

# Flash Report

Ukraine • Issue#14/2016 • 9 June 2016

## ***Payment of dividends and ease of other currency control restrictions***



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## ***The National Bank of Ukraine gradually eases currency control restrictions***

On 7 June 2016 the NBU issued a resolution\*, which eases certain currency control restrictions, in particular:

- Owners of corporate rights/shares (i.e. foreign shareholders of Ukrainian companies) will be entitled to repatriate dividends for 2014-2015. The amount of monthly dividends payment is not to exceed either i) USD 1 million, or ii) 10% of the total amount of dividends to be paid to the foreign investor, whichever is higher. In any case, the amount of dividends payment during one month period cannot exceed USD 5 million;
- The amount of mandatory sale of foreign currency proceeds was reduced from 75% to 65%;
- The daily threshold amount for purchases of cash foreign currency was increased from UAH 6,000 to UAH 12,000;
- The daily threshold amount for cash withdrawals from foreign currency accounts in foreign currency was increased from the equivalent of UAH 50,000 to UAH 100,000.
- The daily threshold amount for cash withdrawals in UAH was eliminated. Previously, it was set at UAH 500,000.

These important changes come into effect on 9 June 2016 while new dividends payment rule takes effect on 13 June 2016. The new rules will remain effective through 14 September 2016.

Besides that, the NBU has streamlined the procedure for currency exchange transactions (e.g., banks are no longer required to make a copy of a client's passport. This requirement sets in only if the amount of transaction exceeds UAH 150,000, etc.)\*\*

We will continue to monitor the situation and keep you updated on this issue.

\* NBU Resolution No. 342 dated 7 June 2016

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