



External Relations Department

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SBP Takes More Measures to Enhance Documentation and Transparency in Foreign Exchange Transactions through Exchange Companies

In order to enhance documentation and transparency and to further strengthen the foreign exchange regulatory regime, the State Bank of Pakistan has amended the regulations governing sale of foreign exchange to individuals by exchange companies. This step, which is in continuation of other measures being taken by SBP, is primarily to discourage speculative buying and selling of foreign exchange from the exchange companies without affecting the ability of the market to serve the genuine needs of the public.

Consequent to these amendments, exchange companies shall ensure that any individual shall not purchase foreign exchange from all exchange companies in excess of USD 10,000 per day and USD 100,000 (or equivalent in other currencies) per calendar year, in the form of cash or outward remittances. These limits have been set taking into consideration the individual's personal needs for foreign exchange.

In addition, the individuals shall continue to avail the facility of remitting the educational and medical expenses abroad up to USD 70,000 per calendar year and USD 50,000 per invoice respectively, from banks as per existing regulations (for details on this see [SBP circular](#)). For remittance of any amount in excess of these limits, or for any other purposes, individuals can approach Foreign Exchange Operations Department of SBP-BSC, through their bank. Further, there is no change in regulations with respect to foreign currency accounts of the individuals.

The exchange companies shall obtain supporting documents against sale of foreign exchange in excess of USD 1,000 (or equivalent in other currencies) substantiating the purpose of transaction. Further, exchange companies shall not perform transactions against authority letters. Instructions further emphasized that ECs shall perform transactions only at authorized outlets of the company and shall not provide delivery services to the customers.

Circular is available at following link:

<https://www.sbp.org.pk/epd/2021/FEC8.htm>
