

BANK OF BOTSWANA (AMENDMENT) ACT, 1991

No. 2



of 1991

ARRANGEMENT OF SECTIONS

SECTION

1. Short title
2. Amendment of section 36 of Cap. 55:01
3. Amendment of sections 50 (2) and 57 (1) of Cap. 55:01

An Act to amend the Bank of Botswana Act.

Date of Assent: 18.1.91.

Date of Commencement: 25.1.91.

ENACTED by the Parliament of Botswana.

1. This Act may be cited as the Bank of Botswana (Amendment) Act, 1991. Short title

2. The Bank of Botswana Act is hereby amended by substituting for section 36 thereof, the following new section — Amend-
ment of
section
36 of
Cap. 55:01

**"Credit
operations**

36 (1). The Bank may, on such terms and conditions as the Board may determine, undertake the following credit operations with financial institutions and other persons maintaining accounts with the Bank under section 35, that is to say —

(a) buy, sell, discount and rediscount —

- (i) bills of exchange and promissory notes drawn or made for commercial, industrial or agricultural purposes, bearing two or more good signatures of which at least one shall be that of a bank, and maturing within 184 days from the date of their acquisition by the Bank;

- (ii) treasury bills or other securities issued or guaranteed by Government, forming part of a public issue and maturing within 184 days of the date of acquisition by the Bank;
- (b) grant advances for fixed periods not exceeding 92 days against —
 - (i) instruments specified in subparagraph (i) or (ii) of paragraph (a);
 - (ii) other securities issued or guaranteed by Government and forming part of a public issue;
 - (iii) warehouse receipts and documents of title issued in respect of staple commodities or other goods duly insured;
 - (iv) holdings of any assets which the Bank is permitted to buy, sell or deal in under section 32; or
 - (v) unsecured or secured by such other assets, on such special terms and conditions as the Board shall determine when, in its opinion; such an advance is exceptionally necessary to meet the liquidity requirements of the borrower.

(2) Subject to the provisions of section 57, the Bank may, on such terms and conditions as it may determine, issue its own securities, either in documentary form or as book entries, for purposes of monetary policy and buy, sell, discount or rediscount, or grant loans or advances against, such securities."

Amendment
of sections
50 (2) and
57 (1) of
Cap. 55:01

3. In consequence of the preceding provisions of this Act, the following sections of the Bank of Botswana Act are hereby amended —
- (a) in section 50 (2) thereof, by substituting for the words "sections 36 (3)" which appear therein, the words "sections 36 (1) (b); and
 - (b) in section 57 (1) thereof, by substituting for the words "36 (3) (b)" which appear in paragraphs (c) and (e) therein, the words "section 36 (1) (b) (v)".

PASSED by the National Assembly this 18th day of December, 1990.

C.G. MOKOBI,
Clerk of the National Assembly.