

The Governor,

**For the attention of the Managers
of CEMAC Credit Institutions**

CIRCULAR LETTER N°022/GVR 2019

*Relating to the allocation of a weekly envelope of foreign exchange for the
execution of operations outside CEMAC of small amounts*

Dear Madam/Mr. General Manager,

In order to ensure the rapid execution of external payment orders initiated by your customers, being a factor of confidence of foreign partners and the attractiveness of CEMAC, I inform you of the implementation of a procedure for requesting foreign currency for the settlement of orders of relatively small amounts.

This procedure applies to operations whose unit amounts do not exceed the equivalent of 50 million CFA francs. It therefore excludes payment orders concerned by the proportion of collected foreign currency that you are authorised to retain for the satisfaction of your current requirements.

In this regard, I invite you to give priority to using the proportion of foreign currency collected and retained to cover current needs for the settlement of small orders.

More specifically, as of the signature of this Circular Letter, credit institutions have the possibility to submit to the National Directorate of the BEAC. Every Thursday before 10 a.m., a global request for authorization of transfers regrouping a set of external payment orders whose amounts are less than or equal to 50 million CFA francs.

It should be noted that, in accordance with the procedure in force, we will send you/by e-mail to the usual address, a file including the following documents:

- A request for transfer authorisation addressed to the BEAC and signed by the authorised persons ;
- A copy of the electronic request MT 298 ;
- A summary file of the payment forecasts outside CEMAC concerned by this request (see model in Annex I);

- Proof that the envelope dedicated to current needs is insufficient to allow the settlement of these operations (comparison between the repatriations retained and current needs).

For the proper application of this Circular Letter, please note the following:

- The weekly allowance is limited to 3 million euros.
- Operations covered by the current needs envelope do not need to be submitted under this procedure :
- Particular attention will have to be paid to the completeness of the documents (to be provided a posteriori) required in the check-list according to the nature of the operation (Annex 2);
- the next request is subject to the production (on the Wednesday of the week following that of the allocation before 4:00 p.m.) of the supporting documents as well as the proof of execution of the orders prior to the previous one, in particular the SWIFT payment messages (MI 103 for transfers and MI 202 for letters of credit), of execution notices (M 1 000) and the statements of nostri accounts with correspondents outside CEMAC (M 1940 950) showing these operations;
- Due diligence with regard to LCB/FT and proliferation must be respected;
- Requests for transfers of amounts less than or equal to the counter value in FCFA of 50 million will no longer be admitted to the BEAC;
- The splitting of transactions is strictly forbidden.

The Central Bank will carry out unannounced on-the-spot and a posteriori documentary checks. The observations made may lead to the retrocession of unduly used currencies without prejudice to other sanctions provided for by the Regulations in force.

Please accept, Sir/Madam, the assurance of my highest consideration.

ABBAS MAHAMAT TOLLI

N° : SEQ /2019

Nature of the transfer	Required documents ¹
For all types of transfers	<ul style="list-style-type: none"> ✓ Client's order including his e-mail address (transfer order dated less than 15 days ago, request to open a letter of credit or documentary remittance)² ✓ Extract from the Trade and Personal Property Credit Register (RCCM) or any document in lieu thereof for legal entities; ✓ Copy of the national identity card or passport for principal natural persons; ✓ Request for transfer authorization from the bank; ✓ SWIFT MTn98 message.
Currency allocation for small amount transactions.	<ul style="list-style-type: none"> ✓ Request from the bank ; ✓ MT298. ✓ Estimated table of external payment commitments (DI X223Ü) ' ; ✓ Evidence that the currency retained for current needs is not sufficient to cover these operations (comparison between retained repatriations and current needs)
Purchase of goods	<ul style="list-style-type: none"> ✓ Direct debit certificate issued by the domiciliary bank ✓ Pro forma invoice or commercial invoice dated less than 12 months unless otherwise stipulated in the contract; ✓ MT700, MT707, if applicable and copy of the document that conditions the payment (transport document-BL/LTA-, bill of lading, unloading timesheet, etc.); ✓ Contract, if applicable; ✓ Import declaration; ✓ The tax identification number or any other document in its place; ✓ Authorisation for restricted products, where applicable. ✓ Undertaking to provide proof of clearance of the file (certificate on honour signed by the director or manager or promoter of the ordering company).
Purchase of services	<ul style="list-style-type: none"> ✓ Certificate of direct debit issued by the domiciliary bank ✓ Pro forma invoice or purchase order or commercial invoice of less than 12 months unless contractually agreed; ✓ Service contract registered with the tax authorities or the administration in lieu of the tax authorities (for services based on the purchase of goods: the service contract must be registered with the customs administration);

¹ The BEAC reserves the right to request any other evidence to decide on the request for transfer authorisation.

² If the purchase of the goods has given rise to the opening of a documentary credit (CRUDOC), the CRUDOC. Opening request signed by the ordering customer replaces the customer's transfer order. Do not forget to always include the e-mail address of the ordering customer.

³ If the settlement of the goods is made by bills of exchange, the bill of exchange corresponding to the due date to be settled and signed by the ordering customer shall replace the transfer order. Always include the e-mail address of the ordering customer.

⁴ For goods with a free on board (FOB) value of at least FCFA 5 million.

⁵ If the transfer constitutes the settlement of a due date stipulated by CREDOC, the bank must also attach to the file all the documents required for the settlement of this due date.

⁶ For services whose value is at least equal to FCFA 5 million.

