



BANK OF PAPUA NEW GUINEA

PUBLIC NOTICE

REDUCTION OF CHEQUE DISHONOUR PERIOD FROM THREE (3) TO TWO (2) BUSINESS DAYS

This notice is to advise the general public that Bank of Papua New Guinea (BPNG) has reduced further the cheque dishonour period to two (2) business days from three (3) days. The two days will be in force until such time that a review is undertaken to determine further changes.

This change is effective for any cheques presented on or after Thursday, 19 January 2017.

Once a cheque is deposited at a commercial bank, the paying bank has two business days to process and/or dishonour the cheque. If the cheque is not dishonoured in this period, the cheque is automatically cleared by the Automated Clearing House (ACH) which is part of Kina Automated Transfer System (KATS), and the funds are credited to the payee's account. This practice is part of the National Payments System (NPS) Rules and must be followed by all commercial banks, including the Bank of PNG. Compliance to NPS operation is monitored and enforced by the Oversight and Compliance Unit at Bank of PNG.

KATS continues to improve payment processing and Bank of PNG is pleased to make the efficiencies for cheques available for all people alongside electronic payments, which provide the most secure, fastest payments and access to funds.

For further information, contact Mr Gaona Gwaibo, Manager, Payments Systems Department on telephone number 3227534, email: ggwaibo@bankpng.gov.pg

Authorised By: **Mr. Loi M. Bakani**, CMG
Governor