

Financial Surveillance Department

2012-09-25

Exchange Control Circular No. 14/2012

Advance payments on capital goods

Authorised Dealers are advised of the following amendment to Section B.1(D) of the Exchange Control Rulings:

The entire subsection (D)(ii) has been deleted and substituted with the following:

“Foreign exchange may be provided for advance payments up to 100 per cent of the ex-factory cost of capital goods to be imported not exceeding a total value of R10 million. Payment for the importation of capital goods in excess of R10 million may only be provided up to 50 per cent of the ex-factory cost of the goods to be imported. Authorised Dealers should, however, be satisfied that the order would otherwise be refused and that such payment is normal in the trade concerned.”

A replacement page of the Exchange Control Rulings incorporating the relevant amendment is attached hereto.

Deputy General Manager