Bank of South Sudan

Electronic Money Regulation, 2017 (Amendment), 2025

April 2025

Arrangement of Sections

CHAPTER ONE:

PRELIMINARY PROVISIONS

1. Title and Commencement

This Regulation shall be cited as the "Electronic Money Regulation, 2017" (Amendment) 2025 and shall come into force on the day of its signature by the Governor.

2. Scope

This regulation shall apply to:

(1) Banks and other financial institutions licensed under the Banking and Other Financial Institutions Act, 2023

(2) All issuers of e-money that are not licensed by the Bank

3. Objectives

The objectives of this Regulation shall be to:

(1) Provide a regulatory framework for the regulation of electronic money services.

(2) Promote financial inclusion and innovation to enhance access to digital financial services.

(3) Make the retail payment system and the financial sector more efficient.

(4) Ensure compliance with Anti-Money Laundering and Combating Financing of Terrorism (AML/CFT) requirements.

(5) Promote fair competition in the provision of E-money services to prevent monopolistic practices.

(6) Ensure appropriate mechanisms for protection of users' funds, transparent pricing, and dispute resolution

(7) Ensure robust cybersecurity measures and data protection frameworks to safeguard user information.

(8) Establish clear oversight and regulatory frameworks for licensing, reporting, and operational compliance of e-money providers.

(9) Establish prudential requirements for e-money issuers to prevent systemic risks;

4. Authority

In accordance with the provisions of Sub-Section 12(1) of the Bank of South Sudan Act, 2011 (Amendment), 2023, and Section 154 of the Banking and Other Financial Institutions Act, 2023 (the Banking Act, 2012 as amended), which authorizes the Bank to issue regulations to fulfil its responsibilities under the law, the Bank of South Sudan hereby issues this Regulation.

5. Interpretations

In this Regulation, unless the context otherwise requires, the words and expressions used herein shall have the meanings assigned to them:

"**Agent**" means a natural or legal person that is contracted by an e-money service provider to provide mobile money services or operates payment kiosks on behalf of the e-money service provider.

"**Bank**" means the Bank of South Sudan

"**bank**" means a legal person engaging in the business of receiving money deposits or other repayable funds from the public and making credits for its own account, and may be:

(i) a commercial bank;

(ii) a saving bank;

(iii) a mortgage bank; or

(iv) a merchant bank, and any other specialized banks; but does not include a depository microfinance institution.

"**Cash-in**" means accepting banknotes, coins, or other items of monetary value and performing the necessary steps to initiate the crediting of that monetary value to the customer's e-money account

"**Cash-out**" means giving out banknotes, coins, or other items of monetary value and performing the necessary steps to initiate the debiting of that monetary value from the customer's e-money account.

"**Confidentiality**" means protecting the disclosure of personal information by unauthorized persons.

"**Customer**" means a natural or legal person with a mobile money account who has a claim on an e-money service provider for e-money issued by the same.

"**Customer due diligence**" means the process of obtaining customer information and assessing the value of the information for detecting, monitoring and reporting suspicious activity; often used synonymously with Know Your Customer (KYC).

"Deposit" means money entrusted to a bank and accepted by it for credit to a depositor's account, which is payable, with or without interest, on demand or after the expiration of a stated period of time. E-money accounts issued by banks shall not be considered as deposits.

"Electronic money" (e-money) means electronically (including magnetically) monetary value as represented by a claim on the issuer that is:

stored on a payment device such as a chip, prepaid cards, near field communications card, mobile phones or on computer systems,

(ii) issued on receipt of funds for the purpose of making payment transactions as defined in the Bank of South Sudan Act, 2011, and

(iii) accepted by a natural or legal person other than the electronic money issuer as defined by the Bank of South Sudan Act, 2011, but the funds referred to (ii) above shall not be treated as a deposit unless in a linked bank account under this or another enactment;

"E-money service provider" means a legal entity licensed under this Regulation that accepts banknotes, coins or other means of payment in exchange for e-money, and facilitates the transfer of this e-money to make payments and transfers.

"Float" means the total outstanding electronic money liabilities of the e-money service provider to its customers at any point in time,

"Interoperability" means the ability of customers of different mobile money service providers to transact in real time with each other using their individual mobile money accounts.

"Electronic Financial Services" refers to the use of an electronic device to access financial services and execute financial transactions, such as mobile banking and mobile payments (including sending and receiving remittances).

"Mobile Money" means an e-money product where the record of funds is stored on the mobile phone or a central computer system, and which can be drawn down through specific payment instructions to be issued from the bearer's mobile phone. It is also known as M-money.

"Mobile Money Account" means the account held by a customer with an e-money service provider for conducting Mobile Money transactions and/or for cash-in/cash-out transactions.

