



BANK OF GHANA

NOTICE TO BANKS, SPECIALISED DEPOSIT-TAKING INSTITUTIONS AND THE PUBLIC

NOTICE NO. BG/GOV/SEC/2025/31

SANCTIONS FOR THE ISSUANCE OF DUD CHEQUES

Banks, Specialised Deposit-Taking Institutions (SDIs) and the Public are reminded that under section 313(A) of the Criminal Offences Act, 1960 (Act 29) as amended, it is an offence punishable by a fine and/or imprisonment of up to five (5) years for any person to issue a dud cheque¹. To further discourage the issuance of dud cheques, the Bank of Ghana introduced additional measures through notice number BG/GOV/SEC/2021/03.

Despite the above, Bank of Ghana has observed with grave concern the high issuance of dud cheques by some customers of banks and SDIs. This development has consequential effects on the acceptance of cheques for transactions. To discourage this malpractice, and to sustain confidence in the payment system, the Bank of Ghana has revised the sanctioning regime in respect of issuance of dud cheques for strict compliance by banks and SDIs as follows:

Sanctions

1. A bank or SDI shall levy an account holder who issues a dud cheque for the first time **10% of the cheque's face value** and issue a **Warning Notification** to the affected customer on the consequences of repeating the offence. The bank or SDI shall report the offence to the credit reference bureaus and the Bank of Ghana. The bank or SDI shall place the customer under surveillance for a minimum period of one year. The warning should be documented and may be in the form of a Short Message Service (SMS), an email or any other established means of communication between the bank or SDI and that customer. The notification shall also indicate further sanctions that will be applied in the event of subsequent breaches.

¹ For the purposes of this notice, a dud cheque is a cheque drawn on a bank or SDI by a customer for which there are inadequate or insufficient funds in the account of the customer to pay the amount specified on the cheque within the normal course of banking business.



2. Where a customer issues a dud cheque for the second time within one year of the first offence, the drawee bank or SDI shall impose a levy of **15% of the cheque's face value** and issue another **Warning Notification** to the customer on the consequences of repeating the offence. The drawee bank or SDI shall report the offence to the credit reference bureaus and the Bank of Ghana.
3. Where a customer issues a dud cheque on a third occasion within one year of the first offence, the drawee bank or SDI shall impose a levy of **20% of the cheque's face value**. The drawee bank or SDI shall report the offence to the credit reference bureaus and the Bank of Ghana.
4. The Bank of Ghana shall ban such a customer from **issuing cheques within the country for a minimum period of three years**. The customer may, however, be permitted to receive cheques and funds into the affected account and perform other electronic transactions on the account. In addition, the Bank of Ghana shall ban such a customer from **accessing new credit facilities from the banking system for one year**. The Bank of Ghana shall notify all banks and SDIs of the ban.
5. Upon receipt of the notification of the ban by the Bank of Ghana, the drawee bank or SDI shall notify the customer within five working days of the ban, recall all unused cheque books and shall not issue new cheque books to the affected customer until the sanctions are lifted. The Bank of Ghana may publish the list of the third time offenders.
6. Where a customer fails to return the unused cheque books within a period of ten days from the notification date, the customer shall be reported to the Bank of Ghana. The Bank of Ghana may ban such a customer from operating any current account. In addition, the customer shall be added to the Directory of High-Risk Cheque Issuers to be created by the Central Bank, which shall serve as a reference point for the Bank of Ghana and the banking industry.

General Requirements for Banks and SDIs

7. Banks and SDIs shall continue to submit data on customers who issue dud cheques to the credit reference bureaus in accordance with Section 25 (c) of the Credit Reporting Act, 2007 (Act 726).



8. Banks and SDIs shall continue to submit returns on dud cheques to the Bank of Ghana on monthly basis by the 10th day of the ensuing month, in the Bank of Ghana's prescribed format. Banks and SDIs shall submit a "Nil report" for months in which no dud cheques were recorded by customers. Failure by a bank or SDI to submit returns or the submission of inaccurate returns or the submission of incomplete returns shall attract sanctions in accordance with Section 93 of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).
9. Banks and SDIs shall conspicuously display copies of this Notice: BG/GOV/SEC/2025/31 in all banking halls and on official websites.
10. A bank or SDI which fails to comply with these directives shall be sanctioned in accordance with section 92(8) of the Banks and Specialised Deposit-Taking Institutions Act 2016, (Act 930).

This notice supersedes NOTICE NO. BG/GOV/SEC/2021/03 issued on 11th March 2021 and takes immediate effect.

(SGD)

AIMEE VYDA QUASHIE (MS)
FOR: THE SECRETARY

14TH OCTOBER 2025