



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

EXCHANGE CONTROL CIRCULAR

NUMBER 3

FEBRUARY 2020

**TO: AUTHORISED DEALERS AND
AUTHORISED DEPOSITARIES**

RESIDENTS AND NON-RESIDENTS

This Circular addresses the classification of residents and non-residents for the purpose of Exchange Control as rules differ according to the "residential status" of the parties concerned. Temporary visits to or outside of Barbados do not affect the residential status of a person.

1. For Exchange Control purposes, persons, firms, companies and institutions should be treated as either:

a) Residents:

- i. Barbadian nationals living in Barbados and Barbadian nationals temporarily working or studying abroad;
- ii. Nationals of other countries living or working in Barbados legally (other than on work permit) for more than three (3) years continuously;
- iii. Spouses of residents living in Barbados;
- iv. Companies located outside of Barbados that are majority-owned by residents; and
- v. Community Nationals as defined in the *Caribbean Community (Movement of Skilled Nationals) Act, Cap 186A* of the Laws of Barbados. (See Appendix II)

b) Non-residents:

- i. Barbadian nationals permanently residing outside of Barbados i.e. Barbadians who have emigrated to other countries;
- ii. Residents of other countries;
- iii. Nationals of other countries attending full-time courses of study in Barbados;
- iv. Non-Barbadians on work permits who earn foreign currency and are employed in the foreign currency earning business sector irrespective of the time they have resided in Barbados – the foreign currency earning business sector consists of companies granted a foreign currency permit under the *Foreign Currency Permits Act, 2018-44*;
- v. Entities which have been granted a foreign currency permit under the *Foreign Currency Permits Act, 2018-44* or entities that have been exempted from Exchange Control because their business activities are conducted abroad or with non-residents; and
- vi. Entities exempted from exchange controls and not engaging in domestic activities.

2. A personal representative of a deceased person shall be treated as resident in the country where the deceased person was resident at the time of his death, unless the Exchange Control Authority otherwise directs.
3. Any transaction with or by a branch of any business whether carried on by a body corporate or otherwise, shall be treated in all respects as if the branch were a body corporate resident where the branch is situated. A person or body of persons carrying on in Barbados a branch of any business, shall in respect of such business, be treated for all the purposes of the *Exchange Control Act, Cap.71*, as resident in Barbados.
4. Embassies, Legations, Consulates and Offices of the High Commissioners and the career and established (other than locally recruited) members of their staff (and the families of such persons) should be treated for all purposes of the *Exchange Control Act, Cap.71*, as resident in the country represented.
5. The residential status of locally recruited members of the staff in Embassies, Legations, Consulates and Offices of High Commissioners should be determined on the same basis as that of any other individual.
4. Persons recruited from abroad for regional and international organisations such as the United Nations and its agencies, the Organisation of American States and its agencies, the Caribbean Development Bank and other entities as evidenced by Agreements, should be treated as non-residents.
7. In any case of difficulty in determining the residential status of a customer or if the customer disputes the residential status determined by an Authorised Dealer, reference should be made to the Bank giving as much information as possible including the following: -
 - a) the nationality(ies) currently possessed;
 - b) the country in which permanent residence is claimed;
 - c) the countries of residence during the past 10 years, giving the period spent in each country;
 - d) the purpose of stay in Barbados;
 - e) the nature of employment in Barbados;
 - f) if self-employed, the name and nature of the business; and
 - g) evidence that the person concerned has been allowed to live, or to live and work legally in Barbados.
8. When a resident becomes a non-resident and vice versa through the application of the above directions, that person's local account should be re-designated in accordance with the new residential status.
9. Authorised Dealers are required to refer any case not covered by the above directions to the Bank.



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