



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

DIRECTIONS NO. 05 OF 2024 UNDER FOREIGN EXCHANGE ACT, NO. 12 OF 2017

Directions issued to Authorized Dealers on the Visa Programme - Special Accounts

In terms of the Foreign Exchange (Opening and Maintenance of Accounts for the Purpose of Engaging in Foreign Exchange Transactions) Regulations No. 05 of 2021 published in the Gazette (Extraordinary) Notification No. 2213/38 dated 03.02.2021 and section 9 of the Foreign Exchange Act, No. 12 of 2017 (the FEA), Authorized Dealers (ADs) are hereby permitted to open and maintain **Visa Programme Accounts (VPAs)** in the names of foreign nationals who wish to stay in Sri Lanka on resident visa under a particular Visa scheme implemented by the Department of Immigration and Emigration (Implementing Agency).

2. Terms and Conditions

2.1 Opening and Maintaining the Accounts

2.1.1 Types of Accounts

- (i) Visa Programme – Foreign Currency Account (VPFCA)
- (ii) Visa Programme – Sri Lanka Rupee Account (VPRA)

2.1.2 VPFCAs shall be maintained as savings or term deposit accounts in any designated foreign currency and VPRA shall be maintained as a current or savings accounts in LKR.

2.1.3 Persons eligible to open VPFCAs and VPRA under these Directions shall only maintain one VPFCA and VPRA in the banking system and such accounts may be held as joint accounts with the accompanying dependents.

2.1.4 ADs shall ensure that under no circumstance, any capital transaction made outside Sri Lanka be effected through VPFCA or VPRA.

2.1.5 ADs shall ensure that transactions/transfers permitted under these Directions as specified in paragraphs 2.2 below are carried out by the eligible account holders, in accordance with the terms and conditions of the respective Visa scheme, and any other terms and conditions as may be prescribed by the Implementing Agency.



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

DIRECTIONS NO. 05 OF 2024 UNDER FOREIGN EXCHANGE ACT, NO. 12 of 2017

2.2 Permitted Credits and Debits

2.2.1 Visa Programme – Foreign Currency Account

(a) Permitted Credits

- (i) Inward remittances received in foreign currency through the banking channel in favour of the account holder.
- (ii) Foreign exchange brought into Sri Lanka by the account holder upon declaration.
- (iii) Transfers from Inward Investment Accounts or accounts maintained under Offshore Banking Business of Licensed Commercial Banks by the same account holder.
- (iv) Interest earned in foreign currency on the funds held in the account, if any.

(b) Permitted Debits

- (i) When the account holder decides to leave the country permanently or the relevant visa is expired, as confirmed by the Implementing Agency, funds in the account may be:
 - i. remitted to an account maintained outside Sri Lanka in the name of the account holder or to a designated third party, and /or;
 - ii. transferred to Inward Investment Accounts or accounts maintained under Offshore Banking Business of the same account holder, and/or;
 - iii. Withdrawn in foreign currency notes up to USD 10,000.
- (ii) Withdrawal/transfer of funds for permitted investments in Sri Lanka in LKR.
- (iii) Remittances for current transactions of the account holder, spouse and dependents, accompanying the account holder.
- (iv) Remittances/transfers to an account of the nominee or an administrator/executor of the estate of deceased account holder.
- (v) Disbursements in Sri Lanka in LKR.
- (vi) Transfer of interest earned on VPFCA to the VPRA of the account holder.



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

DIRECTIONS NO. 05 OF 2024 UNDER FOREIGN EXCHANGE ACT, NO. 12 of 2017

2.2.2 Visa Programme – Sri Lanka Rupee Account (VPRA)

(a) Permitted Credits

- (i) Inward remittances received in foreign currency through the banking system in favour of the account holder or foreign exchange brought into Sri Lanka by the account holder for upkeep in Sri Lanka.
- (ii) Transfers from Inward Investment Accounts or accounts maintained under Offshore Banking Business of Licensed Commercial Banks by the same account holder.
- (iii) Current income derived in Sri Lanka and sale/maturity proceeds from investments made in terms of the relevant Visa Schemes.
- (iv) Interest earned on the VPRA.
- (v) Interest paid on the funds in the VPFCAs of the account holder converted into Sri Lanka Rupees.

(b) Permitted Debits

- (i) When the account holder decides to leave the country permanently or the relevant visa is expired, as confirmed by the Implementing Agency, funds in the account may be:
 - i. remitted to an account maintained outside Sri Lanka in the name of the account holder or to a designated third party, and /or;
 - ii. transferred to Inward Investment Accounts or accounts maintained for carrying on Offshore Banking Business of the same account holder.
- (ii) Disbursements in Sri Lanka in LKR.
- (iii) Remittances for payments in respect of current transactions of the account holder, spouse and dependents accompanying the account holder residing in Sri Lanka.

