transparency and credibility in the foreign exchange market and establishing the principle of unicity.

The new measures have to do with the following, in concrete:

- Complying with a methodological procedure set out in the said “Notice” for setting the spread to be applied between currency buy and sell rates, which shall never be higher than 2%;
- Mandatory requirement for introducing unique exchange rates (applying the principle of unicity) in transactions with the public, and regardless of the nature and purpose of the transactions carried out (currency buying and selling involving bills, coins, foreign currency, or other international payment and/or collection transactions), thus fighting the existence of multiple quotations on the foreign exchange market.

The establishments referred to above must duly display the daily exchange rate update in a place where it can be easily seen/checked by their clients.

Noncompliance with these measures will result in the application of sanctions by Banco de Moçambique, which may culminate in fines up to one million Meticaís, and likewise a declaration that all assets or values used or obtained within the illegal exercise of foreign exchange transactions will be lost to the State.