

# **BANK OF BOTSWANA**

## **Press Release**

### **THRESHOLD FOR CHEQUE PAYMENTS PROCESSED BY THE ELECTRONIC CLEARING HOUSE OF BOTSWANA**

The public is informed that, in accordance with the National Clearance and Settlement Systems Act, 2003, and its supporting regulations, and after due consultation with the clearing banks, the Bank of Botswana has issued a directive to the banks and Electronic Clearing House of Botswana (ECHB) that a new threshold for large value payments has been set at P500 000 (Five Hundred Thousand Pula), with effect from October 1, 2009. Any payment made by cheque in excess of P500 000 after this date will no longer be processed by the ECHB. However, cheques issued before the implementation date (October 1, 2009) will be processed on an exceptional basis.

The imposition of a maximum value for payments that can be made by cheque is consistent with international best practice. It is intended to mitigate incidents of fraud perpetrated through the use of cheques and will enhance the safety, speed and efficiency of the Botswana payments system, as all high value payments will be directed through the Electronic Funds Transfers, Real Time Gross Settlement System, otherwise known as the Botswana Inter-bank Settlement System (BISS), for immediate and guaranteed settlement. In particular, it will greatly improve the time for funds availability to payee accounts.

For additional information, the public should contact their respective banks.

September 22, 2009

Mr Chepete Chepete  
Public Relations Officer  
Tel: 3606555