"Mobile Network Operator" means a telecommunications service provider organization that provides wireless voice and data communication for its subscribed mobile users.

"Real time" means the electronic processing of transactional data instantaneously upon data entry or receipt of a command.

"Settlement" means the act of discharging obligations by transferring funds or securities between two or more parties;

"Stored value" means monetary value that is evidenced by an electronic record.

"Suspicious transaction" means a transaction exceeding such amount of currency or its equivalent in foreign currency as the Bank of South Sudan may from time to time define, or suspects or has reasonable grounds to suspect that any transaction is related to the commission of a money laundering offence or terrorist financing,

"Systemic risk" means the risk that the failure of one participant in a system, or in financial markets, to meet its required obligations will cause other participants or financial institutions to be unable to meet their obligations, including settlement obligations in a system, when due and that this may cause significant liquidity or credit problems and might threaten the stability of financial markets.

"Trust Account" means a pooled account held in a commercial bank in the name of the e-money **service** provider as trustee on behalf of its customers.

"Trust Account Agreement" means a legal agreement between an e-money service provider and a commercial bank defining all aspects of the management of a trust account.

CHAPTER TWO:

APPROVAL AND LICENSING TO PROVIDE E-MONEY SERVICES

6. Banks and Other Financial Institutions

(1) A bank intending to carry on the business of e-money services shall submit to the Bank a written application accompanied by the following documents:

(a) Application letter.

(b) Description of the service and how this service will differ from the institution's existing bank accounts and financial services.

(c) Description of the system technology.

(d) Agreements entered into with parties involved in the provision of the intended service.

(e) Proper risk mitigation processes in respect of the e-money services.

(f) A plan for protecting beneficiaries' funds against insolvency of the bank or Financial Institution.

(g) Terms and conditions for users and copies of proposed client disclosure documentation

(2) Other Financial Institutions intending to carry on the business of e-money services shall submit to the Bank a written application accompanied by the following documents:

(a) Certificate of Incorporation as a registered company under the Laws of South Sudan.

(b) For entities licensed under any other body with authority to grant such licenses in South Sudan, a copy of said license.

(c) List of the owners and the percentages of shares owned by each.

(d) The name, curriculum vitae and criminal records of the directors and executive officers.

(e) Description of the e-money service.

(f) Description of the system technology.

(g) Agreements or Memorandum of Understanding entered into with parties involved in the provision of the intended service; viii. Proper risk mitigation processes in respect of the e-money services.

(h) A plan for protecting beneficiaries' funds against insolvency of the Non-bank or Non- Financial Institution.

(i) Terms and conditions for users and copies of proposed client disclosure documentation.

7. Other issuers of e-money who are not licensed by the Bank of South Sudan

(1) A payment system provider, who is not a bank or other financial institution, shall establish a separate legal entity for issuance of electronic money.

(2) An application for a licence to issue electronic money under this regulation shall meet the following requirements:

(a) Letter of No-objection from the National Communications Authority,

(b) Memorandum and articles of association.

(c) Certificate of incorporation.

(d) Registration Certificate from South Sudan Chamber of Commerce.

(e) Tax Clearance Certificate from the South Sudan Revenue Authority.

(f) Operational license from relevant Authorities

(g) An original letter from the Registrar of Companies listing names of shareholders, their addresses, their nationalities, shares held by each, names of directors and whether directors are nominees or not or whether non shareholder directors;

(h) Certificate of good conducts from CID for shareholder and board members

(i) A duly filled Fit and proper test form;

(j) A valid payment system provider's licence;

(k) Proposed services to be offered;

(l) Proposed locations where money services will be conducted;

(m)Proof of payment of a non-refundable application fee provided in First Schedule of this Regulation;

(n) Evidence of holding the minimum capital set out in the First Schedule;

(o) Documented procedures and policies for detecting and reporting incidences of money laundering in line with anti-money laundering and combating the financing of terrorism laws;

(p) governance structure including internal controls, risks management, accounting procedures; automated issuance of electronic money process; administrative controls, operational risks management with disaster recovery plans and business continuity plans, that demonstrates that the arrangements, control and procedures are appropriate, sound and adequate;

(q) documented business plan for the intended use of agents and merchants including issuing, acquiring and redemption mechanisms and drafts of merchant and agent agreements;

(r) documented outsourcing arrangements;

(s) plans to participate in domestic or foreign payment systems;

(t) measures for protecting electronic money holders' funds;

(u) customer terms and conditions that include disclosure requirements, complaints, disclosure and redress mechanisms;

(v) process flow and system architecture;

(w) pricing policies that include the amount of charges or fees imposed to customers; and

(x) any other information that the Bank may require.

