BANK OF BOTSWANA

BANKING, CURRENCY AND SETTLEMENT DEPARTMENT

POLICY ON COMMEMORATIVE AND LIMITED EDITION CURRENCY

September 2020

1. ***Statement of Purpose***

1.1 This policy document presents parameters and guidelines within which the Bank shall issue commemorative and limited edition currency. Prior to these policy guidelines, the Bank had, in the past, issued commemorative coin guided in the main by the Currency (Commemorative Coinage) Act [Cap 55:02], which prescribes the issuance of gold and silver coin for the commemoration of the independence of Botswana. Issuance of commemorative coin has also be guided by the provisions of Part V of the Bank of Botswana Act [Cap 55:01], which grants the Bank the sole right to procure the printing of banknotes (notes) and minting of coin denominated in Pula and Thebe, and to issue them into circulation.

1.2 This policy, therefore, sets out guidelines for issuance of commemorative currency for other events, commemoration or anniversary of national significance or interest, other than the country's independence.

2. ***Scope, Exclusions and Definitions***

2.1 The policy covers design themes and issuance of circulating and non-circulating commemorative currency issued to commemorate significant and ceremonial occasions, prominent historic figures and items of societal or cultural significance. This shall include commemorative currency issued to mark the country's independence anniversaries as prescribed under the Currency (Commemorative Coinage) Act. The policy does not cover the issuance of the standard legal tender circulation banknotes and coin used for commercial transactions.

2.2 In this policy, unless the context otherwise requires, the following definitions shall apply:

2.2.1 "Bank" – shall mean the Bank of Botswana as established in terms of the Bank of Botswana Act [Cap 55:01] and as amended from time to time;

2.2.2 "Circulating commemorative currency" – shall mean special design currency issued into circulation at face value as legal tender in limited quantities to commemorate significant and historical events of national importance to be used for the purchase of goods and services;

2.2.3 "Commemorative currency" – shall mean special currency issued to commemorate significant events, such as recognised national heritage and/or historic events. These banknotes and coin have special and distinct designs that mainly capture or reflect the theme of the occasion or event that is being commemorated;

2.2.4 "Currency Design Committee" – shall mean the Bank Committee responsible for monitoring and guiding the Department in the Bank responsible for currency management in the design, origination and production of cost effective and high quality *banknotes and coin that the public can use with confidence as its nomenclature and mandate may change from time to time;*

2.2.5 *"Limited Edition currency" – shall mean special design circulation banknotes and coin issued in limited quantities to celebrate or commemorate an event, anniversary of national significance or interest, national themes, old currency or the life or contribution of an individual person considered to be a national icon;*

2.2.6 *"Minister" – shall mean the Minister of Finance and Economic Development or as the nomenclature of the ministry responsible for Finance shall change from time to time;*

2.2.7 *"Non-circulating commemorative currency" – shall mean special design currency that is produced purely for numismatic purposes and intended for collectors and the souvenir/gift market, rather than for the payment of goods and services; and*

2.2.8 *"Numismatics" – shall mean the scientific analysis and study of money and the way people have used it throughout history, including the research and collecting of all money-related items such as banknotes, coin, tokens, medals, bullion rounds, etc.*

3. ***Policy Statements***

3.1 *Commemorative currency is defined as special currency issued to commemorate significant events, such as recognised national heritage and/or historic events. These banknotes and coin have special and distinct designs that mainly capture or reflect the theme of the occasion or event that is being commemorated. Commemorative currency has historically/traditionally been issued as non-circulating currency intended for collectors and the souvenir/gift market, rather than for the payment of goods and services. In Botswana, commemorative coins have mainly been minted and gifted to selected dignitaries at the discretion of the Governor, depending on the event/occasion being commemorated. In recent times, however, some countries have issued circulation currency with commemorative designs to mark the anniversary of an event of major national significance. These are normally issued in limited quantities; commonly known as limited edition circulation currency.*

3.2 *In terms of this proposed policy, the Bank shall issue both circulation and non-circulation commemorative banknotes and coin under the following terms and conditions:-*

