



WITHDRAWAL OF 1P & 2P COINS

FAQs - Businesses

Q: Why are 1p and 2p coins being withdrawn?

The Government is withdrawing 1p and 2p coins from circulation due to difficulties in obtaining newly minted coins, their rising cost of production relative to face value and the consistently low volume of 1p and 2p stock indicative of these coins falling out of circulation at a high rate.

Q: When will the Government stop distributing the 1p and 2p coins?

1p and 2p coins will officially be withdrawn from circulation from 1 January 2025 and from this date businesses will be unable to obtain or deposit pennies at the bank. The Treasury are recommending businesses start implementing rounding of cash transactions anytime from 1 July 2024.

Q: When will the supply of 1p and 2p coins run out?

The Government expects the existing supply of 1p and 2p coins available for circulation to be sufficient to supply cash transactions until they are withdrawn from 1 January 2025.

Q: Can businesses accept 1p and 2p coins after 31 December 2024?

No, the 1p and 2p coins will cease to be legal tender from 1 January 2025.

Q: Are businesses obligated to follow the symmetrical rounding system proposed by the Government?

Businesses are expected to round the final amount (or equivalently, the change owed) of any cash payment in a fair, consistent and transparent manner.

Experience in other countries that have phased out low-denomination coins, such as Australia and New Zealand, has shown that fair rounding practices have been respected.

Q: Should businesses round the prices of individual items?

No. Only the final amount in a cash transaction (or equivalently, the change owed) should be subject to rounding. Individual items should be presented in their exact amount prior to rounding.

Q: Should businesses round card transactions too?

No, rounding should only be applied to cash transactions. Debit, credit and store card transactions and payments by transfer are unaffected by rounding.



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Q: How will accepting foreign currencies, transfer slips, gift cards and split payments be affected by rounding?

Payments made using non-cash methods such as transfer slips and electronic payments-debit, credit and other payments cards such as gift cards and prepaid credit cards-do not need to be rounded, because they can be settled electronically to the exact amount. They should be calculated in the same manner as before.

For any cash payment, only the final amount (or equivalently, the change owed) should be subject to rounding. Individual items should be presented in their exact amount prior to rounding. In all cases, businesses are expected to round final totals in a fair, consistent and transparent manner.

Q: When a consumer requests a refund, is the amount subject to rounding?

As is the case now, businesses can set their own policies regarding refunds. However, if a refund is paid out in cash and pennies are not used, businesses will be expected to round the final amount in a fair and transparent manner.

Q: Will businesses need to update cash registers for rounding?

This is an individual business decision.


Businesses may choose to update their cash registers to automatically calculate rounding for cash transactions and to provide greater transparency and clarity to their customers by showing the rounding on receipts.

Q: Will businesses lose out by rounding?

No. The proposed rounding system is simple and fair for all. On balance, neither consumer nor business loses or gains as rounding can result in your bill being rounded up or down.

Q: Can businesses introduce rounding to cash transactions before 1 January 2025?

Yes, this is an individual business decision. The Treasury will make available information and materials for early adoption of rounding from 1 July 2024. Posters will be available for retailers to display or these can be downloaded for retailers to add their own branding to, or retailers can produce their own.



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Q: What support will I get in applying rounding?

The timeline for withdrawal has taken account of business feedback provided during the Public Consultation process. The Treasury will carry out a significant public information campaign to make consumers aware of rounding.

Posters will be made available in advance of 1 July for retailers to display, or retailers can produce their own to indicate how rounding will apply.

The Treasury will also be attempting to contact as many businesses as possible throughout 2024 to offer additional support and guidance – if you haven't been contacted and would like to speak to someone about applying rounding in your business please contact the team on rounding@sec.gov.fk.

Q: My question isn't answered here. Who should I ask?

Please contact rounding@sec.gov.fk.