(y) A non-refundable application filing fee of SSP equivalent to USD 10,000, or such amount as may be determined by Bank of South Sudan from time to time.

8. Review and Approval of the Application

After the review of the requirements for approval of E-money services, the Bank shall grant the approval if the requirements set forth in Section (7) of this Regulation are met. The application shall be rejected if the requirements are not met or for other reasons such as the safety of the payment systems or public interest. Notice of acceptance or rejection of the application shall be sent to the applicant within sixty (60) days after receipt of the application. In case of rejection, the Bank shall provide specific reasons for the denial of the license. The applicant can resubmit the application after addressing any issues identified by the Bank of South Sudan.

9. Renewal of the Approval

(1) An application for renewal of an electronic money issuer approval shall be submitted to the Bank within Two (2) months before the expiration of the approval.

(2) The application for renewal of an approval under sub-section (1) shall be made in Form B as set out in the Second Schedule to this Regulation

(3) The Bank may approve the application for renewal of the approval upon being satisfied that the applicant has carried out their operations in compliance with the prevailing laws.

10. Renewal of License

(1) An application for renewal of an electronic money licence shall be submitted to the Bank at least Two (2) months before the expiration of the licence.

(2) The application for renewal of a licence under sub-section (1) shall be made in Form D as set out in the Second Schedule to these Regulations and shall be accompanied by-

(a) payment of licence renewal fees set out in the First Schedule; and

(b) any other information the Bank may require.

(c) The Bank may approve the application for renewal of the license upon being satisfied that the applicant has carried out their operations in compliance with the prevailing laws.

11. Capital Requirements

(1) The entity completing an application for an e-money service provider approval or license must be adequately capitalized at all times in accordance with the requirements of the Bank. These requirements are subject to change from time to time

(2) Each applicant must be, at the time of application, and throughout the pendency of any license granted hereunder, capitalized in the amount as set out in the Schedule attached to this regulation

CHAPTER THREE:
SECURITY AND OPERATIONAL RELIABILITY

12. Role of E-money Service Provider

The e-money service provider shall be responsible to:

(1) Every e-money issuer shall ensure high-quality performance (99.5% service availability) of the system. It shall promptly inform the e-money users about any disruption or anticipated disruption in the system. In so doing, it and any parties it directly or indirectly engages in the execution of its business shall comply with relevant laws

(2) Put in place a system to maintain accurate and complete records of e-money instruments issued, the identity of e-money account holders, the movement of e-money transactions and their link to individual e-money accounts, and the actions of any other users of the system.

(3) Provide adequate training and support to its agents on internal controls, accounting, risk management, consumer protection and anti-money laundering and combating financing of terrorism, and issue a manual containing the policies, rules and operational guidelines needed to ensure the safe and efficient provision of mobile money services to customers,

(4) Maintain effective oversight over the activities of its agents and their outlets and ensure written agreement with every e-money account holder for whom they open an e-money account and ensure to:

   (a) identify the e-money account holder,

   (b) identify the name of the payment system provider;

   (c) indicate clear guidance on the e-money holders' right of redemption, including conditions and fees for redemption,

   (d) Provide redress procedures for complaints together with the address and contact information of the e-money issuer;

   (e) Maintain and submit on a monthly basis to the Bank records of:

      (i) agents' and their outlets' identity, physical address and global positioning system coordinates;

      (ii) list of suspended or terminated agents with reasons for such suspension or termination.

(5) Ensure that the system has audit trails and reporting mechanisms that meet the operational, financial, regulatory and other reporting requirements under this Regulation.

13. Transaction Limits

(1) The e-money service provider shall strictly enforce KYC procedures based on a risk-based approach that determines the different risk categories in implementing customer identification, using the risk-based approach to AML/CFT; mobile money accounts have been categorized in the following three levels:

(a) Tier One. Entry level accounts with simplified KYC, which are subject to lower transaction limits and limited documentation requirements for Account opening. Examples of verification requirements include a registered phone number, a voter registration card, a valid and current university student ID, an employment ID that has been verified by the employer, an institutional (e.g., NGO) ID for beneficiaries that has been verified by the institution or ministry, and/or a letter from a prominent person who can reasonably verify the customers identify (e.g., local chief, local member of clergy);

(b) Tier Two. Accounts with partial KYC which have higher limits and stricter account opening requirements. Examples of verification requirements include a government-issued ID such as a passport or driver's license;

(c) Tier Three. Accounts with full KYC requirement as noted in the Anti-Money Laundering and Counter Terrorist Financing Act, 2012. Accounts with full KYC have higher limits in order to be used for corporate payments and government payments.

