

No. 15 of 2020.

Central Banking (Amendment) Act 2020.

Certified on : 30 SEP 2020



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Central Banking (Amendment) Act 2020.

ARRANGEMENT OF SECTION.

Advances to the Government (Amendment of Section 55).



No. 15 of 2020.

AN ACT

entitled

Central Banking (Amendment) Act 2020,

Being an Act to amend the ***Central Banking Act 2000***, in relation to advances to the Government and for related purposes,

MADE by the National Parliament to come into operation in accordance with a notice in the National Gazette by the Head of State, acting with, and in accordance with, the advice of the Minister.

ADVANCES TO THE GOVERNMENT (AMENDMENT OF SECTION 55).

Section 55 of the Principal Act is amended -

(a) by repealing Subsection (2) and replacing it with the following:

“(2) The Central Bank may grant temporary advances to the Government in respect of temporary deficiencies of revenue due to cash flow mismatches at an interest rate or rates no less favourable than the prevailing rates payable by the Government on Treasury Bills or notes, or securities issued by the Government.”; and

(b) by repealing Subsection (3); and

(c) in Subsection (4) -

(i) by repealing Paragraph (a) and replacing it with the following:

“(a) shall not at any time exceed 12 percent of the annual average total revenue and grants receipts (including donor grants but not including once off asset sales or the equivalent) averaged over the previous three years to the year in which the advances are sought;”;

(ii) by deleting the word “six” in Paragraph (b) and replacing it with the word “twelve”; and

(d) by repealing Subsection (9) and replacing it with the following:

“(9) Excluding the temporary advances available in accordance with Subsections (2) and (4), the Central Bank shall not grant advances to the Government in respect of, or for the purpose of funding, a Government fiscal deficit.”.

Central Banking (Amendment)

I hereby certify that the above is a fair print of the ***Central Banking (Amendment) Act 2020***, which has been made by the National Parliament.


Acting Clerk of the National Parliament.

30 SEP 2020

I hereby certify that the ***Central Banking (Amendment) Act 2020***, was made by the National Parliament on 10 September 2020.


Speaker of the National Parliament.

30 SEP 2020