2.3 ADs shall require prior permission of the Director with the concurrence of the Implementing Agency of the scheme, for any transaction/transfer to/from VPFCAs or VPRAs for any purpose which falls outside the purview of these Directions.



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

DIRECTIONS NO. 05 OF 2024 UNDER FOREIGN EXCHANGE ACT, NO. 12 OF 2017

3. Reporting Requirement

- 3.1 ADs are required to submit information on the accounts opened under these Directions to the Director, Department of Foreign Exchange (Director), in a format prescribed by the Director, on quarterly basis, not later than the 15th day of the following quarter, by email to dfem@cbsl.lk.
- 3.2 ADs are required to implement a system within the bank to generate or extract the relevant information from their books of accounts, as per the above reporting requirement.

4. Definitions

“Remittances” shall include telegraphic transfers, other interbank transfers, bank drafts, other payment instruments, payments received via other internationally accepted payment mechanisms or platforms and funds received from exchange companies/houses in foreign currency from abroad, other than currency notes;

“Declaration” shall refer to the declaration to the Sri Lanka Customs where foreign exchange exceeds USD 15,000 or its equivalent in other foreign currencies or an appropriate declaration to an AD where such foreign exchange is less than or equal to USD 15,000 or its equivalent in other foreign currencies;

“Current transactions” shall have the same meaning as in the Foreign Exchange Act, No. 12 of 2017; and

“Capital transactions” shall have the same meaning as in the Foreign Exchange Act, No. 12 of 2017.

5. Redesignating the Existing Accounts

- 5.1 All existing Senior Foreign Nationals’ Fixed Deposit Accounts – Foreign Currency, Resident Guest Foreign Currency Accounts and Golden Paradise Foreign Currency Accounts, respectively, shall be re-designated and continue to be operated as VPFCAs in terms of these Directions.



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

DIRECTIONS NO. 05 OF 2024 UNDER FOREIGN EXCHANGE ACT, NO. 12 OF 2017

5.2 All existing Senior Foreign Nationals' Rupee Accounts, Resident Guest Rupee Current Accounts – Investors and Resident Guest Rupee Current Accounts – Professionals, respectively, shall be re-designated and continue to be operated as VPRAs in terms of these Directions.

6. Rescinding the Existing Directions

6.1 Directions No. 7 of 2021 dated 18th March 2021, Directions No. 8 of 2021 dated 18th March 2021 and Directions No. 11 of 2022 dated 08th November 2022, respectively, issued to ADs specifying requirements related to opening and maintaining Special Accounts under “Sri Lanka – My Dream Home programme”, “Resident Guest Scheme” and “Golden Paradise Visa Program” are hereby rescinded.

6.2 The revocation of previous Directions referred to in Paragraph 6.1 above shall not affect any rights accrued on or penalties or liabilities incurred, under such Directions prior to the revocation.

7. Nothing required by these Directions shall be construed as exempting or absolving ADs or any person dealing in foreign exchange under these Directions, from the requirement to comply with the provisions of any other law.

Director

01st August 2024

Quarterly statement of Visa Programme - Foreign Currency Account (VPFCA) & Visa Programme - Sri Lanka Rupee Account (VPRA)

Name of the Bank:

Reporting Quarter and Year:

Table 1: VPFCA

Total no. of new accounts opened in the quarter:

Currency type	Total no. of accounts	Aggregate amount of the opening balance	Total Credits				Total Debits							Aggregate amount of the closing balance	
			Inward remittances received	Foreign exchange bought into SL	Transfers from IIAs or OBUs of the account holder	Interest earned	Remittances to account maintained outside SL (i.e. account holder/designated third party)	Transfers to IIAs or OBUs of the account holder	Withdrawals in foreign currency notes	Withdrawals/transfer of funds for permitted investments in SL in LKR	Remittances for current transactions	Remittances/transfer of funds to an account of nominee/administrator/executor	Disbursements in LKR		Transfers of interest earned on VPFCA to the VPRA of the account holder
EUR															
GBP															
USD															

Table 2: VPRA

Total no. of new accounts opened in the quarter:

(in LKR)

Total no. of accounts	Aggregate amount of the opening balance	Total Credits						Total Debits				Aggregate amount of the closing balance	
		Inward remittances received	Foreign exchange bought into SL	Transfers from IIAs or OBUs of the account holder	Current income derived in SL & sale proceeds of investments made	Interest earned	Interest on VPFCA converted into LKR	Remittances to account maintained outside SL (i.e. account holder/designated third party)	Transfers to IIAs or OBUs of the account holder	Disbursements in LKR	Remittances for current transactions		

Authorized Dealers are required to furnish both scanned copy of the report and the MS Excel Version of the same as indicated above.

We certify that no any capital transaction made outside SL through aforementioned VPFCA/s or VPRA/s.

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

Name & Designation of the Authorized Officer:

Signature & Seal:

Date:

Name of the Compliance Officer:

Signature & Seal:

Date: