

SUMMARY OF EXCHANGE CONTROL REQUIREMENTS FOR CROSS BORDER PAYMENTS

1. **Payment of services:** *(Please refer to the articles 34 & 36 of Aviso 20/GBM/2017)*
 - a) **Invoice or Debit Note** to be paid;
 - b) **Tax certificate** issued by the tax authorities, mentioning the amount to be transferred as well as the tax amount deducted. The tax certificate is also applicable in circumstances where there are tax exemptions and, in such cases, it will mention the amount to be transferred and that the transaction is tax free.
 - c) **Service contract agreement** registered within the banking system. The registration generates a sequence number, which must be provided to commercial banks when submitting payment instructions, to allow registration of payment on the Central Bank system, before releasing the funds.

2. **Remittances of Expat salaries:** *(Please refer to the article 37 of Aviso 20/GBM/2017)*
 - a) **Work permit** approved by the Ministry of Labor
 - b) **Work contract** approved by the Ministry of Labor or other entity, where applicable, or proof documents exempting the approval of contract by the Ministry of Labor in cases where the labor legislation permits. The work contract must include the salary amount owned by the employee to determine the limit of amount to be transferred.
 - c) **Letter from the employer** discriminating the amounts that the employee has the right to receive;
 - d) **Original WHT – Withholding Tax certificate** related to the IRPS Tax retained for the salary to be transferred.

3. **Remittances of Family help/household expenditures:** *(Please refer to the articles 63 & 64 of Aviso 20/GBM/2017)*
 - a) Identification documents of the applicant and the beneficiary;
 - b) Indication of the relationship between the applicant and the beneficiary of funds;
 - c) Proof of the source of income of the ordering entity, should the circumstances require;
 - d) Proof of the facts or description of the operation that constitutes the basis for the request and assigns legitimacy to the ordering entity; and
 - e) Original WHT – Withholding Tax certificate related to the IRPS Tax retained for the transaction;

4. **Import of goods:** *(Please refer to the articles 20 & 21 of the exchange control regulation)*
 - a) **Customs Declaration (DU in the Portuguese acronym)** issued by the Custom entities as proof of entrance of goods in national Customs territory;
 - b) **Invoice** to be paid;
 - c) **Transport document;**
 - d) **Copy of the Letter of Commitment**

The pack of original documents, except for the copy of the Letter of Commitment, must be submitted to the Bank duly stamped by customs authorities before execution of the payment.

5. **Advance Payments:** *(Please refer to the article 28 of Aviso 20/GBM/2017).*
- a) **Proforma Invoice** to be paid
 - b) **Letter of Commitment** where the importer undertakes to submit the pack of original documentation, listed above in nr 4) within 90 days from the date of payment or from the date stipulated on the contract as the estimated date of conclusion of production of the goods, where production is not yet finalized at the date of payment.
6. **Payment of Dividends** – *This is related to proceeds resulting from foreign direct investment (FDI) in Mozambique and requires the documents listed in article 58 of Aviso 20/GBM/2017:*
- a) BICP - proof of registration of FDI in the Central Bank system;
 - b) Declaration issued by an independent auditor, confirming that the profits result from the concerned financial year or years and that they result from activities related to the entity;
 - c) Proof of consent by *the* relevant corporate body, or the resolution of the shareholder's general meeting which approved the distribution of profits;
 - d) Original WHT Certificate confirming that Tax has been paid.
7. **Payment Interest related to Financial Loans or Shareholders Loans** – *The interest results from loans granted by non-resident entities to resident entities and requires the documents listed in article 60 of Aviso 20/GBM/2017.*
- a) Proof of authorization/registration of the Loan in the Central Bank system;
 - b) BICP - proof of registration of the disbursement of the Loan in the Central Bank system;
 - c) Original WHT Certificate confirming payment or exemption of tax (only for payment of Interest)
 - d) Debit note or amortization plan.
8. **Incoming flows:**
- a) **Foreign Direct Investment- (Equity):** *(Please refer to article 73) Registration of FDI project must take precedence to the issuance of BICP, confirming realization of the investment.*

Registration of the FDI Project

 - a) Letter requesting registration of the project;
 - b) Application form;
 - c) Identification documents of the shareholders and the implementing entity;
 - d) Copy of the APIEX terms of authorization of the FDI Project;
 - e) Letter from the Tax Authority with the NUIT;
 - f) Articles of incorporation published on the official gazette or certificate of incorporation;

Issuance of BICP confirming receipt of equity

 - a) Letter requesting issuance of BICP;
 - b) Application form;
 - c) Copy of bordereaux confirming receipt of foreign currency or import documents with the CIF value of the goods. When the realization of the FDI is through the rights of use of trade marks or technologies, documents confirming the value of the trademarks must be presented together with the application form.
 - b) **Export Proceeds** *(Please refer to article 8 of Aviso 20/GBM/2017 and the rules under Aviso 10/GBM/2019)*

It is mandatory for all resident entities to repatriate the export proceeds of goods, services and revenue from investment overseas by bank transfer, to a specific account, within 90 days from:

 - a) The date of shipment, in the case of goods;
 - b) The date of receipt of price, in the case of services; and

- c) The date of receipt of revenue, in case of investment overseas.

Funds may be kept totally in foreign currency in such accounts and must be used with priority for cross border payments and must be converted into Meticaís in domestic payments to other resident entities. There is exception as per Aviso 10/GBM/2019.

Requirements for crediting amounts related to repatriation of export proceeds of goods:

- Copy of the Letter of Commitment;
- Customs Declaration (DU in the Portuguese acronym);
- Commercial Invoice; and
- Transport Document;

When funds are received in advance, the following is applicable before crediting the funds:

- a) Letter of Commitment indicated the option "Advance Payment" on the remittance method;
- b) Proforma invoice

Exporters are required to present the export documents referred in the previous paragraph, as soon as goods are shipped, in order to regularize the Advance Payment.

Retention of export proceeds in offshore accounts held by the exporters is subject to approval by Central Bank.

- c) **Commercial Representation Inflows:** *(Please refer to article 62 of Notice 20/GBM/2017)*

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