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INTRODUCING OVER-THE-COUNTER CASH WITHDRAWAL LIMITS

As part of the financial sector's e-payments strategy and in alignment with global trends, Bank of Uganda (BoU) will introduce Over-the-Counter cash withdrawal limits effective **1 January 2027**. This is in line with the shift toward electronic settlement which the BoU has observed, characterized by consumer preference for electronic credit transfers.

Effective **1 January 2027**, the following cash withdrawal limits shall apply to all accounts held with supervised financial institutions:

Account type	Daily Cash Withdrawal Cap (UGX)	Weekly Cash Withdrawal Cap (UGX)
Individual Accounts	50 million	250 million
Corporate/ Business Accounts	500 million	2.5 billion

The above limits do not apply to digital payment channels such as the Real Time Gross Settlement System and Electronic Funds Transfers.

To facilitate a smooth transition and ensure that consumers are adequately informed about the new requirements and available digital payment alternatives, the BoU will commence a nationwide consumer sensitization and public awareness campaign from 1 July 2026.

The BoU is conscious of the fact that some sectors remain heavily dependent on cash. Accordingly, the Bank has issued guidance to the Supervised Financial Institutions (SFIs) on exception management as follows;

- i) Customer Risk Profiling:** SFIs are required to develop and implement comprehensive risk-based customer profiles based on which lower limits could be set.
- ii) Exceptional Approvals:** The Bank of Uganda may discretionally waive the limits for certain transactions or sectors on the request of the SFIs.
- iii) Promotion of Digital Alternatives:** SFIs shall advise their customers on the available alternative digital channels such as Real Time Gross Settlement, Electronic Funds Transfers, and Mobile money Bank to Wallet transfers.

Background:

Based on the BoU's Automated Clearing House system transaction data, the payment landscape underwent a digital shift between Financial Year 2017-2018 and Financial Year 2025-2026. Electronic credit transfers have solidified their position as the primary engine of transaction activity across all tracked currencies.

- **UGX Dominance:** The volume of transactions cleared through electronic credit transfers rose from 87.71% to 93.53%, while the value of transactions surged from 79.33% to 93.00%.
- **Mobile Money Growth:** Mobile money payments have continued to grow, averaging 25% of transactions annually since Financial Year 2020/2021.
- **Trend:** There is a sustained upward trajectory in both volume and value, indicating consumers trust and prefer the efficiency of electronic credit transfers.