

REPATRIATION OF REVENUE FROM EXPORTS

CHANGES TO THE LEGAL FRAMEWORK



NATÉRCIA SITOE
ASSOCIATE

natercia.siteo@tta-advogados.com

In the context of yet another reform of the regulations under the Exchange Law, **NOTICE 4/GBM/2018 of 13 April**, which was approved by Banco de Moçambique, was published recently. This Notice arises out of what was established by the revision of the regulations of the Exchange Law introduced by Decree no. 49/2017 of 11 September, and the changes introduced by Notice 20/GBM/2017 of 11 December 2017.

This Notice introduces complimentary rules on the operation of foreign currency accounts, with its greatest focus on the specific account for revenue from the export of goods, services and income from investments abroad.

One of the biggest changes introduced by Notice 20/GBM/2017 was precisely the change in the rules on repatriation of income coming from the export of goods, services and income from investments abroad, with the creation of the specific current account ("**specific revenue account**"). This can be an original account (opened to receive the revenue from exports), or a converted account (the specific account results from the conversion of a normal national currency account into a foreign currency account). The conversion of this type of account into an account of another nature a foreign currency is prohibited.



EDNEUZA MASSINGUE
TRAINEE

edneuzza.massingue@tta-advogados.com

When it comes to the operation of the specific revenue account, it is important to note that, under this **NOTICE**, besides eliminating the obligation to convert 50% of the repatriated revenue immediately, transfers may only be made to accounts in the National Banking System of the same nature in a foreign currency. Therefore, it is not possible to make foreign currency payments from specific revenue accounts to accounts that are not also specific revenue accounts held by non-exporting residents. Any such transfers must have one of the following purposes (this rule cannot be extended to exporters that enjoy the special exchange regime): (i) the amortisation of foreign currency loans; (ii) the provisioning of another specific revenue account for payment to the exterior; (iii) constitution of a term deposit; or (iv) the closure of the account.

Transfers may only be made to accounts in the National Banking System of the same nature in a foreign currency.

In the case of transactions of the holder of the specific revenue account with the exterior, the Notice under analysis here differs from the provisions of article 8(5) of Notice 20/GBM/2017 (repealed by this new Notice). Notice 20/GBM/2017 provided that transfers from specific revenue accounts could only be made to accounts of the same nature. However, with the recently approved Notice, both credit and debit operations in the specific revenue account are not subject to any restrictions on transactions with exterior by any of the legally permitted means.

Finally, the new **NOTICE** also makes a reference to the operation of other foreign currency accounts, including by means of importing capital as foreign investment for external credit. It establishes that, for the purposes of converting these funds, the exchange rate of the receiving bank should be applied.

This newsletter is intended for general distribution to clients and colleagues and the information contained herein is provided as a general and abstract overview. It should not be used as a basis on which to make decisions and professional legal advice should be sought for specific cases. The contents of this newsletter may not be reproduced, in whole or in part, without the express consent of the author. If you should require further information on this topic, please send an email to tta.geral@tta-advogados.com.

Edifício Millennium Park, Torre A, Avenida Vladimir Lenine, n. 174, 6º Dtº, Maputo, Moçambique
T. (+258) 84 3014479 . F. (+258) 21 303723 . E. tta.geral@tta-advogados.com . www.tta-advogados.com
