

Bank of South Sudan
Directorate of Supervision, Research and Statistics
Banking Supervision Department

Terms of Licence to engage in Banking Activities in South Sudan
- Check List

Stage One - Preliminary Approval

1. The founders of a bank shall file with the BSS an application for preliminary approval, which shall include the following information and documents:
 - a) Completed Application Form (Attachment 1);
 - b) Non-refundable application fee (US\$ 10,000 or equivalent in South Sudanese Pounds);
 - c) Certificate of incorporation;
 - d) Memorandum and Article of Association showing that the applicant is a public Limited Company with minimum shareholders not less than seven (7) shareholders; and their shares should not exceed 20% for each.
 - e) Certified Copy of board resolution authorising licence application;
 - f) Completed information sheet (Attachment 2) by the applicant and each substantial shareholder;
 - g) Completed personal declaration form (Attachment 3) by each of the proposed Directors, Officers, and Substantial Shareholders;
 - h) Chairman Declaration Form (Attachment 4) attached to each information sheet;
 - i) Identification of the founders, information confirming that each founder is a fit and proper person, the expected amount, if any, of their shareholdings, and identification of all persons with which any founder has close links;
 - j) Information pertaining to the source of funds that the founders plan to use for the bank's initial capital (including, in particular, if any of the funds to be used for the bank's initial capitalization would be furnished by any person other than the founders, identification of that person and information confirming his status as a fit and proper person);
 - k) Business plan and financial projections for first five years of operation;
 - l) The bank's proposed policies and procedures for risk management and internal controls;
 - m) Names of proposed members of the bank's board of directors their number should not exceed 9 members and senior managers, confirmation that each such person is a fit and proper person, and information relating to their experience and qualifications in accordance with sections 10 - 14 of the BSS Regulation no. 7/2012, on *Terms of licence to engage in banking activities*;

- n) If any person will have a significant participation in the bank, the information prescribed by BSS Regulation no. 13/2012 on *Significant participations in banks and bank holding companies* with regard to each such person;
 - o) If the bank will be a subsidiary of a foreign regulated financial sector entity, proof that the competent authority of the applicant's home country has granted approval for the establishment of a bank in South Sudan, or confirmation that no such approval is required under the law of such foreign country;
 - p) No objection from home country supervisory authority (foreign bank);
 - q) Description of Board responsibilities;
 - r) Organisational chart indicating departments with names of the proposed senior managers;
 - s) Proposed location where the bank will operate; and
 - t) Any other information that the BSS deems appropriate or necessary to fulfil the purposes of the Banking Act, and regulations of the BSS promulgated thereunder.
 - u) Tax Registration Certificate
 - v) Required paid – up capital of US\$ 15 million or equivalent in South Sudanese Pounds (for Local applicants) or US\$ 30 million (for foreign applicants) has been paid in full.
2. Within three months from the date of its receipt of a complete application for preliminary approval, the BSS shall take a decision on the application and notify the applicant of its decision in writing. Decisions refusing preliminary approval or attaching conditions or restrictions to such approval.
3. The BSS shall not grant preliminary approval for a banking licence unless it is satisfied as to the following factors:
- a) The compliance of the founding documents (memorandum and Article of Association) to the requirements.
 - b) The qualifications, experience, and status as a fit and proper person of all proposed directors and managers of the bank;
 - c) If any person will hold a significant participation in the bank, that no grounds exist for refusal under BSS regulation no. 13/2012 on significant participations in Banks and Banking holding companies;
 - d) The business plan and other materials submitted by the applicant demonstrate that the bank will be profitable after three years of operation;
 - e) The bank will have adequate policies and procedures for risk management and internal controls;
 - f) If the bank will be a subsidiary of a foreign regulated financial sector entity, proof that the competent authority of the founder's home country has granted approval for the establishment of a bank in South Sudan, if such approval is required under the law of the home country;
 - g) The source of funds to be used for the bank's initial capitalization; and
 - h) If any of the funds to be used in the bank's initial capitalization would be furnished by any person other than the founders that this person is a fit and proper person.

Stage Two - Final Approval

1. Banking Licence is issued by the BSS following a grant of preliminary approval, and under the following additional conditions:
 - a) Preparation of suitable premises in a secured location that meet BSS minimum standards (Attachment 5);
 - b) Supervision Department of BSS to inspect the premises before a final licence is granted;
 - c) The bank has sufficiently trained staff and management information systems to handle its expected activities;
 - d) Any significant change in circumstances following the granting of preliminary approval must be promptly reported to the BSS, and must be approved by the BSS before the licence will be issued;
 - e) The banking licence process must be completed by the applicant within six months following the grant of preliminary approval; and
 - f) The bank has put in place adequate payment systems (MIS).
 - g) The new licensed bank should note that BSS will not allocate Foreign Exchange for a period of one year. The branch should depend on its own resources.
2. The BSS shall not grant banking licence if:
 - a) The conditions listed above are not fulfilled within six months following the grant of preliminary approval; or
 - b) The BSS becomes aware of facts that indicate a significant change in circumstances upon which preliminary approval was granted, and such change was not approved by the BSS.