



**DEPARTMENT OF FOREIGN EXCHANGE
CENTRAL BANK OF SRI LANKA**

DIRECTIONS No.05 OF 2017 UNDER FOREIGN EXCHANGE ACT, No. 12 of 2017

Directions Issued to Authorized Dealers on Diplomatic Foreign Currency Accounts (DFAs) and Diplomatic Rupee Accounts (DRAs)

In terms of the Foreign Exchange (Opening and Maintenance of Accounts for the purpose of engaging in Capital Transactions) Regulations No. 02 of 2017 (the regulations) and Sections 9 (1) and 9 (2) of the Foreign Exchange Act, No.12 of 2017, Authorized Dealers are permitted to open and maintain DFAs and DRAs subject to the following.

1.1 Eligible Persons

Eligible persons shall be as per the regulations.

1.2 Opening and maintaining the Accounts

In terms of the authority granted to the Central Bank of Sri Lanka by the regulations, the following shall be considered when opening and maintaining DFAs and DRAs, in addition to those specified in the regulations.

- (a) DRAs can be opened and maintained as current, savings or term deposit accounts.
- (b) Permitted debits and credits to DRAs may be effected through cheques. However, DRAs shall not be overdrawn under any circumstance.
- (c) Authorized Dealers shall obtain documents as per the Annex I when crediting sale proceeds of Motor Vehicles to DRA.

1.3 Permitted Credits and Debits to DFAs

Permitted credits and debits shall be in terms of the regulations.

1.4 Permitted Credits to DRAs

In terms of the authority granted to the Central Bank of Sri Lanka by the regulations, the following credit is permitted to DRAs in addition to the credits specified in the regulations.

- (a) Remittances in Sri Lanka Rupees received from outside Sri Lanka in favor of the account holder through the banking system.



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1.5 Permitted Debits to DRAs

Permitted debits shall be in terms of the regulations.

2. For purposes of these Directions

- (a) **“Diplomatic Mission”** shall refer to an embassy, high commission, consulate, permanent mission of United Nations or EU delegation of the European Commission;
- (b) **“Diplomatic personnel”** shall refer to citizens of a foreign country represented by the diplomatic mission.

A handwritten signature in black ink, appearing to be 'H. M. M.', with a long horizontal stroke extending to the left.

Director-Department of Foreign Exchange

20 November 2017



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Annex I to the Directions No.05 of 2017

Documents to be obtained when crediting sale proceeds of Motor Vehicles to DRA

- i. Certificate of Registration of the Motor Vehicle in the name of the seller.
- ii. Statement of change of possession of Motor Vehicle- Documentary evidence to prove the ownership of the Motor Vehicle was transferred to the buyer.
- iii. A letter from the buyer confirming the price of the vehicle.
- iv. A duty valuation from the Department of Public Finance.
- v. A Letter from the relevant line Ministry authorizing the transfer of the vehicle.
- vi. Calculation of custom duties and other chargers by the Customs Department.
- vii. Customs Department - Goods declaration form.
- viii. Customs Department Assessment Notice.