

BANK OF UGANDA

OFFICE OF
THE EXECUTIVE DIRECTOR
SUPERVISION



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

EDS.306.2

January 21, 2011

DIRECT LINE 256-41- 230051
GENERAL LINE 256-41- 258441
Ext 2403
FAXLINE 256-41-233728
TELEX 256-41-61059
CABLES UGABANK
Web site www.bou.or.ug

Circular to All Chief Executives of Commercial Banks

Changes to the computation and monitoring of Cash Reserve Requirements

Regulations governing the Cash Reserve Requirement will be revised effective 28th February 2011. The revisions are as follows:

- i) The statutory cash reserve ratio will be 8 percent of deposits.
- ii) The two week maintenance period for the cash reserve requirement will include weekends and public holidays. It will begin on a Monday and end on a Sunday. The Friday figures shall be carried forward to Saturday and Sunday; and in case of a public holiday, the figures for the day preceding the public holiday shall be carried forward to that public holiday.
- iii) The amount of vault cash which can be used to meet the statutory reserve requirement will be capped and will be a percentage of the statutory cash reserve requirement on each day of the maintenance period. For banks with at least 10 branches outside Kampala the cap will be 10 percent of the statutory reserve requirement. For banks with less than 10 branches outside Kampala, the cap will be set at 5 percent of the statutory reserve requirement.

The use of vault cash to meet the statutory reserve requirement will eventually be removed completely at which point the cash reserve ratio will be further reduced.

Please note that commercial banks can, on a daily basis, operate up to 50 percent below the reserve requirement as long as they meet the required amount on average over the maintenance period. In addition, a commercial bank whose cash reserves fall below 50 percent of the required minimum on any day will be penalised for that day, over and above any penalty levied if it also fails to comply with the average over the maintenance period.

Benedict Ssekabira
Executive Director Supervision

Copy to: Governor
Deputy Governor
Executive Director Research
Director Commercial Banking

BANK OF UGANDA

file

OFFICE OF
THE EXECUTIVE DIRECTOR
SUPERVISION



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

Ref: EDES.306.2

December 30, 2011

DIRECT LINE 256-41-230051
GENERAL LINE 256-41-258441
Ext 2403
FAX LINE 256-41-233728
TELEX 256-41-61059
CABLES UGABANK
Web site www.bou.or.ug

10/11

Circular to all Chief Executives of Commercial Banks and Credit Institutions

Reminder about end of year submissions

I wish to remind you of the statutory end of year submissions to Bank of Uganda by all financial institutions which must be made by January 31, 2012 as per the following sections:

1. Section 13 of the Financial Institutions Act, 2004

Payment of license fee for the year 2012 of UGX 3,000,000/= (Three Million Shillings Only).

2. Regulation 20 of the Financial Institutions (Licensing) Regulations, 2005

An updated Information Sheet as set out in Schedule 2 to the Regulations.

3. Regulation 10(2) of the Financial Institutions (Ownership and Control) Regulations, 2005

A shareholders list as set out in Schedule 2 to the Regulations as at end December.

4. Regulation 5(1) of the Financial Institutions (Consolidated Supervision) Regulations, 2010

The information as set out in the Schedule to the Regulations as at December 31, 2011 for all the institution's affiliates, holding or subsidiary companies, or controlling persons.

Benedict Ssekabira
Ag. Executive Director Supervision

Copy to: *Director Commercial Banking*
Director Non-Banking Financial Institutions