

THE



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EXTRAORDINARY

The Government of the Republic of Liberia announces that the Central Bank of Liberia (CBL), pursuant to its mandate under the Central Bank of Liberia Act of 1999 and its authority under the Financial Institutions Act of 1999, and specifically consistent with Section 55 of the said Central Bank of Liberia Act of 1999 and Section 39 of the Financial Institutions Act of 1999, has issued on November 15, 2016, its Regulations No. CBL/RSD/004/2016 herein under:

**CONCERNING REGULATIONS ON PAYMENT OF INBOUND
MONEY TRANSFERS**

BY ORDER OF THE PRESIDENT

MINISTER OF FOREIGN AFFAIRS

MINISTRY OF FOREIGN AFFAIRS
MONROVIA, LIBERIA
November 15, 2016

PREAMBLE

The Central Bank of Liberia (CBL) pursuant to Sections 4 (7), 5 (2 & 4) and 26 (3) of the CBL Act of 1999 hereby issues this regulation. The objective of this regulation is to support the effective management of the foreign exchange market in keeping with the mandate of the CBL.

Part 1: Preliminary

1.1 Citation

These regulations shall be cited as *Regulation No. CBL/RSD/004/2016 Concerning Payment of Inbound Money Transfers*.

1.2 Purpose

The objective of this regulation is to specify the currencies in which payments of inbound money transfers are to be made and the payment of the proceeds of transfers.

1.3 Application

The regulation shall apply to all licensed financial institutions engaged in money transfer services, including Western Union, MoneyGram and similar services.

The regulation shall not apply to inbound money transfers that are made using recipients' accounts at commercial banks.

1.4 Definitions

In this regulation, unless the context otherwise requires:

- I.* "Inbound Money Transfer" means money sent from outside Liberia to a recipient that is in Liberia; and
- II.* "Financial Institutions (FI)" means entities licensed/authorized by the CBL to engage in the business of money transfer. This includes commercial banks and money transfer operators.

Part II Obligations of Financial Institutions

2. Currency of Payment

- 2.1 Payments to recipients of inbound money transfers are to be made as follows:
- a) Twenty-five percent (25%) shall be paid in Liberian Dollars; and
 - b) Seventy-five percent (75%) shall be paid in United States Dollars.

3. Exchange Rate

- 3.1 In determining the payment of the Liberian Dollar component of the inbound transfer, the financial institution shall use the CBL published selling exchange rate prevailing at the date of the payment of the transfer to the recipient. The exchange rate shall be conspicuously displayed in the premises of the commercial bank.
- 3.2 The financial institution is required to indicate on the receipt or payment form issued to the recipient the exchange rate and full value of the Liberian dollar.

4. Reporting

- 4.1 The financial institution shall submit to the CBL weekly returns on all payments made under this regulation in the format set out in the table below by the 2nd day of each week immediately after the reporting period. The reporting period shall be the preceding week.

Name of Reporting Entity: _____ Reporting Period: From _____ To _____						
#	Name of Recipient	Date of Payment	Total Amt. of Payment in USD	Exchange Rate: LRD/1USD	LRD	Amount Paid

5. Surrender of the twenty-five (25%) percent

- 5.1 Each financial institution shall be required to transfer to the Central Bank the US dollar transfer proceed within a period not exceeding five (5) working days of each day's transactions.
- 5.2 Each financial institution shall be required to comply with the operational procedures and policies relative to the transfer proceeds to the Central Bank (see attached).

6. Penalties

- 6.1 The Central Bank of Liberia shall impose any or all of the following administrative sanctions on any financial institution that fails to comply with any provision of these regulations:
 - (a) Payment of a fine of not less than one hundred thousand Liberian dollars for each violation or each day of violation, whichever applies; and
 - (b) Any other supervisory sanctions as may be deemed necessary by the Bank.

7. Effective Date

- 7.1 These regulations shall take effect from December 1, 2016 and shall remain in force until otherwise advised by the Central Bank of Liberia.

Issued this 15th day of November, 2016 in the City of Monrovia.