

# TRU COVID-19 Flash Alert



## COVID 19 – Relaxation on foreign exchange facilities

Nepal Rastra Bank (NRB) on 25 and 27 March 2020 issued circular relating to following relaxation on foreign exchange facility for importers and students considering the current impact by pandemic COVID-19:

### 1. Import of COVID 19 related medical supplies and equipment through Draft/ TT

- a) In case of import (from third countries other than India) of COVID 19 related medical supplies and equipment as recommended by Department of Health Service (DOHS), payment up to USD 100,000 can be made through Draft/T.T. against single invoice. Further, for obtaining exchange facility of more than USD 100,000 related to above mentioned items, an application along with recommendation from DOHS shall be submitted for approval by NRB.
- b) Similarly, in case of import through letter of credit (LC) of medical supplies and equipment as recommended by DOHS, requirement to deposit 10% of document value/ LC is exempted/waived.

### 2. Foreign exchange facility to Nepali Students in Cyprus

Licensed BFIs can provide foreign exchange facility up to Euro 300 or equivalent convertible foreign currency to Nepali students in Cyprus without obtaining 'No Objection Certificate' (NOC) issued by Ministry of Education, GoN subject to fulfillment of certain specified conditions.

#### **PKF Nepal's Comments**

*These relief measures are announced by the Central Bank targeting the importers involved in import of COVID-19 related medical supplies and equipment and the students studying in Cyprus.*