



**CENTRAL BANK OF BARBADOS
EXCHANGE CONTROL ACT, CAP.71**

**EXCHANGE CONTROL CIRCULAR
NUMBER 5
AUGUST 2019**

**TO: AUTHORISED DEALERS AND
AUTHORISED DEPOSITARIES**

FOREIGN CURRENCY ACCOUNTS

This Circular sets out the circumstances in which Authorised Dealers may maintain foreign currency accounts for both residents and non-residents.

1. Definition

A foreign currency account is an interest bearing deposit or current account denominated in currency other than the Barbados dollar. For example, a United States dollar account held at an Authorised Dealer in Barbados is a foreign currency account.

For the definition of residents and non-residents, see Exchange Control Circular Number 3 (Residents and Non-Residents).

2. Foreign Currency Accounts of Residents

- a) Authorised Dealers are permitted to open and maintain foreign currency accounts in the names of residents of Barbados (individuals and companies).
- b) Foreign currency account holders must utilize the foreign currency held in their accounts before accessing the local foreign exchange market. Applicants for foreign exchange are required to make a full and frank disclosure to authorised dealers that they have no other foreign currency accounts. Failure to use their foreign currency accounts may result in the closure of the account.
- c) Residents are not permitted to open and maintain foreign currency accounts abroad without prior approval of the Bank.

3. Foreign Currency Accounts of Non-Residents

- a) Authorised Dealers may open foreign currency accounts in the names of non-residents, including Barbadian nationals permanently residing outside Barbados, without restrictions on these accounts. Non-residents may place the full amount of funds brought into Barbados on their foreign currency accounts.
- b) Payments from foreign currency accounts of non-residents may be made without reference to the Bank.
- c) Foreign currency being held in trust for a non-resident in the foreign currency account of a resident should be treated in the same way as if it was in the foreign currency account of the non-resident.
- d) Foreign currency proceeds from the sale of assets may be credited to a foreign currency account or repatriated abroad.



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