

Appendix 5 (b):

# BANK OF UGANDA

OFFICE OF  
EXECUTIVE DIRECTOR  
SUPERVISION



37-43 KAMPALA ROAD,  
P.O. BOX 7120,  
KAMPALA.

Tel: 258441  
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Cables: UGABANK

EDS.01.01.B

17<sup>th</sup> May 2001

TO: All Commercial Banks

## COMMERCIAL BANK OWNED FOREX BUREAU NEW OPERATING REQUIREMENTS

Bank of Uganda has reviewed and revised the operational requirements of commercial bank owned forex bureau with a view to improving the supervision and monitoring of financial institutions and made the following decisions.

- i) Bank owned bureau which are located within banks shall merge their activities and operations with those of their respective international divisions and close the bureau corporate entity.
- ii) Banks that wish to operate independent forex bureau may do so subject to the following conditions.
  - a. The bureau business should be distinctly separate from the Bank.
  - b. The ownership of the bureau should be clearly spelt out in the Memorandum and Articles of Association.
  - c. The bureau should be located outside the bank's offices and must not use the word "Bank" as part of their name.
  - d. The management and staff of the bureau should be distinctly separate from that of the bank.
  - e. The bureau should maintain separate books of Account and submit returns and reports directly to the Trade and External Debt Department.
  - f. Existing bank-owned bureau wishing to renew their license for the year 2001/2002 will be licensed only if they conform to the above conditions.

It is anticipated that the above measures will drastically improve the Bank of Uganda's supervisory and monitoring of the bureau business and streamline the operations of the financial sector and should be implemented commencing 1 July 2001.

Yours faithfully

E. Katimbo Mugwanya  
Executive Director Supervision

- c.c. Governor  
c.c. Deputy Governor  
c.c. Executive Director Research  
c.c. Director Commercial Banking

Appendix 5 (d):

# BANK OF UGANDA

OFFICE OF  
EXECUTIVE DIRECTOR  
SUPERVISION



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4<sup>th</sup> June 2001

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TO: ALL FINANCIAL INSTITUTIONS

## COMMERCIAL BANKS AND CREDIT INSTITUTIONS OWNED FOREX BUREAU NEW OPERATING REQUIREMENTS

Bank of Uganda has reviewed and revised the operational requirements of commercial banks and credit institutions owned forex bureau with a view to improving the supervision and monitoring of financial institutions and made the following decisions.

- i) Banks and credit institutions owned forex bureau which are located within banks or credit institutions premises shall merge their activities and operations with those of their respective international divisions if they are licensed forex dealers and close the bureau corporate entity.
- ii) Banks and credit institutions that wish to operate independent forex bureau may do so subject to the following conditions:-
  - a. The bureau business should be distinctly separate from that of Banks and Credit Institutions.
  - b. The ownership of the bureau should be clearly spelt out in the Memorandum and Articles of Association.
  - c. The bureau should be located outside the bank's or Credit Institution's offices and must not use the word "Bank" as part of their name.
  - d. The management and staff of the bureau should be distinctly separate from that of the banks and credit institutions.
  - e. The bureau should maintain separate books of Account and submit returns and reports directly to the Trade and External Debt Department.
  - f. Existing bank's and credit institution's owned bureau wishing to renew their licence for the year 2001/2002 will be licensed only if they conform to the above conditions.

It is anticipated that the above measures will drastically improve the Bank of Uganda's supervisory and monitoring of the bureau business and streamline the operations of the financial sector and should be implemented commencing 1 July 2001.

Yours faithfully

E. Katimbo Mugwanyari  
Executive Director Supervision

c.c. Governor  
c.c. Deputy Governor  
c.c. Executive Director Research  
c.c. Director Commercial Banking