

NBU gradually continues liberalization of the currency regulation

Resolution of the National Bank of Ukraine No. 44 "On amendment to some legislative acts of the National Bank of Ukraine" of 30 May, 2017 has cancelled some restrictions, which had been imposed earlier on the currency market. Thus, the Resolution has cancelled in full:

- prohibition on transfer of foreign currency within a framework of one group of the Classifier of foreign currency and banking metals at the interbank market as well as in the international currency market;
- prohibition on purchase of foreign currency by resident (except individuals) which has got its own funds in foreign currency accounts in an amount exceeding USD 100 000 (in the equivalent to the official hryvnia's exchange rate to the relevant currency);
- restrictions for individuals on transfer of foreign currency outside the territory of Ukraine for non-commercial operations (earlier such transfers were limited to the amount of USD 150 000 per month).

Cancellation of restrictions for individuals on transfer of foreign currency outside the territory of Ukraine for non-commercial operations shall come into effect on 12 June, 2017. The other changes, imposed by the Resolution No. 44 of 30 May, 2017, came into effect on 31 May, 2017.

At the same time, together with the cancellation of the abovementioned restrictions, the regulator upheld and extended to 13 December, 2017 (including the date) the requirement on the mandatory sale of currency income from abroad by legal entities, at a rate of 50%. It is to be recalled that the demand on sale of 65% from their currency income (reduced to 50% on April 2017) was imposed by the National Bank of Ukraine on December 2016 and will be in force until 15 June, 2017 inclusively. Consequently, the extension of the mentioned requirement is established by the certain Regulation of the National Bank of Ukraine No. 45 "On implementation of mandatory sale of currency income and settlement of the amount of the mandatory sale of such income" of 30 May, 2017, which shall come into effect on 16 June, 2017.

This Legal Alert is intended as a general overview of latest changes in legislation of Ukraine and does not constitute a legal advice.

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