(2) Applicable transaction limits for Tier One, Tier Two and Tier Three account levels are determined by the Bank. Furthermore, transaction limits for over-the-counter transactions have been categorized separately.

(3) Government to person transfers, are exempted from specified maximum balance limits.

(4) Business to person transfers generated by limited liability companies can have higher limits, if specifically authorized by the Bank.

(5) If a customer has two e-money accounts with the same e-money provider, one in US dollars and another in South Sudan Pounds, the limits apply to the aggregate balance and transaction limits of each account, meaning.

(6) Tier 1 Accounts are subject to a maximum balance limit of SSP equivalent of USD 1,000, an aggregate daily transaction limit of SSP equivalent of USD 250 and an aggregate monthly transaction limit of SSP equivalent of USD 2,000 transactions.

(7) Tier 2 Accounts are subject to a maximum balance limit of SSP equivalent of USD 4,000, an aggregate daily transaction limit of SSP equivalent of USD 1,000 and an aggregate monthly transaction limit of SSP equivalent of USD 8,000 transactions.

(8) Tier 3 Accounts are subject to a maximum balance limit of SSP equivalent USD 10,000, an aggregate daily transaction limit of SSP equivalent USD 2,000 and an aggregate monthly transaction limit of SSP equivalent USD 20,000 transactions.

(9) Over-the-counter transactions are subject to a single transaction limit of SSP equivalent of USD 1,000 transactions.

14. Interoperability

(1) All the E-money service providers shall ensure full and secure connection to the National Payment System and all transactions from the E-money service providers shall be routed through the National Payment System via a licensed switch or processor for purpose of processing such transaction on behalf of the relevant acquirer, and for seeking authorisation from the relevant issuer.

(2) The e-money service provider shall implement a system that utilizes international technology standards.

(3) The Bank shall have the authority to inspect or direct the inspection of the technology systems of e-money service providers.

(4) The Bank may define standards from time to time regarding system standards in the following areas:

a) Systems operations;

b) Monitoring and reporting functionality;

c) Business continuity including data backup and recovery;

d) Security measures to combat fraud and theft, particularly as regards data transmission and data storage;

e) Linkages to the national payments system; and

f) Additional requirements for telecommunications service support and platform delivery requirements may be provided by the National Telecommunications Authority.

15. Transaction Processing and Settlement

(1) The e-money service provider shall implement a system that is interoperable to the National Payment System and has capacity to provide certainty and finality of the transactions

(2) The e-money service provider shall assign a unique transaction reference number to any transaction processed within the e-money service.

(3) All transactions shall have, at a minimum, the following data features which are made available to both the system and the customer:

(a) transaction amount;

(b) transaction type;

(c) transaction date and time;

(d) transaction reference number;

(e) agent identification details; and

(f) where a mobile handset and SIM card are used to effect the transaction, the mobile number associated with that SIM card

(4) Transactions shall be consistently executed within the system. In the event that a transaction is not effected due to technology or system failure, after validation reversal of instruction shall be automatic and immediate.

(5) Users shall get immediate value and notification for every successful transaction. Every successful transaction must identify a valid payer and payee and the system must produce payment notification to the payer and payee. The system must produce error messages to the payer for every failed transaction indicating the reason for the failure,

(6) Customers must be allowed access to all records of their transactions, which must be made available free of charge for records under 60 days old. The cost of processing any transaction shall be denominated in South Sudan Pounds,

(7) Execution of all transactions shall be subject to the following conditions:

(a) All intra system transactions within the same mobile money system shall be executed on a real-time basis;

(b) The system shall provide regular, at least daily, settlement records for reconciliation of processed transactions;

(c) All proof of transactions shall be retained electronically or manually for not less than a period of 5 years.

16. The Contract with the Customers

(1) E-money service provider shall enter into a written agreement with every customer for whom they open an e-money account, ensuring that prospective customers have understood the general features of the e-money service.

(2) The contract shall clearly identify the customer and the e-money service provider that is providing the e-money service.

(3) In its contract with customers, the e-money provider must also clearly state the following additional points:

(a) The customer's e-money account balance is not considered a deposit unless is a linked bank account;

(b) The customer's e- account balance is not guaranteed by the Bank;

(c) The customer's e-money account is a liability of the e-money service provider, and that the customer could address the e-money service provider with questions or concerns about the value of their account and the accuracy of transactions.

(4) E-money service providers in their verbal and written explanations of functions to customers, must clearly explain by when and how a customer may stop and/or reverse a transfer that was initiated and/or executed erroneously or without the customer's consent; how the customer will be informed that a transfer has actually been executed; and how the customer can find out his/her current e-money account balance and the transactions executed.

(5) Customers must acknowledge their understanding and acceptance of the terms of the contract with their signature, or with some other unique identifier such as a fingerprint.

