



South African Reserve Bank

Financial Surveillance Department

2014-02-27

Exchange Control Circular No. 6/2014

Amendments to the Exchange Control Rulings

Authorised Dealers are advised that the requirement to subsequently view a copy of the prescribed SARS Customs Declaration bearing the MRN in respect of advance payments for imports to ensure that the foreign exchange provided had been utilised for the purpose stated and that the goods have been imported into the Republic, has been dispensed with for payments up to R50 000. All documentation must, however, be retained by the customer for a period of at least five years.

Payments in excess of R50 000 may under no circumstances be split into multiple payments of R50 000 or less to circumvent this dispensation. It follows, therefore, that the use of multiple advance payments of R50 000 or less by any particular client must be strictly monitored to identify any abuse. The Financial Surveillance Department will also monitor these payments and appropriate action will be taken, where necessary.

Authorised Dealers are, however, reminded that Sections 21 and 22 of the Financial Intelligence Centre Act, 2001 (Act 38 of 2001) relating to Know-Your-Customer must at all times be adhered to prior to processing payments for clients.

In view of the aforementioned, the following amendments have been made to the Exchange Control Rulings:

Section B.1(D)(i)

The second paragraph has been deleted and substituted with the following:

“Authorised Dealers must, in respect of payments in excess of R50 000, subsequently view a copy of the prescribed SARS Customs Declaration bearing the MRN, to ensure that the foreign exchange provided had been utilised for the purpose stated and that the goods have been imported into the Republic.”

Section B.1(F)(i)

The second sentence in the first paragraph has been deleted and substituted with the following:

“These documents must be presented at the time foreign currency payments for imports are made where the goods have already been cleared by Customs, or in the case of advance payments in excess of R50 000, as soon as possible thereafter.”

Replacement pages of the Exchange Control Rulings incorporating the relevant amendments are attached hereto.



Head of Department