(a) ***Circulating Commemorative Currency***

3.3 *The Bank shall design and issue circulating commemorative currency in relation to an event, commemoration or anniversary of national significance or interest, especially the Bank's major anniversary celebrations. These shall be issued as legal tender at face* *value in quantities not exceeding the prescribed maximum currency stock level of three years supply. Commemorative currency shall be issued to commemorate a particular event or anniversary with a distinct design with reference to the occasion on which it is issued. Similarly, reprints/remints may be issued with the same or similar designs and/or themes.*

3.4 *With regards to the theme, this must relate to or be associated with an event, commemoration or anniversary of national significance or interest. In addition, commemorative circulating currency may be considered for a major anniversary of an overarching national event, such as silver jubilee of the central bank and Botswana's golden jubilee of Independence.*

3.5 *Circulating commemorative banknotes and coin should only feature portraits of historic figures, not any living persons. In particular, commemorative currency may not be issued to commemorate the death of any one individual person. The portrait shall be featured where the historical figure has significant association with the event or organisation being commemorated.*

3.6 *As a matter of policy, therefore, the following are considered exclusions for circulating commemorative currency designs and themes:*

(i) *portraits of living persons;*

(ii) *individual parts of an organisation;*

(iii) *themes associated with religious and political convictions or commercial/business enterprises;*

(iv) *matters for which the necessary copyright or other legal requirements cannot be satisfied; and*

(v) *anything that borders on discrimination or may be perceived/construed as such.*

(b) Non-circulating Commemorative Currency

3.7 *The Bank shall design and issue non-circulation commemorative banknotes and coin as gifts to selected dignitaries. Furthermore, the Bank shall design and issue commemorative banknotes and coin for sale to the souvenir/collectors market.*

3.8 *In contrast with circulation commemorative currency for commemoration of events, anniversaries or organisations of overarching national significance, non-circulation commemorative currency may also be used to cover a range of other topics, such as flora, fauna, old currency, national themes, major attractions or landmarks and significant artworks. This notwithstanding, the designs must be acceptable to the general* *public, appropriate to be shown on legal tender and of interest and appeal to a large number of collectors and other customers to make production and sale cost effective.*

3.9 In general, the Bank should issue numismatic commemorative currency to raise revenue and funds for identified charitable initiatives and other social responsibility community welfare programmes. These should not feature portraits of living persons and shall have the same conditions and exclusions as those applicable to circulation commemorative currency.

*4. **Commemorative Currency Designs***

4.1 Commemorative currency shall be printed/minted in accordance with specifications prescribed under the Currency (Commemorative Coinage) Act Schedule, while design and approval process shall be done in accordance with legislative provisions highlighted in Section 1.1 of this policy document. Generally, the Bank decides on design themes of the denomination(s) concerned, subject to approval of the Board and Minister responsible for finance, in consultation with His Excellency the President. This process shall be driven by the Currency Design Committee.

4.2 Orders for new or replenishment stocks of commemorative currency shall be made by the Department responsible for currency procurement on advice by the Currency Design Committee. Once the order is delivered, the none-circulation commemorative currency shall be handed over to the Board Secretariat for safekeeping and management in accordance with current practice while circulation commemorative currency shall be under the custody of the Department responsible for currency in accordance with currency management strategies, controls and reporting procedures. Similarly and for transparency, issuance of stocks of non-circulation commemorative currency, including beneficiaries thereof, shall be reported to the Board.

*5. **Limited Edition Currency***

5.1 Limited edition currency shall be issued at face value and as legal tender for the purchase of goods and services. Design themes and quantities shall be determined based on the same principles as applicable to circulating commemorative currency.

5.2 With specific reference to commemorating the life or contribution of a national icon, the limited edition currency shall not be issued within a period of five years of his/her death.

*6. **Procurement Policies and Process***

6.1 All orders for commemorative currency, whether reorder or new issues, shall follow the same procurement procedures as applicable for circulation banknotes and coin, which may be by an open or selective tender process.

6.2 Detailed procedures and guidelines relating to procurement and stock management are contained in the Commemorative Currency Procedures attached hereto.

7. *This policy shall take effect from July 1, 2020.*