



## External Relations Department

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July 1, 2015

### **SBP simplifies instructions and procedure regarding remittances for medical treatment and studies abroad**

In order to facilitate resident Pakistanis to meet their individual foreign exchange needs, State Bank of Pakistan vide FE Circular No. 08 of 2015 has simplified its instructions/procedure regarding remittances/release of foreign exchange related to medical treatment and studies abroad.

As per revised instructions related to medical treatment abroad, banks have been allowed to remit foreign exchange up to US\$ 50,000/- or equivalent in other foreign currencies to foreign hospitals on account of medical treatment of resident Pakistanis on the recommendation of concerned medical specialist/hospital in Pakistan. In addition, banks have also been allowed to release cash foreign exchange equivalent to US\$ 5,000/- each to the patient and attendant to meet their cash foreign exchange needs. **Previously, the patient had to undergo a cumbersome and time consuming process of getting recommendations from the medical board constituted by the Government and obtaining prior approval from the State Bank of Pakistan in each case.**

As regards simplification of instructions related to studies abroad, banks may remit foreign exchange to foreign educational institutions on behalf of students desirous of studying in foreign institutions up to US\$ 70,000/- or equivalent per student per calendar year as per the criteria set out in the circular. Banks have further been allowed to release cash foreign exchange to the students equivalent to US\$ 5,000/- for meeting their initial living expenses. The previous instructions involved complicated process and required excessive documentation and details before making remittances on above account and the students had to arrange cash foreign exchange themselves.

In case of foreign exchange requirements for medical treatment and studies abroad in excess of the limits set out in the circular, the concerned bank may forward the case to the Director, Foreign Exchange Operations Department, SBP-BSC, Head Office, Karachi for consideration.

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