



BANK ĊENTRALI TA' MALTA
EUROSISTEMA
CENTRAL BANK OF MALTA

CENTRAL BANK OF MALTA

DIRECTIVE NO 17
in terms of the

CENTRAL BANK OF MALTA ACT
(CAP. 204 of the Laws of Malta)

**BUSINESS CONTINUITY MEASURES CONCERNING
DEPOSIT AND WITHDRAWAL OF CASH,
DEPOSIT AND ENCASHMENT OF PAPER BASED INSTRUMENTS
AND
PROVISION OF SERVICES THROUGH ALTERNATIVE DELIVERY
CHANNELS**

Ref: CBM/20

Issued on 25 March 2020, amended on 18 May 2020, repealed on 6 December 2021 and re-issued on 31 December 2021.

INTRODUCTION

- 1) In terms of article 34(5) of the [Central Bank of Malta Act](#) (*Cap.204 of the Laws of Malta*)(the Act), the Central Bank of Malta has been empowered to make directives in respect of, *inter alia*, payments and security settlement systems. Terms used in this Directive shall have the same meaning as assigned to them in the Act, the Banking Act (*Cap.371 of the Laws of Malta*), and in the [Malta Clearing House Rules and Regulations](#).

OBJECTIVE OF THE DIRECTIVE

- 2) This Directive lays down business continuity measures concerning:
 - a. the deposit and withdrawal of cash;
 - b. the deposit, encashment and clearing of paper based instruments, such as cheques, bank drafts and similar instruments; and
 - c. the provision of services through alternative delivery channels,

to continue serving the general public as smoothly as possible.

- 3) The continuity measures stipulated by this Directive are of a precautionary and temporary nature, in that they are being introduced to maintain those banking services essential to the life of the community.
- 4) The measures imposed in this Directive shall act as a minimum service expectation. Credit and financial institutions may continue to provide all services for which they are licensed subject to compliance with this Directive.

SCOPE AND APPLICATION

- 5) This Directive shall apply to credit and financial institutions as defined under the Act.

DEPOSIT AND ENCASHMENT OF PAPER BASED INSTRUMENTS

- 6) Credit and financial institutions shall take such measures to provide automated deposit processing of paper based instruments, where these are already in place, on the date of entry into force of this Directive.

- 7) Credit and financial institutions shall provide over-the-counter encashment services for paper based instruments, unless the credit or financial institution establishes that the customer has other means of depositing such instruments through an alternative service-delivery channel.

DEPOSIT AND WITHDRAWAL OF CASH

- 8) Credit and financial institutions shall take such measures to provide automated processing of deposit and withdrawal of cash, where these are already in place, on the date of entry into force of this Directive.

PROVISION OF SERVICES THROUGH ALTERNATIVE DELIVERY CHANNELS

- 9) Credit and financial institutions shall continue to provide all services through alternative delivery channels, where these are already in place, on the date of entry into force of this Directive.

CLEARING AND SETTLEMENT

- 10) The three (3) day clearing and settlement cycle established under the Malta Clearing House Rules and Regulations shall be extended to six (6) days as a business continuity arrangement. The value of payment of paper-based instruments shall be available to the client not later than six (6) days from deposit.
- 11) Cash deposits shall be subject to a three (3) day settlement cycle as a business continuity arrangement. The value of cash deposits will not be later than (3) days from deposit.

ENTRY INTO FORCE

- 12) This Directive shall enter into force on 1 January 2022.