



PRESS RELEASE

CIRCULATION OF THE NEW GENERATION BANKNOTES AND WITHDRAWAL OF THE OLDER 1,000 SHILLINGS BANKNOTES

Further to the issuance and launch of the New Generation banknotes we are pleased to advise that the new banknotes are already circulating in the country. We expect that they will be available in all commercial bank branches in the coming days. We have also embarked on a wide Public Awareness Campaign to ensure all members of the public are familiar with the new banknotes and their features.

By Gazette Notice No. 4849 of May 31 2019, all the older 1,000 shillings banknotes shall be withdrawn and will cease to be legal tender on October 1, 2019. All other denominations are unaffected and will continue to circulate alongside the New Generation banknotes. The objective of this measure is to deal conclusively with the emerging concerns about illicit financial flows and counterfeits. To ensure this measure is fully effective, the requirements of Regulation 31 of the *Proceeds of Crime and Anti-Money Laundering Regulations, 2013*—that banks obtain confirmations from customers on the nature of their business that generate large cash transactions—shall be adhered to. We are working with banks, forex bureaus, payment service providers, money remittance providers, other financial institutions, and investigative agencies to ensure that all requirements are observed.

Further guidance is provided below as to how the banknotes will be exchanged. These modalities are aimed at minimising business disruptions, ensuring the security of cash transactions, and safeguarding the integrity of the financial sector. The intention is to make the process as straight forward as possible, particularly for smaller amounts.

The modalities are as follows:

- Persons exchanging currency notes for **amounts not exceeding Ksh.1 million** of the withdrawn currency notes will exchange at their Commercial banks, CBK Branches and Currency Centres, or any nearest commercial bank.
- Bank customers exchanging currency notes for **amounts Ksh.1 million to Ksh.5 million** of the withdrawn currency notes will exchange at their respective commercial banks, under the normal procedures and requirements.
- Persons without bank accounts exchanging currency notes for **amounts exceeding Ksh.1 million** will require an endorsement from CBK.
- Persons exchanging currency notes for **amounts exceeding Ksh.5 million** (bulk exchange) will require an endorsement from CBK. These persons should get in touch using the contacts shown below.

For enquiries on this matter, members of the public are requested to contact CBK by telephone at +254 20 2861032 or +254 20 2863132 or email:

newcurrency@centralbank.go.ke

CENTRAL BANK OF KENYA

June 6, 2019