

PARLIAMENT OFFICE,
Public Buildings,
Georgetown,
Guyana.

90—06—22.

The following Bill which will be introduced in the National Assembly is published for general information.

F. A. Narain.
Clerk of the National Assembly.



GUYANA

Bill No. 22 of 1990

BANKING LAWS (AMENDMENT) BILL 1990

ARRANGEMENT OF SECTIONS

SECTION

1. Short title.
2. Amendment of the Banking Act.
3. Amendment of the Bank of Guyana Act.
4. Amendment of the Minimum Holdings of Liquid Assets by Banks (Temporary Provisions) Act 1989.

A BILL

Intituled

AN ACT to amend the Banking Act, the Bank of Guyana Act and the Minimum Holdings of Liquid Assets by Banks (Temporary Provisions) Act 1989.

A.D. 1990 Enacted by the Parliament of Guyana:—

Short title. 1. This Act may be cited as the Banking Laws (Amendment) Act 1990.

Amendment of the Banking Act. Cap. 85:01 2. Section 17 of the Banking Act is hereby amended in the following respects —

- (a) by the substitution, in subsection (5), for the words “of one-thirtieth of one per cent”, of the words “which shall be not less than nor more than the relevant percentage”;
- (b) by the insertion, after subsection (5), of the following subsection as subsection (6) —

Cap. 85:02 ‘(6) In this section “relevant percentage” means a percentage which is five per cent above the percentage at which rate of interest is, for the time being, charged for each day by the Bank under section 39 of the Bank of Guyana Act for granting loans to banks under section 38 of that Act.’

Amendment of the Bank of Guyana Act. Cap. 85:02 3. Section 40 of the Bank of Guyana Act is hereby amended in the following respects —

- (a) by the substitution, in subsection (4), for the words “one-thirtieth of one per cent per day on the amount of the deficiency”, of the words “the relevant percentage of the amount of the deficiency for each day of the failure”;
- (b) by the insertion, after subsection (4), of the following subsection as subsection (5) —

‘(5) In this section “relevant percentage” means a percentage which is five per cent above the percentage at which rate of interest is, for the time being, charged for each day by the Bank under section 39 for granting loans to banks under section 38.’

4. The Minimum Holdings of Liquid Assets by Banks (Temporary Provisions) Act 1989 is hereby amended in the following respects

**Amendment
of the Mini-
mum Hold-
ings of
Liquid As-
sets by
Banks
(Temporary
Provisions)
Act 1989,
No. 5 of 1989**

(a) in the opening sentence of section 3 —

(i) by the substitution, for the words “30th June 1990”, of the words “30th September 1990, or such later date as the Minister may by order (which shall be subject to negative resolution of the National Assembly) specify”;

(ii) by the substitution, for the words “15th March 1989”, of the words “30th September 1989, or such later date as the Minister may by order (which shall be subject to negative resolution of the National Assembly) specify”;

(b) by the renumbering of section 4 as subsection (1) thereof and —

(i) by the substitution, in subsection (1) as so renumbered, for the words “of one-thirtieth of one per cent”, of the words “which shall be not less than nor more than the relevant percentage”;

(ii) by the insertion, after subsection (1) as so renumbered, of the following subsection as subsection

(2) —

Cap. 85:01

‘(2) In this section “relevant percentage” has the same meaning as in section 17 of the Banking Act.’

Cap. 85:01

EXPLANATORY MEMORANDUM

This Bill seeks to amend section 17 of the Banking Act, Cap. 85:01, section 40 of the Bank of Guyana Act, Cap. 85:02, and section 4 of the Minimum Holdings of Liquid Assets by Banks (Temporary Provisions) Act 1989 (No. 5 of 1989) to link the fine referred to in the first and last mentioned provisions, and the penalty interest charge referred to in the second mentioned provision, to the rate of interest for the time being charged by the Bank of Guyana for granting loans to commercial banks and to specify the same as five percent above that rate

2. The Bill also seeks to extend the period during which a higher minimum holding of liquid assets is required to be maintained by commercial banks under section 3 of the Minimum Holdings of Liquid Assets by Banks (Temporary Provisions) Act 1989, and to modify the date with reference to which the required minimum holding of liquid assets is to be computed.

Carl B. Greenidge,
Minister of Finance.