

RESERVE BANK OF FIJI



PRESS RELEASE

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RESERVE BANK ANNOUNCES INCREASES IN DELEGATED LIMITS FOR SELECTED EXCHANGE CONTROL TRANSACTIONS

The Reserve Bank recently reviewed its exchange control policy and has made changes to the current delegation of foreign exchange transactions to Authorised Foreign Exchange Dealers. These changes, which were announced today in the 2011 National Budget, come into effect from 1 January 2011.

The Deputy Governor of the Reserve Bank, Barry Whiteside, stated that the higher delegated limits were possible as foreign reserves continue to improve. The level of reserves is currently around \$1.3 billion, equivalent to just over 4 months of imports. Mr. Whiteside added that the change in policy, as well as the healthy level of foreign reserves, should encourage optimism as well as increased investor confidence.

Details of the policy changes are attached. These indicate the increase in delegated limits in certain categories and delegation up to certain amounts for transactions that previously required Reserve Bank approval. Further enquiries can be made to the Exchange Control Unit of the Reserve Bank of Fiji.

Reserve Bank of Fiji

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ATTACHMENT

CHANGES TO EXCHANGE CONTROL POLICY

EFFECTIVE FROM 1 JANUARY 2011

Payments	Delegated Limits/Changes
a) Court Order payments <ul style="list-style-type: none">• Alimony• Collection of debt• Other	<ul style="list-style-type: none">• Fully delegate
b) Education Expenses <ul style="list-style-type: none">• Paid to Student • Paid to Institution	<ul style="list-style-type: none">• Increase to \$5,000 per student per annum • Increase to \$100,000 per annum
c) Advance Import payments	<ul style="list-style-type: none">• Increase to \$200,000 per invoice
d) Merchant Goods	<ul style="list-style-type: none">• Delegate up to \$50,000 per invoice
e) Medical Expenses paid to Institution	<ul style="list-style-type: none">• Increase to \$100,000 per invoice
f) Investment by non-residents on the South Pacific Stock Exchange	<ul style="list-style-type: none">• Fully delegate

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