	<ul style="list-style-type: none"> ✓ Service import declaration to the Central Bank (model annexed to Instruction n° 007/GR72019 of 10/06/2019) ; ✓ Tax identification number or any other document in lieu thereof; ✓ Undertaking to provide proof of clearance of the file (certificate on honour signed by the director or manager or promoter of the ordering company).
Purchase of foreign currency	<ul style="list-style-type: none"> ✓ Authorisation to import foreign banknotes from the BEAC ✓ Pro forma invoice detailing the various denominations and specifying the quantities and currencies involved; ✓ Contract between the bank and the supplier of foreign banknotes, if any.
Currency allocation	<ul style="list-style-type: none"> ✓ Valid travel document : ✓ Ticket of transport ; ✓ Mission order or any other document justifying travel across borders.
Salary income	<ul style="list-style-type: none"> ✓ Employment contract or work permit ; ✓ Pay stubs;
Repatriation of cash surpluses (Airline companies); Invoice and Royalties	<ul style="list-style-type: none"> ✓ Invoice ✓ Statements of Sales (BSP) ✓ Statement of local expenditure over the reference period
Ordinary Money Transfer	<ul style="list-style-type: none"> ✓ Invoice ✓ Transaction Record ; ✓ Turnover over the reference period ✓ Proof of payment of the TSR
Quick transfers	<ul style="list-style-type: none"> ✓ Transaction Record ; ✓ Elements for determining compensation balances. <p>NB : The electronic money account and the bank that maintains this account must match the account shown on the MT298.</p>
Coverage of electronic payment clearing balances (Visa, Mastercard, etc.)	<ul style="list-style-type: none"> ✓ Statement of account at the correspondent showing the balance to be transferred ✓ Detailed statement of transfers issued and received justifying the balance (dates, identities of principals, beneficiaries, amounts in foreign currencies, reasons).
Family assistance	<ul style="list-style-type: none"> ✓ Account statement (MT940/950) at the correspondent showing the balance to be transferred ; ✓ Electronic money account agreement. <p>NB : The electronic money account and the bank that maintains this account must match the account shown on the MT298.</p>
Payment of rent	<ul style="list-style-type: none"> ✓ Copy of the student card ; ✓ Certificate of enrollment; ✓ Any other document justifying the nature and amount of the aid.
Loans to non-residents	<ul style="list-style-type: none"> ✓ Invoice ✓ Contract ; ✓ Title;
Loans to non-residents	<ul style="list-style-type: none"> ✓ Central Bank Authorization ; ✓ Loan contract; ✓ Repayment schedule; ✓ Commitment to repatriate the income from the loan and the principal at the end of its term.

Loan Repayment	<ul style="list-style-type: none"> ✓ Proof of prior declaration of the loan to the Ministry in charge of currency and credit and to the BEAC; ✓ The repayment schedule or amortization schedule for the loan; ✓ The document establishing the repatriation of the loan or the effectiveness of the acquisitions made; ✓ Proof of retrocession of funds to BEAC where applicable ; Loan agreement.
Capital Income (Profit, dividend)	<ul style="list-style-type: none"> ✓ Financial statements to which this distribution relates ; ✓ A copy of the minutes of the General Meeting or Board of Directors having decided on the distribution of dividends; ✓ Dividend distribution table; ✓ Proof of payment of tax.
Outward direct investment⁷	<ul style="list-style-type: none"> ✓ Prior authorization from the Central Bank.
Proceeds from liquidation or disposal of a direct investment	<ul style="list-style-type: none"> • for liquidation: <ul style="list-style-type: none"> ✓ The prior declaration of the transfer to the Central Bank and the Ministry in charge of currency and credit. ✓ A nominative list of holdings in the capital of the direct investment firm; ✓ The liquidation document, if applicable; ✓ The balance sheets, income statements and auditors' reports for the last three years, if applicable; ✓ Proof of payment of duties and taxes due in connection with the transaction, if any; Closing balance sheet drawn up by the liquidator or any authorised person, justifying the net amount to be transferred. • for the transfer : <ul style="list-style-type: none"> ✓ Prior declaration to the BEAC and the Ministry in charge of currency and credit relating to the operation ; ✓ The contract of assignment or any document attesting to the assignment; ✓ proof of payment of taxes due, related to the transaction, if applicable.
Outgoing portfolio investment⁸	<ul style="list-style-type: none"> ✓ Prior declaration to the Central Bank and the Ministry in charge of currency and credit if the amount is less than 20 million FCFA; ✓ Prior authorization from the Central Bank if the amount exceeds CFAF 20 million.

⁷ The following shall be considered as direct investments: the acquisition or subscription of shares in existing enterprises or enterprises being created for amounts representing at least 10% of the capital of the investment enterprise, real estate purchases.

⁸ The following are considered as portfolio investments: equity investments or subscriptions of shares in existing enterprises or enterprises in creation for amounts inferior to 10% of the investment enterprise's capital, debt securities other than equity securities and real estate purchases.

Disposal of a portfolio investment	<ul style="list-style-type: none"> ✓ Prior declaration to the Central Bank of the transfer of the proceeds when the amount to be transferred exceeds 100 million CFA francs; ✓ Assignment agreement or any document justifying the assignment and the amount to be transferred ; ✓ The duties and taxes due or proof of payment of taxes related to the transaction, if applicable;
Donations to a structure outside the CEMAC zones	<ul style="list-style-type: none"> ✓ A notarial deed formalizing the donation ✓ Detailed letter from the donor explaining why he or she is making the donation ✓ Proof of the origin of the funds used for the donation ✓ Document evidencing the relationship between the donor and the entity receiving the donation ✓ Proof of the legal existence of the recipient organization in the country of destination.

