

NB. – TERMS OF PAYMENTS IN THE EXPORT-IMPORT OPERATIONS AND COMPULSORY SALE OF FOREIGN EXCHANGE EARNINGS (updated). – 21 NOVEMBER 2013.

November 14-15, 2013 the National Bank of Ukraine has actually extended once again previously established terms of payment in operations of export and import of goods and the compulsory sale of foreign exchange earnings.

Thus, the National Bank of Ukraine has adopted the following resolutions:

- № 453 *"On amendment of terms of payment in operations of export and import of goods and the introduction of compulsory sale of foreign exchange earnings"*, registered with the Ministry of Justice of Ukraine on 15 November 2013 under the number 1951/24483 (hereinafter - **"Resolution № 453"**); and
- № 457 *"On establishment of the compulsory sale of foreign exchange earnings"* (hereinafter - **"Resolution № 457"**).

Resolutions came into force on 20 November 2013 and are valid until 17 May 2014.

As before, in accordance with the Resolution № 453 the following two main amendments are in progress:

- The payment period in the export and import of goods, referred to in *Articles 1 and 2 of the Law of Ukraine "On the procedure for payment in foreign currency"*, is reduced from 180 calendar days to 90 days.

It shall be recalled that for deadline violation *Article 4 of the Law of Ukraine "On procedure of payment in foreign currency"* stipulates a penalty of 0.3% of the amount of outstanding revenue (cost of undelivered goods) in foreign currency per day. The total amount of the penalty shall not exceed the amount of outstanding revenue (cost of undelivered goods).

- The requirement for compulsory sale in the interbank foreign exchange market of Ukraine foreign exchange earnings of residents, resulted from the sale of goods according to foreign economic contracts, is introduced.

This requirement only applies to foreign currency of 1st group of the Classifier of foreign currencies and precious metals, which include, among others, USD, EUR, GPB.

Resolution № 457 stipulates that compulsory sale relates only to 50% of foreign exchange earnings.

At the same time, additionally Paragraph 2 of Resolution № 453 has established that some incoming receivables in foreign currency are not subject to compulsory sale, namely:

- if it is in favor of the state or against guarantees of the state;
- loans, received in accordance with the international treaties of Ukraine, approved by the Verkhovna Rada of Ukraine, or from international financial institutions, in which Ukraine has a membership, or from international financial institutions, if Ukraine undertakes to provide them, according to concluded agreements, a legal regime made available to other international financial institutions;
- if it is received within projects (programs) of international technical assistance that have passed state registration;
- incomings in favor of residents according to commission, agency, consignment agreements, which are subject to the further transfer to owners of funds. Authorized banks serving the owners of these funds shall arrange compulsory sale according to Resolution № 453;
- received as an erroneous transfer.