



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

DIRECTIONS No. 06 of 2017 UNDER FOREIGN EXCHANGE ACT No. 12 of 2017

Directions issued to Authorized Dealers on Resident Guest Scheme - Special Accounts

In terms of the Sections 9 (1) and 9 (2) of the Foreign Exchange Act, No. 12 of 2017 (the Act) read with Sections 6 and 7 of the Act, Authorized Dealers are permitted to open and maintain following accounts in the names of prospective investors and professionals who come to Sri Lanka under “Resident Guest Scheme” implemented by the Department of Immigration and Emigration, subject to the following.

2. An investor is required to remit or bring a sum of United States Dollars (USD) 250,000 or its equivalent in another designated foreign currency for investment in Sri Lanka and a further sum of USD 35,000 per person for the upkeep in Sri Lanka of the investor and dependents accompanied by him.
3. A professional is required to remit or bring into Sri Lanka a sum of USD 2,000 per month and a further sum of USD 1,000 per month for each dependent accompanied by him, for living expenses in Sri Lanka.

4. Types of Accounts

Authorized Dealers shall open and maintain following special accounts, under the above scheme, in their Domestic Banking Units.

4.1 Resident Guest Foreign Currency Accounts (RGFCAs)

4.1.1 Permitted Credits

- (a) Inward remittances received through the banking system or foreign exchange brought into Sri Lanka on declaration to Customs Department or to the Authorized Dealer, as applicable, for the purpose of depositing the initial sum of USD 250,000 or its equivalent in other foreign currencies.
- (b) Interest on the unutilized funds held in the account initially for a period of two years. (No interest shall be paid after the expiry of the initial two years period without having prior approval of the Director-Department of Foreign Exchange to that effect).



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4.1.2 Permitted Debits

- (a) Withdrawal of funds for investment in the following “approved projects” subject to production of documentary proof of obtaining relevant approvals.
 - i. New ventures approved by the Board of Investment in Sri Lanka or a relevant authority
 - ii. Existing or new companies engaged in projects approved by a relevant authority
 - iii. Shares listed in the Colombo Stock Exchange
- (b) Transfer of funds in excess of USD 250,000 or its equivalent in other designated foreign currencies brought into the country and held in the account unutilized.
- (c) Transfer of interest earned on the unutilized funds held in the account, to the RGRCA of the investor.
- (d) Any other withdrawal or transfer of funds approved by the Central Bank of Sri Lanka with the concurrence of the Implementing Agency of the scheme.

4.2 Resident Guest Rupee Current Accounts - Investors (RGRCA - Investors)

4.2.1 Permitted Credits

- (a) Sri Lanka Rupee proceeds of inward remittances received through the banking system or foreign exchange brought into Sri Lanka on declaration to Customs Department or to the Authorized Dealer, as applicable, for the purpose of depositing the initial sum of USD 35,000 per person or its equivalent in other foreign currencies.
- (b) Sri Lanka Rupee proceeds of inward remittances or foreign currency brought into the country by the investor for his living expenses and of his dependents.
- (c) Interest paid on the funds in the RGFCFA of the investor, converted into Sri Lanka Rupees.
- (d) Income from investments (dividends, profits), sale proceeds of shares acquired utilizing funds in the RGFCFA.



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4.2.2 Permitted Debits

- (a) Local disbursements of the investor and his dependents.
- (b) Investment in approved projects mentioned in Paragraph 4.1.2 (a) above.
- (c) Outward remittances for payments in respect of current transactions of the investor or his dependents resident in Sri Lanka.
- (d) Any other withdrawal or transfer of funds permitted by the Central Bank of Sri Lanka with the concurrence of the Implementing Agency of the scheme.

4.3 Resident Guest Rupee Current Accounts – Professionals (RGRCA- Professionals)

4.3.1 Permitted Credits

- (a) Sri Lanka Rupee proceeds of inward remittances received through the banking system or foreign currency brought into Sri Lanka on declaration to Customs Department or to the Authorized Dealer, as applicable, for the purpose of depositing the initial sum of USD 2,000 or its equivalent in other foreign currencies.
- (b) Sri Lanka Rupee proceeds of inward remittances or foreign currency brought into Sri Lanka, for living expenses of the account holder and his dependents.
- (c) Salary, consultancy fees, etc. received for the provision of professional services in Sri Lanka by the account holder.

4.3.2 Permitted Debits

- (a) Local disbursements of the account holder and his dependents.
- (b) Outward remittances for payments related to current transactions of the account holder or his dependents resident in Sri Lanka.
- (c) Any other withdrawal or transfer of funds permitted by the Central Bank of Sri Lanka with the concurrence of the Implementing Agency of the scheme.



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5. Reporting requirements

Authorized Dealers shall submit quarterly statements as per the Annex I and Annex II for the Resident Guest Foreign Currency Accounts (RGFCAs) and Resident Guest Rupee Current Accounts - Investors (RGRCA - Investors) not later than the 15th day of the following quarter and monthly statements as per the Annex III for the Resident Guest Rupee Current Accounts - Professionals (RGRCA - Professionals) not later than the 15th day of the following month by email to dfem@cbsl.lk.

Director-Department of Foreign Exchange

20 November 2017

Quarterly Statement of Resident Guest Foreign Currency Account (RGFCA)

Name of the Bank:

Reporting Quarter & Year:

Name of the Account Holder	Currency	Opening Balance	Credits			Debits				Closing Balance	
			Initial Deposit	Inward Remittances fx brought in to the country	Interest Credited	Withdrawals for Investment	Transfer of Unutilized/ Excess Fund	Transferred to RGRCA	Any Other Withdrawals Approved by CBSL		

We certify that the above information extracted/ generated from the books of accounts of the bank as accurate.

Name of the Authorized Officer:

Name of the Compliance Officer:

Signature:

Signature:

Date:

Date:

Quarterly Statement of Resident Guest Rupee Current Account - Investors (RGRCA)

Name of the Bank:
 Reporting Quarter & Year:

Name of the Account Holder	Credits			Debits				Closing Balance
	Inward Remittances/ foreign currency brought in to the country	Transfers from RGFCFA	Income Earned from Investments	Local Disbursements	Withdrawals for Investments	Payments for Current Transactions	Any Other Withdrawals Approved by CBSL	

We certify that the above information extracted/ generated from the books of accounts of the bank as accurate.

Name of the Authorized Officer:
 Signature:
 Date:

Name of the Compliance Officer:
 Signature:
 Date:

Monthly Statement of Professionals' Resident Guest Rupee Current Accounts (PRGRCA)

Name of the Bank:
 Reporting Month & Year:

Name of the Account Holder	Credits			Debits			Closing Balance
	Opening Balance	Inward Remittances/ foreign currency brought in to the country	Earning in Sri Lanka	Local Disbursements	Payments for Current Transactions	Any Other Withdrawals Approved by CBSL	

In LKR

We certify that the above information extracted/ generated from the books of accounts of the bank as accurate.

Name of the Authorized Officer: Name of the Compliance Officer:
 Signature: Signature:
 Date: Date: