

**MINISTERIAL STATEMENT ON THE TAKEOVER OF INTERMARKET BANK
BY THE BANK OF ZAMBIA**

Mr. Speaker, on 1st December 2016 I addressed this August House on the Bank of Zambia's possession of Intermarket Banking Corporation (IBC) Zambia Limited on 28th November, 2016. This was pursuant to Section 81 of the Banking and Financial Services Act, Chapter 387 of the Laws of Zambia, which empowers the Central Bank to take possession of a financial service provider which is insolvent, unable to meet its financial obligations and consequently posing a threat to financial systems stability.

Sir, following the possession of IBC, the Bank of Zambia as required by law prepared a Statement of Affairs of the Assets and Liabilities of IBC within 90 days and engaged the shareholders in order to explore modalities for the restoration of the bank's solvency. I am pleased to inform the House that the Bank of Zambia has accepted the proposal submitted by shareholders as providing a viable basis for a substantive restructuring of the bank which should lead to the resumption of its operations.

Consequently, IBC is now taking steps to implement the restructuring plan as approved by the Bank of Zambia. During the restructuring period, the Bank of Zambia will closely monitor the activities of the bank and the public will be informed in due course regarding the timing of the resumption of its operations.

In short, Mr. Speaker, the Bank is not going into liquidation but is being restructured so that it meets its obligations and consequently its capitalization requirements to continue its normal operations.

Mr. Speaker, I thank you.