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THE EXCHANGE CONTROL ACT
(Cap. 265)

THE EXCHANGE CONTROL (SURRENDER AND RETENTION OF EXPORT Short title.
PROCEEDS) ORDER, 1989

In exercise of the powers conferred upon him by sub-section (1) of section 4 and sub-section (1) of section 25 of the Exchange Control Act, the Minister of Finance hereby makes the following Order:—

1. In this Order unless the context otherwise requires—

Interpreta-
tion.

“Foreign currency” means the currencies other than the Leone in which payments for goods and services exported from Sierra Leone are invoiced;

“person” includes any company or association or body of persons, corporate or incorporate, as well as an individual;

“resident” means a person resident in Sierra Leone for six or more months.

2. Every person in or resident in Sierra Leone who is entitled to sell or procure the sale of any foreign currency, being the proceeds of the export of goods or services from Sierra Leone, shall offer or cause to be offered for sale to the Bank of Sierra Leone sixty *per centum* of the foreign currency proceeds from the export and the remaining forty *per centum* retained at a Commercial Bank in Sierra Leone for the use of the exporter:

Surrender
obligation
and retention
facility.

Provided that this order shall not apply to any foreign currency held by any person authorised in writing by the Bank of Sierra Leone so to hold.

3. Every person in or resident in Sierra Leone who is an exporter of soft commodities or marine products shall with effect from the date of this Order open Letters of Credit for the export of such goods at the Bank of Sierra Leone which shall ensure that forty *per centum* of the export proceeds are transferred to a Commercial Bank in Sierra Leone of the exporter's choice and sixty *per centum* retained at the Bank of Sierra Leone;

Establish
ment of
Letters of
Credit at
Bank of
Sierra Leone.
and retention
facility.

Provided that this Order shall not apply to the exports of palm kernels, kola nuts, ginger, piassava, cashew nuts, ground-nuts, vegetables, fruits and medicinal plant for which Letters of Credit are to be opened through the Commercial Banks and one hundred *per centum* of the proceeds retained for the use of the exporter.

Export of
precious
minerals,
surrender
and retention
obligation.

4. Every person in or resident in Sierra Leone who is an exporter of precious minerals shall, prior to the exportation of such goods, provide evidence of compliance with any regulations governing the exportation of precious minerals including the pre-payment in full through a Commercial Bank in Sierra Leone of the officially assessed value of the goods:

Provided that the parcel of precious minerals shall not be released to the exporter for export unless the Bank of Sierra Leone is satisfied that sixty *per centum* of the proceeds of the export has been transferred to that Bank and the remaining forty *per centum* retained by a Commercial Bank for the use of the exporter.

Revocation
of P.N. No. 5
of 1977.

5. The Exchange Control (Receipt of Export Proceeds) (No. 2) Order, 1977 is hereby revoked.

MADE this 22nd day of November, 1989.

Issued under my hand,

HASSAN GBESSAY KANU,
Minister of Finance.

EXPLANATORY NOTE

(This Order is not part of the Order but is intended to indicate its general purport).

This Order makes it mandatory for all exporters of goods and services referred to in the order, to surrender sixty per cent of the proceeds to the Bank of Sierra Leone. It also makes it mandatory for exporters of soft commodities and marine products to open Letters of Credit through the Bank of Sierra Leone and prescribe a retention facility amounting to forty per cent of the value of the goods or services exported.