MINISTRY OF FINANCE

NOTICE TO BANKS

GIVEN UNDER THE
FOREIGN EXCHANGE (MISCELLANEOUS PROVISIONS) ACT, NO. 8 OF 1996

NON-RESIDENT FOREIGN CURRENCY ACCOUNTS

Introduction

1. BY THIS NOTICE you are hereby informed that in exercise of the powers conferred by Section 3 of the Foreign Exchange (Miscellaneous Provisions) Act, No. 8 of 1996, and all other enabling provisions, it has been decided, subject to applicable laws and the terms and conditions stated herein, to allow banks, which have been appointed authorised dealers under Section 2 of the Foreign Exchange (Miscellaneous Provisions) Act, No. 8 of 1996, to permit non-residents to establish and operate in those banks interest paying accounts in foreign currency (hereinafter referred to as the "non-resident foreign currency accounts").

TERMS AND CONDITIONS

Definitions

2. In this notice –

(a) "alien" means an individual who is not a citizen of Guyana;

(b) "authorised bank" means a bank which is an authorised dealer;

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(c) "authorised dealer" has the same meaning as in the Foreign Exchange (Miscellaneous Provisions) Act;

No. 1 of 1995

(d) "bank" has the same meaning as in the Financial Institutions Act;

No. 19 of 1989

(e) "exempted foreign currency" has the same meaning as in the Dealers in Foreign Currency (Licensing) Act 1989;

(f) "non-resident" means –

(i) a citizen of Guyana residing permanently outside Guyana; or

(ii) a citizen of Guyana who is an employee of a diplomatic mission or of an international organisation in Guyana, and is being compensated in foreign currency, for the duration of his or her employment;

(iii) an alien, who is temporarily residing legitimately in Guyana (e.g. students, work permit holders, entertainers), and who will remain in Guyana for more than one year;

(iv) an alien who is living in Guyana as an employee of a diplomatic mission or of an international organisation;

(v) a company or other body corporate, incorporated and operating outside Guyana, and its branches in Guyana and outside Guyana;

(vi) a company or other body corporate incorporated in Guyana, but controlled by aliens or non-residents, and its branches in Guyana and outside Guyana;

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3. A company shall be deemed to be controlled by non-residents, notwithstanding that other persons are associated with them in the control thereof, if they can together override those other persons.

4. In determining whether an individual is a non-resident regard shall be had to –
   (a) whether the individual was residing outside Guyana for a period exceeding one year immediately before the establishment of the account;
   (b) the individual's commercial or property interests outside Guyana.

Crediting Accounts

5. Non–resident foreign currency accounts shall be maintained in:
   (a) United States Dollars,
   (b) Pounds Sterling,
   (c) Canadian Dollars, or
   (d) Euros

   and may be credited with, and only with:

   (i) funds remitted, otherwise than in cash, through the banking system from any country other than Guyana:

   Provided that such funds do not represent export proceeds;

   (ii) interest accrued on any balance in the aforesaid accounts; and

   (iii) transfers of funds from other approved foreign current accounts;

   (iv) funds received through the banking system from employment pursuant to Section 2(f)(ii) and (iv).

Debiting Accounts

6. A person who maintains a non-resident foreign currency account may withdraw sums from that account at any time in order to:
   (a) make payments in Guyana or outside of Guyana;
   (b) convert such proceeds to Guyana dollars by sale to any dealer licensed under the Dealers in Foreign Currency (Licensing) Act 1989;

   provided that the payments do not contravene Section 20 of the Bank of Guyana Act 1998, or the applicable provisions of the Anti-Money Laundering and Countering the Financing of Terrorism Act 2009.

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No. 19 of 1998
No. 13 of 2009

Joint accounts

7. Only non-residents who satisfy the necessary requirements may be added as signatories to the account.

Interest rate

8. Authorised banks shall determine the rate of interest to be paid on deposits held in non-resident foreign currency accounts.

Report

9. Authorised banks shall submit to the Bank of Guyana, monthly reports of the aggregate movements in the non-resident foreign currency accounts and such reports shall be prepared on Form X6 and shall be delivered to the Bank of Guyana within seven days of the month following that to which the report relates.

Reserve and other prudential requirements

10. Authorised banks shall be required to observe, in relation to non-resident currency accounts, reserve and other prudential requirements to be stipulated from time to time by the Bank of Guyana.

Repeal of ECN 21

11. ECN 21, issued in 1994 by the Bank of Guyana under the Exchange Control Act, Ch. 86:01 and the Bank of Guyana Act, Ch. 85:02, is hereby repealed.

Winston Jordan
Minister of Finance

June 2, 2017