17. Data Protection and Confidentiality

(1) E-money service providers, as well as their agents, shall uphold privacy and confidentiality of customer information and data, unless sharing customer information and data is authorized by the customer, the Bank, and/or data are accessed based on a court order.

(2) The conditions under which customer information and data will be kept shall be disclosed before the customer enters into agreement with the e-money service provider;

(3) Provisions of data protection including confidentiality shall be in accordance with all relevant laws.

18. Anti-Money Laundering Requirements

(1) An e-money service provider and their agents shall comply with the requirements of the Anti-Money Laundering and Counter Terrorist Financing Act, 2012 (Amendment) Act, 2024 and any other Financial Intelligence Unit (FIU) requirements as well as international standards set by the Financial Action Taskforce (FATF) as may be issued from time to time.

(2) Authorized Institutions are responsible for making all staff and Agents comply with AML/CFT policies. These requirements include, but are not limited to, the following:

(a) Conduct adequate due diligence on all Mobile Money Accounts and identify Customers using reliable independent source documents, data or information;

(b) Monitor transactions to detect suspicious activities;

(c) Report Suspicious Transactions promptly to the FIU, with a copy to the Bank

(d) Have in place policies and procedures to address specific risks associated with non-face-to-face business relationships and transactions; and

(e) Ensure that each Mobile Money Customer is uniquely identified, and that each mobile money transaction can be traced to a single Customer. In this regard, mobile phone SIM numbers will have to be registered by the Authorized Institutions.

(3) In recognition of the inequality in social and economic circumstances of the various segments of the population of South Sudan, the Bank shall implement a risk-based approach for AML/CFT requirements, pursuing financial inclusion and integrity. The Bank requires Authorized Institutions to have in place written policies on the identification of people that do not have a formal ID with the aim to provide them access to financial services:

(a) **Tier 1** Mobile Money Accounts, references from clergymen, village head/chief, etc. with acceptable means of identity shall be used.

(b) **Tier 2 Accounts**, the means of identification accepted are driver's license, passport and National identification, and the Customer shall, at minimum, provide their name, address, telephone number while corporates can provide a business registration certificate.

(c) **Tier 3 Accounts**, in addition to providing the information and ID type needed for Tier 2 accounts, Customers shall include income tax certificate, or bank statement. Tier 3 Accounts are also available to government and limited liability companies.

(4) An e-money service provider is required, within twenty-four (24) hours to furnish the FIU with information on any transaction having attributes of a suspicious transaction, agent or subscriber, with a copy to the Bank.

CHAPTER FOUR:

AGENTS

19. Selection of Agents

(1) An e-money service provider shall be responsible for identifying, recruiting, appointing, contracting, educating, equipping, and monitoring the activities of their Agents subject to their policy and procedure manual.

(2) Subject to sub-section (1), the agency agreement shall provide for:

(a) non-exclusive use of agents;

(b) Standard of performance;

(c) Customer service;

(d) compliance with anti-money laundering and combating financing of terrorism laws;

(e) Consumer protection;

(f) Roles and responsibilities of the parties;

(g) Liabilities of the parties;

(h) Procedures governing disruptions and material risks;

(i) Customer data protection;

(j) Insurance requirements (if applicable);

(k) Provisions governing termination of contracts;

(l) Business continuity measures;

(m)Right of e-money issuer to monitor agents' activities, policies, procedures;

(n) Right of the Bank to inspect agents' data, records, etc, and

(o) Authorised signature.

(3) An Authorized Institution shall vet and satisfy itself as to the suitability and capability of the proposed agent(s) and shall establish that the agent(s) provide evidence of availability of funds to cover its operations including withdrawals by Customers.

(4) An e-money service provider shall have the option of appointing business entities and/or individuals on a contractual basis to facilitate activities such as registering customers, accepting and dispensing cash, making payments and effecting funds transfers. Being an agent of the e-money service provider as the principal, all activities of the agent must be

executed in full compliance as expected of the principal as required under this Regulation and any other relevant regulations, guidelines and directives.

(5) Principals shall not be allowed to require exclusivity from agents. An agent can provide services to multiple e-money service providers provided that the agent has a separate service agreement with each e-money service provider. The agent must establish an identifiable location for the mobile money services.

(6) The e-money service provider shall submit a copy of the standard agency contract to the Bank for review before entering into contract with agent(s) and or in case of any substantial changes of the standard agency contract.

20. Duties and Responsibilities of Agents

Agents shall have the following duties and responsibilities:

(a) Registering new Customers.

(b) Providing cash-in and/or cash-out services.

(c) Providing Customer support.

(d) Conducting Over the Counter (OTC) transactions.

(e) Other responsibilities as may be approved by the Bank.

21. Types of Agents

(1) Subject to Sections 19 and 20 of these regulations, an electronic money issuer shall appoint:

(a) a **Sub-agent**, an agent that has a business registration licence, tax identification number, tax clearance certificate and other necessary permits for conducting commercial activities;

(b) a Super-agent, an agent that is a registered corporate, with necessary permits for conducting commercial activities; and has capacity, competence and internal controls to perform the agency services that may include-

(i) electronic money distribution;

(ii) (ii) retail agent management; and

(iii) (iii) any other services approved by the Bank.

(2) (2) Subject to sub-Section (1) of this regulation, an electronic money issuer shall ensure that an agent opens a bank account for the operations of the agency business.

22. Maintenance of records

(1) An electronic money issuer shall maintain and submit to the Bank records of appointed agents that shall include:

(a) Agents' and their outlet's identity, full addresses including global position system coordinates; and

(b) List of suspended or terminated agents with reasons for such suspension or termination.

(2) The Bank shall develop a public registry of agents and their geographical distributions and place it in its website.

23. Supervision of Agents

(1) The e-money service provider shall be responsible for monitoring and supervising the activities of their Agents.

(2) E-money service provider shall have information on the numbers, volumes and values of transactions carried out for each type of service by every agent.

(3) E-money service provider shall also monitor effective compliance with set limits and other prudential and oversight requirements.

(4) The e-money service provider shall implement measures to control operating risks, including having clauses in the contract establishing the liabilities of the agent vis-à-vis the e-money service provider

24. Publication of List of Agents and Locations

(1) The e-money service provider shall submit monthly to the Bank the list of agents with their names and locations on the 10^{th} day of the subsequent month. The updated list of agents shall be available on the e-money service provider's website.

(2) The agent shall not relocate its services without prior notice to the e-money service provider. Notice of intention to relocate or close an agent's services shall be served on the e-money service provider at least thirty days or such shorter or longer period as may be agreed upon in the agreement between the agent and the e-money service provider.

CHAPTER FIVE:

TRUST ACCOUNT AND SPECIAL ACCOUNT

25. Trust Account

(1) A licensed electronic money issuer shall submit an application to the Bank to open a trust account in a financial institution or a microfinance deposit taking institution to facilitate issuance of electronic money.

(2) An application for the proposed names of trustees that the electronic money issuer intends to appoint to manage the trust account shall be accompanied by the following information:

(a) Memorandum and articles of association or constitution of the entity;

(b) List of the trustees, their addresses, nationalities and whether they are directors or shareholders of the electronic money issuer;

(c) Reference letters from two individuals who are not relatives vouching for the good moral character of each of the trustees;

(d) A duly filled Fit and Proper Person Form E, for trustees as set out in the Second Schedule to this Regulation;

(e) A documented governance plan that includes an organisational structure;

(f) Documented internal control mechanisms, including sound administrative and accounting procedures that highlight the separation of the trust funds from the business of the electronic money issuer;

(g) A certificate of good conduct from relevant authority;

(h) A credit reference report;

(i) A trust's ability to perform the function of a trust (statement of commitment);

(j) Whether a trust is a subject of any insolvency proceedings in any country; and

(k) Such other information that the Bank may require.

(3) The Bank shall, within Ten (10) working days of receipt of the application, notify the electronic money issuer of the grant or denial of the approval to register the proposed trust entity and provide reasons for not granting the approval.

(4) An electronic money issuer that has been granted approval shall open a trust account with a financial institution or microfinance deposit taking institution for the purpose of maintaining funds of customer.

(5) For purposes of this section, trustees appointed by a subsidiary legal entity or an entity solely established to issue electronic money and approved by the Bank shall be a body corporate.

(6) Interest earned on a trust account or special account shall be credited to an interest account opened for that purpose in the financial institution or microfinance deposit taking institution in which the trust account or special account is held and shall be distributed for the benefit of the consumers as determined by the Bank.

26. Duties of the trustees.

The trustees shall:

(a) manage the trust account and the interest account on behalf of the customer;

(b) establish safeguard measures to protect the funds deposited on a trust account from risks that may occasion loss to beneficiaries of the funds;

(c) monitor the trust accounts to ensure that the funds in the trust account are equal in value to the electronic money issued;

(d) ensure that interest earned on the trust account is distributed for the benefit of the customer; and

(e) perform any other duty as the issuer of electronic money may prescribe.

27. Special Accounts

(1) Banks and Other Financial Institutions that intend to issue electronic money shall, with the approval of the Bank, open and maintain special accounts in their books of account.

(2) Banks and Other Financial Institutions referred to in subsection (1) above shall submit an application for approval to open and maintain a special account to hold deposits received from a customer who purchases electronic money and to facilitate issuance of electronic money.

(3) Ensure that the special account is protected from risks that may occasion loss to beneficiaries of the funds; and

(4) Comply with any other requirement as the Bank my require.

28. Protection of Trust and Special Accounts

The balances of the trust account and the special account shall not be attached, assigned or transferred for the purposes of satisfying any debt or claim.

29. Dormant Accounts

(1) An e-money account that has registered no transaction for a consecutive period of 3 months shall be considered dormant.

(2) The e-Money issuer shall adhere to the following:

a) (a)The relevant customer shall be notified no less than one month before the 3-month mark is reached that the account will be suspended unless there is some form of activity.

b) (b)The customer would then be advised to perform a transaction to keep the account active or to close the account and should be provided with instructions as to how to do so.

c) (c) If no activity has still taken place when the 3-month mark is reached, the e-Money issuer shall block the account and permit no further transactions until reactivated by the customer, supported by the original ID used to open the account. The e-money issuer shall notify the customer that the account is blocked and provide instructions on how to reactivate it.

d) (d) An account that has been so blocked for 3-months without reactivation by or communication from the relevant customer shall be terminated by the e-money issuer

e) (c)All outstanding balances in the account upon termination shall be transferred, along with identifying information on the customer, into a separate account held by the e-money issuer with specific banks designated by the Bank for this purpose for a period of no less than five years; and

f) (f)The banks holding these accounts are permitted to intermediate the funds and retain the proceeds and after a period of five years has passed without claim from the original customer, the e-mobile issuer shall transfer all such funds to the Bank and retain all identifying information.

CHAPTER SIX:
CONSUMER PROTECTION

30. Principles of Consumer Protection

E-money issuers are under strict obligation to fully adhere to any rules issued by the Bank pertaining to consumer protection as well as such basic principles of consumer protection as listed below:

(1) Equitable, honest and fair treatment of all customers, notably, vulnerable groups such as the illiterate, women and the physically challenged.

(2) Transparency and the disclosure of clear, sufficient and timely information on the fundamental benefits, risks and terms of any product or service offered in an objective and accessible form;

(3) Sufficient and accessible information to customers on their rights and responsibilities;

(4) Protection of customers' privacy as well as tangible and intangible assets related to the service, notably including personal details, financial information and transaction data;

(5) Responsible business conduct of all staff and authorised agents; and

(6) Adequate systems and processes for complaints handling and redress.

31. Display and disclosure of charges and fees

An electronic money issuer shall;

(1) Deliver notice to its customers through electronic media and display charges and fees in a conspicuous place at the electronic money issuer's offices and agents' outlets;

(2) Disclose charges and fees for its services to its customers and any changes thereof; and

(3) Notify its customers of the fees and charges before imposing such fees or charges.

32. Redress and complaints Procedures

(1) E-money issuers shall set up effective procedures that allow e-money users to submit complaints. At a minimum, these procedures shall:

(a) Provide easily understood information about the customer care system that should be easily accessible at least during normal business hours.

(b) Allow for complaints to be lodged orally or in writing, within 20 days from the date of detection of the anomaly.

(c) Be provided free of charge.

(d) Provide for complaints to be resolved within 7 days of lodging. An additional 10 working days is permitted provided the customer is informed.

(2) (2) E-money issuers shall acknowledge all complaints filed with them within 7 calendar days;

(3) At the time of making a complaint the complainant shall be advised of the expected actions and timing for investigating and resolving the complaint.

(4) E-money issuers shall put in place processes to provide complainants with sufficient information and the means to inquire on the progress of complaints and such processes may include complaint reference numbers or other identifiers in order to facilitate timely and accurate responses to subsequent inquiries by complainants.

(5) Complainants shall be advised of the outcome of the investigation of their complaint, and any resulting decision by the e-money issuer.

(6) Where a complainant is not satisfied with a decision reached pursuant to a complaint, the e-money issuer shall give the complainant the option of pursuing an identified escalation process by which the decision may first be examined by a suitably qualified person in the e-money issuer's organization and, if still unresolved, by the Bank.

CHAPTER SEVEN:
SUPERVISION AND MONITORING

33. Supervision and Oversight

(1) The Bank shall have power to access any relevant information in the possession or custody or under the control of a licensed or approved e-money service provider or agent related to provision of e-money services.

(2) The Bank shall have the authority to conduct offsite and onsite oversight activities and system reviews of the e-money service providers at any time, and may require the e-money service provider or agent to produce for examination, any information relating to the conduct of e-money services, by a person or persons in the service of or authorized by the Bank.

