

# Flash Report

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## **Update on currency control restrictions**



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## **National Bank of Ukraine extends currency control restrictions**

On December 13, 2016 the National Bank of Ukraine (the “NBU”) issued a resolution\*, extending most of the effective currency control restrictions in place today, including:

- The settlement period for import-export transactions in foreign currency remains limited to the current 120 days;
- 65% of foreign currency proceeds received by legal entities are subject to mandatory conversion into local currency (UAH);
- Owners of corporate rights/shares (i.e. foreign shareholders of Ukrainian companies) are still entitled to repatriate dividends for 2014-2015 within set limits\*\*.

The resolution becomes effective on December 16, 2016. It will remain valid until it is rescinded by the NBU. The provisions on 120 days import/export transaction settlement period and mandatory conversion of foreign currency proceeds are set to expire on June 16, 2017.

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

*\*The NBU Resolution No. 410 dated December, 13 2016*

*\*\* Flash Report #14 dated June 9, 2016*