



**Ajith Nivard Cabraal**  
Governor

**Central Bank of Sri Lanka**  
30, Janadhipathi Mawatha, Colombo 01, Sri Lanka

13 December 2021

Our Ref: 33/04/012/0011/015

**To: Chief Executive Officers of All Licensed Banks**

**Operating Instructions on “Incentives for General Public for Depositing, Converting and Investing of Foreign Currency held in Hand”**

1. With an objective of promoting all the foreign currency (FCY) in the country to be channeled through the formal banking system, the general public is encouraged to deposit, convert or invest FCY held in hand through a licensed bank (LB), immediately.
2. These includes FCY held in hand by the general public by:
  - i. purchasing from a LB or from an Authorized Money Changer for the purpose of travel abroad and brought back unutilized into Sri Lanka (up to US dollars 15,000 or in equivalent of other FCY),
  - ii. withdrawing from a Personal Foreign Currency Account (PFCA) for the purpose of travel abroad and brought back unutilized to Sri Lanka (up to US dollars 15,000 or in equivalent of other FCY),
  - iii. earnings from employment, profession or business while abroad and brought into Sri Lanka,
  - iv. acquiring and bringing into Sri Lanka to deposit in Special Deposit Accounts (SDAs) on or after 01 January 2020.

3. LBs are hereby requested to provide following incentives to the general public who deposit, convert or invest such FCY in paragraph 2 above, during the period from 13 - 31 December 2021.
  - i. Pay Sri Lankan Rupee (LKR) 210.00 per US dollar or in equivalent for other FCY, when converting such FCY into LKR (during the month of December 2021),
  - ii. Pay LKR 210.00 per US dollar or in equivalent for other FCY, when converting and depositing such FCY into an LKR deposit account (during the month of December 2021),
  - iii. Permit to deposit such FCY into the customers' PFCA or SDA,
  - iv. Allow to invest in Sri Lanka Development Bonds.
  
4. Further, all the LBs are hereby requested to sell twenty per centum (20%) of such FCY converted into LKR during the period from 13 December 2021 to 31 December 2021 (including both days) as in paragraphs 3(i) and 3(ii) above, on a weekly basis, to the Central Bank of Sri Lanka (CBSL), in US dollars. Accordingly, LBs are required to sell such US dollars for a particular working week (Monday to Friday), on Friday (or the last working day) of the same week, starting from 17 December 2021, subject to the usual foreign exchange market holiday conventions.
  
5. **Applicable USD/LKR Exchange Rate for the Sale of US dollars to the CBSL**  
Transactions between the CBSL and LBs shall be at the exchange rate of Rs 200.00 per US dollar.
  
6. **Tenor of Settlement**  
Transactions between the CBSL and LBs shall be on "TOM (ie., T+1)" basis.
  
7. **Settlement Instructions**  
In settling, LBs are required to follow the standard USD/LKR settlement instructions. In executing, LBs are required to execute deals through "Thomson Reuters" or "Bloomberg" trading platforms. However, if an LB does not have access to such trading platforms, the said LB is required to use official e-mail as a source for deal execution.
  
8. Further, LBs are required to diligently submit a weekly certification on the sale of such FCY to the CBSL, which are accepted from the general public in summary form, as per Annexure I hereto, along with the excel worksheets to support the calculation of the same and forward the same to the e-mail [fxsales.mandatory@cbsl.lk](mailto:fxsales.mandatory@cbsl.lk), together with the sale of USD to the CBSL, for the particular working week.

9. LBs are instructed to submit the claim application to the CBSL with respect to the incentive of LKR 10.00 per US dollar (LKR 210.00 – LKR 200.00 (*usual buying exchange rate as per the request of the CBSL to LBs dated 06 September 2021*)), that LBs pay to the general public as in paragraphs 3(i) and 3(ii) above, on or before 15.01.2022. Relevant template for is at Annexure II.

10. **Accounting and Record Keeping**

LBs are required to maintain separate accounts and records in respect of the incentives paid with all necessary supporting documents.

For further information or clarifications, you may contact the International Operations Department of the CBSL on 0112398707, 0112398718 or 0112398711.



**Nivard Ajith Leslie Cabraal**  
**Governor**  
**Central Bank of Sri Lanka**

----- *Corporate Letterhead* -----

Date

Ref:

Director

International Operations Department

Central Bank of Sri Lanka

**Sale of 20 per cent of Foreign Currency Converted by the General Public to the Central Bank of Sri Lanka**

We hereby certify that the information contained in the attached excel worksheet at the Annexure is accurate and has been extracted, and is in accordance with, the books of accounts of the ..... (name of the bank). It contains the conversion of foreign currency purchased from the general public during the week from ..... to ..... for the value of USD ..... and, accordingly, we hereby sell USD..... to the Central Bank of Sri Lanka on ..... with the settlement date of .....

Signature:

Name:

Designation: Chief Compliance Officer

Signature:

Name:

Designation: Chief Financial Officer

Signature:

Name:

Designation: Chief Executive Officer

*(Scanned copy of the signed letter to be supported with the excel worksheet)*

----- *Corporate Letterhead* -----

Date

Ref:

Director

International Operations Department

Central Bank of Sri Lanka

**Incentive on Conversions of Foreign Currency accepted from the General Public  
Reimbursement Request for the period from 13.12.2021 to 31.12.2021**

Name of Bank: .....

(A) Date Converted into LKR (dd/mm/yyyy)	(B) Currency	(C) Amount Converted in USD	(D) Incentive Paid in LKR (D = LKR 10 * C)
<b>Total</b>			

We certify that the information contained in the above return is accurate and complete and has been extracted from the books of accounts and customer lists/records maintained at the bank.

**Signature**                   .....                   .....                   .....

**Name**                       .....                   .....                   .....

**Designation**           Chief Executive Officer   Chief Compliance Officer   Chief Financial Officer

**Date**                       .....                   .....                   .....