

**“REGISTERED”**

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Republic of Tajikistan  
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by the Board of the  
National Bank of Tajikistan  
#51, September 16, 1997

**REGULATION  
ON PROCEDURE OF CARRYING CURRENCY TRANSACTIONS RELATED TO  
CAPITAL MOVEMENT**

Present Regulation is developed in accordance with Article 36 of the Law of the Republic of Tajikistan on National Bank of Tajikistan, Articles 6(2), 9(d) of the Law of the Republic of Tajikistan on Monetary Regulation and Monetary Control and determines the procedures of carrying currency transactions related to capital movement by the residents of the Republic of Tajikistan.

The Regulation is obligatory for all residents of the Republic of Tajikistan (legal or natural persons) on all types of currency transactions related to capital movement implemented by them in the territory of the Republic of Tajikistan or outside it.

**1. Basic terms**

1.1 Monetary transactions related to capital movement are transactions providing for movement of monetary values between residents of the Republic of Tajikistan and non-residents of the Republic of Tajikistan implemented for the purpose of:

- creating sources of funding of economic and other activity outside of the Republic of Tajikistan;
- conducting investment activity, including participation of residents of the Republic of Tajikistan in the capital of residents (in foreign currency) and non-residents on share or stock opening for implementation of joint activity and/or deriving income from investment in varied forms;
- deriving investment income by the residents of the Republic of Tajikistan in the form of interests or dividends for securities of foreign states and treasuries – non-residents of the Republic of Tajikistan.

1.2 Monetary transactions related to capital movement include (according to Item 10, Article 1 of the Law of the Republic of Tajikistan on Monetary Regulation and Monetary Control):

- a) direct and portfolio investments that is authorized capital investments on purpose to attract income and gain rights for participation in enterprise management;
  - procurement of non-resident by resident (share in it) out of sources in foreign currency;
  - contribution to capital (authorized, fixed and circulating) of a resident (non-resident) of the Republic of Tajikistan in foreign currency by residents of the Republic of Tajikistan for the purpose of joint financial activity;
  - purchase of stocks;
  - reinvestment of incomes, obtained from participation of residents of the Republic of Tajikistan in joint (share) stock of non-residents of the Republic of Tajikistan;

b) transfers in return of ownership for buildings, constructions and other property, including land and its subsoil referred to real estate by the legislature of the country of its occurrence, as well as other rights for real estate;

c) credit extension and procurement of financial credits for the term of more than 180 days:

-credit extension by residents of the Republic of Tajikistan (including authorized banks) to non-residents of the Republic of Tajikistan;

-credit extension by legal persons of non-bank sector residents of the Republic of Tajikistan to non-residents of the Republic of Tajikistan;

-procurement of credits (loans) in foreign currency (both bank and non-bank) by residents of the Republic of Tajikistan from non-residents of the Republic of Tajikistan, international banks and financial organizations, engaged without using guarantees of the Government of the Republic of Tajikistan or out of scope of intergovernmental agreements on foreign credit extension (excluding all procured credits in the frame of intergovernmental agreements, agreements between the Government of the Republic of Tajikistan and the National Bank of Tajikistan and international financial organizations, as well as their guarantees to the Government of the Republic of Tajikistan or the National Bank of Tajikistan);

d) granting or obtaining a delay of payments for the term of more than 180 days on export and import of goods, works and services:

- making advance payments on import contracts exceeding maximum size of advance payments determined by the National Bank of Tajikistan in favor of non-resident and by due term;

- commercial credit extension to residents of the Republic of Tajikistan in favor of non-resident by export contracts for the term of more than 90 days from the date of shipment of a good (admission to transit or shipment);

- implementing export contracts, rendering services (including on consignment base), covering effecting payments by non-residents in favor of resident of the Republic of Tajikistan in term, exceeding 120 days from the date of shipment of a good, rendering service;

-making barter, commodity exchange and compensation transactions, term of payment and counter supply of goods of which exceed 120 days from the date of shipment of goods delivered by counteragents;

-implementation of re-export contracts, if term of payment in favor of resident of the Republic of Tajikistan exceeds 90 days from the date of making payment by resident of the Republic of Tajikistan for a good subject to further re-export;

-implementation of import contracts in case if supply of products (works, services) paid by resident of the Republic of Tajikistan in foreign currency is not provided for in the territory of the Republic of Tajikistan, that is supply of goods is implemented in the territory of the third countries.

e) all other monetary transactions that are not current monetary transactions:

- opening accounts in foreign currency by residents in banks outside of the Republic of Tajikistan;

-obtaining and using guarantees and bails of the National Bank of Tajikistan in foreign currency;

-leasing transactions, transactions in rent of equipment used for production purposes for the term of more than 180 days;

-consolidation of resources in foreign currency by residents of the Republic of Tajikistan for implementing joint financial activity (projects).