34. Regular Reporting

Every e-money service provider is required to submit reports on a monthly basis to the Payment System and Banking Supervision Department which shall monitor compliance with reporting requirements of the following:

(1) The number of customers who are registered with the e-money service provider, as well as the number of active customers who have conducted a transaction within the last 90 days.

(2) The volume and value of payments made through the e-money service.

(3) The number of registered and active agents. An active agent is one who has conducted a transaction within the last 30 days.

(4) Any indications of suspected or confirmed fraud relating to the e-money service, security breaches, material service interruption or other significant issues that may affect the safety and efficiency of the service.

(5) A list of complaints received relating to service failures of any kind.

(6) Details of actions taken to identify patterns in the complaints that may point to general or system weaknesses.

(7) A list of system security lapses giving details.

(8) Any indication that outstanding e-money balances do not reconcile with money residing in the trust account after daily reconciliation has occurred.

(9) Material changes of any of the items required to be included in the licensee's application;

(10) If a legal entity, a transfer of shares that results in any shareholder acquiring or disposing of a qualifying holding;

(11) Any material changes in the e-money service that change or enhance the scope of the service, such as new service capabilities or a change in technology service providers;

(12) Any indications of loss of confidential data; and

(13) Any other information the Bank or FIU may request from time to time.

35. Fines and Penalties

(1) The Bank shall charge the fines and penalties to the e-money service providers for non-compliance with the provisions set forth in this regulation. These include:.

(a) Failure to submit monthly reports on time (after the tenth business day of the financial month). First three-monthly offenses: letter of warning.

(b) (b) Failure to submit timely monthly reports for three consecutive months may result in the suspension or revocation of the license.

(c) (c)Failure to submit the monthly report for an entire month will attract a fine and written notification of possible suspension or revocation of license.

(2) Any e-money service provider violating this regulation shall be subjected to the appropriate supervisory sanctions, including but not limited to:

(a) Restriction on further expansion of e-money services,

(b) Fine of at least SSP equivalent USD 1,000 for each violation or each day of the violation,

(c) Suspension and dismissal of staff found to be responsible for flagrant violation of this regulation and/or other related directives of the Bank; and

(d) Revocation of the approval/license of the authorized institution.

(3) Notwithstanding anything contained in subsection (1) of this regulation, above the Bank shall prescribe penalties and sanctions for negligence or non-compliance with the provisions set forth in this Regulation. In particular as pertains to Customer Due Diligence and AML/CFT, penalties and sanctions shall be severe and may include fines, administrative penalties or revocation of the authorization to conduct e-money business as well as civil or criminal proceedings in a court of law.

(4) The Bank may, in writing notify an authorized e-money issuer, revoke or suspend an approval/license, if the authorized e-money issuer:

(a) Ceases to carry on business in South Sudan,

(b) Goes into liquidation, wound up, or is otherwise dissolved; or

(c) Fails to adequately comply with the provisions of this Regulation.

(5) (5) Before revoking or suspending an approval or license under this Regulation, the Bank shall give an e-money issuer not less than fourteen (14) working days' notice in writing and shall consider any representations made to it in writing by the e-money issuer within that period.

(6) An electronic money issuer may appeal against any decision to the Governor of the Bank.

CHAPTER EIGHT:
RISK MANAGEMENT

36. Risk management by electronic money issuer

An electronic money issuer shall –

(1) prepare and implement risk mitigation plans to address risks that arise in the issuance of and management of the operations of the electronic money business.

(2) comply with the risk management requirements including technical standards issued by the Bank under this Regulation

(3) set up safeguard measures to protect the funds from risks that may occasion loss to beneficiaries of the funds, and submit documented policies and procedures in respect thereof to the Bank;

(4) not commingle the trust account funds with any other funds or use it for any other operations; (e) ensure that the board and senior management conduct oversight on the issuance of electronic money in observance to risk management and compliance with this Regulation; and

(5) not place more than twenty-five per cent (25%) of its total trust account funds in a single bank.

37. Risk management by trust entity

A trust entity maintaining the trust account shall-

(1) comply with the risk management requirements including technical standards issued by the Bank;

(2) audit and publish financial statements in respect of the trust account, and submit a copy of the annual audited accounts to the Bank not later than three months after closure of their financial year;

(3) submit to the Bank proof of annual audit of the electronic money issuance system;

(4) set up safeguard measures to protect the funds from risks that may occasion loss to beneficiaries of the funds, and submit documented policies and procedures in respect thereof to the Bank; and

(5) not commingle the trust account funds with any other funds or use it for any other operations.

Made under my hand on this 13th Day in the Month of August 2026 A.D.

Hon. Dr. Addis Ababa Othow

Governor,

BANK OF SOUTH SUDAN