

NATIONAL PAYMENT SYSTEM LICENCE CATEGORIES

The categories of licenses issued under Section 9 of the National Payment Systems Act are:-

1. Payment System Operator Licence
2. Payment Service Provider Licence
3. Issuer of a Payment Instrument Licence

The Licences are issued in respect of the following classes.

LICENCE	CLASS
Payment System Operator Licence	<ul style="list-style-type: none"> - Funds Transfer System including P2P, B2G, B2B, P2B and card processors with standardized arrangements for the transfer of payment orders. - Clearing systems. - Settlement systems. - Third party systems including aggregator, integrator, or gateway.
Payment Service Provider Licence	<ul style="list-style-type: none"> - Electronic money issuer - Payment services including tokens
Payment Instrument Licence	<ul style="list-style-type: none"> - Payment cards - Electronic devices - Paper based instruments

FEES ARE CATEGORISED BELOW:

LICENCE CATEGORY	LICENCE CLASS	APPLICATION FEE	LICENCING FEE	ANNUAL FEE
PAYMENT SYSTEM OPERATOR	a) Funds Transfer System Large Funds Transfer System whose transaction value	UGX. 3,000,000	UGX. 25,000,000	UGX. 25,000,000

	exceed UGX. 100 billion per month			
	Medium Funds Transfer systems whose transaction value exceeds UGX. 1 billion shillings per month and does not exceed UGX. 100 billion shillings per month	UGX. 3,000,000	UGX. 20,000,000	UGX.20,000,000
	Small Funds Transfer System whose transaction value does not exceed UGX. 1 billion per month	UGX. 3,000,000	UGX. 15,000,000	UGX. 15,000,000
	b) Clearing systems or switches	UGX. 3,000,000	UGX. 25,000,000	UGX. 25,000,000
	c) Settlement systems	UGX. 3,000,000	UGX. 25,000,000	UGX. 25,000,000
	d) Third Party Systems	UGX. 3,000,000	UGX. 10,000,000	UGX. 10,000,000
PAYMENT SERVICE PROVIDER	Electronic Money Issuer a) Large Electronic Money Issuer whose total trust account exceeds UGX. 200 billion.	UGX. 3,000,000	UGX. 25,000,000	UGX. 25,000,000

	b) Medium Electronic Money Issuer whose total trust account value exceeds UGX. 500,000,000 million but does not exceed UGX. 200 billion.	UGX. 3,000,000	UGX. 25,000,000	UGX. 25,000,000
	c) Small Electronic Money Issuer whose total trust account value does not exceed UGX. 500,000,000 million.	UGX. 3,000,000	UGX. 15,000,000	UGX. 15,000,000
ISSUER OF A PAYMENT INSTRUMENT		NIL	NIL	NIL

APPLICATION REQUIREMENTS

1. A detailed description of the product or services and its operations.
2. A list of the substantial shareholders including the beneficial owners.
3. A business plan with financial projections for the first three years which demonstrate that the Applicant is able to employ appropriate and proportionate systems, resources, and procedures to operate soundly for a three-year period.
4. The Applicant's organizational, governance and management structure.
5. A risk management framework with a disaster recovery plan, cyber security plan and business continuity arrangements that are appropriate and adequate.
6. Policies and procedures for transacting with customers that include disclosure requirements, complaints handling, prices, and redress mechanisms.
7. Certified copies of incorporation documents of the Applicant.
8. Evidence of holding the minimum paid up capital of not less than the amount prescribed in Schedule 4 of the Regulations including the projected level, quality of capital, balance sheet composition and growth plans.

9. At least two recommendation letters from persons of good repute attesting to the credibility of the directors, managers, and substantial shareholders of the applicant to offer the services applied for.
10. A duly filled fit and proper person Form for substantial shareholders including beneficial owners, Shareholders, Directors and Managers.
11. A certificate of good conduct for substantial shareholders including beneficial owners, Directors and Managers.
12. A credit reference report for substantial shareholders including beneficial owners, Directors and Managers.
13. Source of funds with supporting documents.
14. In case of a foreign company, a copy of incorporation documents certified by the Notary Public.
15. Audited financial statements for the previous two years where the applicant has an established business.
16. Tax Identification Number and copy of a tax clearance Certificate.
17. In the case of an Applicant who intends to operate a payment system or offer a payment service on electronic systems or platforms, a certified copy of a systems licence from the National Information Technology Authority Uganda.
18. Proof of payment of the Application fees prescribed in Schedule 3 to these Regulations.
19. A copy of the policy for monitoring, detecting, and reporting incidences of money laundering and combating the financing of terrorism.
20. Documented outsourcing agreements.
21. Information on planned or existing participation in a domestic or foreign payment system
22. An agreement between the Applicant and a Financial Institution where all charges, fees and penalties shall be recovered.
23. A list of other countries in which the Applicant is licenced to engage in or provide similar businesses.
24. In case of an Electronic Money Issuer, a copy of the customer service agreement among others specifying the fees to be charged on the customer.
25. Any other information that the Central Bank shall require or that the Applicant deems relevant.