1.3 All transactions, related to capital movement, may be implemented only with Permission of the National Bank of Tajikistan and conducted through authorized banks or in the order indicated in the Permission of the National Bank of Tajikistan.

## **2. Application procedure of residents on issue of Permission for implementing transactions related to capital movement**

2.1 For approval of Permission issuance, residents submit to National Bank of Tajikistan the following general documents (mandatory):

- application;
- notarized constituent and registration documents;
- note of a Tax body on absence of liabilities to budget and on lack of violations of tax legislature;
- reference of an authorized bank of the Republic of Tajikistan in which a currency account is opened and balance of currency resources remained;
- Reference of the State Committee of State Property Management, if enterprise utilizes state property;
- balance of enterprise for the last financial year and by status of last financial date notarized by Tax Inspection;
- reference of the State Statistical Agency on appropriation of resident codes.

2.2. In addition to the list of general documents and depending on type of transactions listed in Item 1.2 of the present Regulation, applicant submits to National Bank of Tajikistan one of the following supplementing (specifying) documents exposing the specifics of this transaction:

- technical and economic rationale of creating a foreign enterprise, implementation of a joint project, participation in it;
- conclusion of the Ministry of Economy and Foreign Economic Relations of the Republic of Tajikistan on coordinating participation in creating foreign enterprise with it;
- copy of extract from appropriate register of a foreign state on registration of foreign enterprise;
- notarized copies of constituent documents of foreign enterprises (legalized in established order);
- technical and economic rationale of credit attraction;
- notarized copy of a signed credit agreement (or a draft prepared for signature);
- notarized copy of a contract for import/export of goods, implementation of works and rendering services;
- copy of treaties between residents and non-residents with supplements and amendments (legalized in established order);
- reasoning of effectiveness of advance forms of payment, necessity of granting delays for payments, certificates of pledge and payment guarantees of foreign banks and legal persons;
- copy of shipping customs declarations confirming import of goods;
- information from an authorized bank on actually transferred resources within the framework of contracts (attaching the copies of payment documents);
- technical and economic rationale and plans of implementing joint activities (business plan);
- plan of organization and funding the project and consolidating resources in foreign currency.

## **3. Submitting reports and control over monetary transactions related to capital movement**

3.1 For all monetary transactions related to capital movement the National Bank of Tajikistan sets terms of submission, periodicity and volume of accountability that are directly included in the text of the Permission.

3.2 In case of not submitting in established order and due time the<sup>4</sup> report and other information by residents as well as violating provisions of the issued Permission, Permission loses effect and resident pays a fine in the rate equivalent to USD 300.

Issue of revival of Permission is considered after the fine payment.

3.3 Authorized banks of the Republic of Tajikistan are obliged to timely and in full volume on demand of clients served in this bank, submit text of the present Regulation to the latter, as well as other information on the procedure of monetary transactions related to capital movement.

3.4. Authorized banks of the Republic of Tajikistan should submit to the National Bank of Tajikistan information on conducted monetary transactions (of their own and of clients), related to capital movement – monthly, in time of submitting monthly balances of banks in accordance with Appendix 1 to the present Regulation.

3.5 In case of failure of authorized banks of the Republic of Tajikistan to comply with requirements of this Regulation, as well as terms of providing reports to the bank, sanctions in accordance with Items 3.1 and 3.3, Chapter 3, Annex 1 to the Regulation on the Procedure of Determining and Applying by the National Bank of Tajikistan and its Organs in Place fines to banks, are applied.

In case of repeated violations of the Regulation and non-compliance of instructions of the National Bank of Tajikistan on elimination of existing failures in due terms, the National Bank of Tajikistan has the right to suspend licenses of authorized banks for conducting monetary transactions related to capital movement for the term of 6 months. Officials of the authorized bank of the Republic of Tajikistan that admitted violations of the present Regulation, undergo mandatory testing in the National Bank of Tajikistan for knowledge of normative documents on monetary regulation.

Following the fine payment and taking test of officials of the authorized bank that admitted violation, the National Bank of Tajikistan in 10 banking days considers the issue of license renewal.

**REPORT**

#7-DK

**On conducting monetary transactions related to capital movement \_\_\_\_\_****(authorized bank of the Republic of Tajikistan )****For \_\_\_\_\_ months 200 \_\_\_\_.****(in Somoni by discount rate on the date of preparing report)**

#	Resident, implementing monetary transaction related to capital movement (full name, address, telephone)	Counteragent (partner) with whom transaction is conducted (country, full title and telephone)	Amount, title and content of transaction	Base of conducting transaction (date and requisites of authorizing or identical document)	Date and requisites of actual implementation of transaction (transfer of resources)
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Head of authorize bank \_\_\_\_\_

Head of Monetary Division (Department) of authorized bank \_\_\_\_\_

Executive: Name Family names    Tel.No