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இலங்கை மத்திய வங்கி
CENTRAL BANK OF SRI LANKA

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7/8 මහල, අංක 30, ජනාධිපති මාවත,
ක. පෙ. 590, කොළඹ 01, ශ්‍රී ලංකාව

செலாவணிக் கட்டுப்பாட்டுத் திணைக்களம்
7/8 மாடி, இல. 30 சனாதிபதி மாவத்தை கொழும்பு 1
த. பெ. இல. 590, கொழும்பு 01, இலங்கை

Exchange Control Department

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June 12, 2013

DIRECTIONS TO AUTHORIZED DEALERS

Dear Sirs,

Sale of Foreign Exchange to Emigrants

As a measure to simplify the procedure of sale of foreign exchange to emigrants, authorized dealers are hereby permitted to issue/transfer foreign exchange to Sri Lankan emigrants as follows:

1. This direction applies to emigrants who have obtained the Permanent Residency of another country (PR) after the date of issue of this direction.
2. An initial migration allowance up to USD 150,000 per individual may be released, provided that such individual holds a valid Sri Lankan passport at the time of initial departure from Sri Lanka which contains the endorsement of PR of another country. At the time of leaving Sri Lanka for the first time on a PR (hereinafter referred to as the departure) the emigrant may obtain USD 5,000 out of the eligible allowance in the form of currency notes.
3. At the departure, all adult emigrants shall open a Non-Resident Blocked Account designated as a Migrant Blocked Account (MBA) with any authorized dealer, after obtaining prior approval from the Controller of Exchange. An individual shall maintain only one MBA and continue to maintain the said account for the purpose of fund transfers.
4. (i) The authorized dealers shall obtain the approval of the Controller of Exchange in opening a MBA for an emigrant.
(ii) Request for opening MBA shall be forwarded to this department by the authorized dealer, along with copies of the Sri Lankan Passport (including the identification page, the PR endorsement and observation and alteration pages) via an official email (to ecd@cbsl.lk) or fax (to 011-2477716), as per annexure 1.
(iii) A registration will be provided to the emigrant by the Exchange Control Department and the related number will be informed to the authorized dealer through the indicated preferred mode of communication in the request.

- (iv) Upon receipt of the registration, the authorized dealer shall open an MBA and release foreign exchange to the emigrant. All subsequent transfers of the emigrant shall be carried out through this MBA.
 - (v) An MBA shall not be closed without obtaining the prior approval of the Controller of Exchange.
 - (vi) The number assigned to the MBA shall be informed to this department immediately after it is assigned.
 - (vii) The authorized dealer shall have a mechanism in place to identify the emigrant from the registration number issued by this Department as well as the MBA Number.
 - (viii) Only savings accounts shall be assigned as MBA.
 - (ix) Electronic fund transfer cards shall not be issued against MBA.
5. If an emigrant has not availed of the initial migration allowance in full at the time of the departure, the balance may be transferred subsequently.
 6. An emigrant would be eligible for an annual allowance of USD 20,000. The first such annual allowance is transferable after a lapse of 12 months from the full utilization of the initial allowance of USD 150,000. With the exception of the first allowance, subsequent allowances shall be transferable per calendar year. Further, in the event an emigrant has not transferred the annual allowance of a previous year, it can be transferred in accumulation.
 7. At the time of the departure upon sale of foreign exchange to emigrants, authorized dealers shall duly endorse the passport of the emigrant providing the date, amount and form of foreign exchange issued (whether in currency notes, TCs or drafts), the MBA number and the country of migration.
 8. The migration allowance includes proceeds of movable and immovable property and tangible and intangible assets owned by the emigrant and gifts received by the emigrant from the spouse and parents. Assets may include the value of precious stones, precious metals, personal jewellery and other assets held in Sri Lanka including estates inherited as beneficiaries.
 9. In addition to the migration allowance including the annual allowance, the following income of the MBA holder may be transferred through an MBA:
 - i. The Provident Fund and Gratuity benefits
 - ii. Current income including interest, dividends, pension, rent, lease rentals and profits.
 10. Documentary evidence regarding each transfer shall be obtained from the emigrant and such records shall be maintained (either in hard or soft form) by the authorized dealer. The period of maintaining records pertaining to transfers under this direction shall not be limited by statutory record keeping requirements. Please refer Annexure 2, documents to be obtained in releasing the migration allowance.

11. A monthly report shall be submitted to this department in relation to the transfers made on behalf of emigrants as per Annexure 3.
12. All fund transfers permitted under this direction shall be made out of the funds in MBA and funds eligible to be transferred at a given time shall be transferred subject to the instructions of the MBA holder to the credit of;
 - (i) An NRFC account maintained with any licensed commercial bank in Sri Lanka and/ or,
 - (ii) An account maintained outside Sri Lanka.
13. This direction shall apply to an emigrant aged 18 years and above.
14. The authorized dealers may apply the provision of this direction for a child who migrates as a minor, upon such minor reaching the age of 18 years.

Yours faithfully,



Controller of Exchange

Annexure 1: Migrant Blocked Accounts (MBA)

Subject: Request to open a MBA

Details of the emigrant

Full Name:
NIC No.:
Sri Lankan Passport No.:
Foreign Passport No. (if any):
Date of Birth:
Date of obtaining the PR:
Country of PR:

Details of the authorized dealer

Name:
Branch:
Preferred mode of reply: email/fax
Email/Fax No.:
Full name of the requesting officer:
Designation:
Contact No:

Annexure 2: Documents to be obtained in releasing the migration allowance

In issuing the migrant allowance, the following information/documentation shall be obtained by the authorized dealer:

- I. Contact details of the emigrant, including the postal address, telephone numbers and email addresses abroad.
- II. A copy of the emigrant's full passport held at the time of migration, including a copy of the permanent residency permit.
- III. An affidavit duly stamped and attested by a Justice of Peace/ lawyer/solicitor declaring that no transfers has been made or will be made in excess of the initial allowance of USD 150,000 and the annual allowance of US\$ 20,000/- as applicable. If any migration allowance have been availed prior to the date of declaration, it should be declared.
- IV. Valid documents to prove the source of funds.
- V. A tax clearance certificate from the Commissioner General of Inland Revenue Department for transfers exceeding Sri Lanka Rupees One Million.
- VI. A copy of the emigrant's power of attorney (where applicable).
- VII. A duly filled Form 4 (all the information shall be duly filled in this regard).
- VIII. The air ticket (at the initial departure).

The following information/documents shall be obtained from the MBA holder by the authorized dealer in considering subsequent transfers.

- I. An affidavit declaring and affirming that the MBA holder is permanently residing abroad.
- II. Valid documents to prove the source of funds.
- III. A tax clearance certificate from the Commissioner General of Inland Revenue Department for transfers exceeding Sri Lanka Rupees One Million.
- IV. A copy of the emigrant's power of attorney, where applicable.
- V. A duly filled Form 4 (all the information shall be duly filled in this regard).

Annexure 3: Monthly report on funds released to emigrants from MBA

This report should be submitted on a monthly basis, within 3 weeks from the end of each month as per the following format.

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