

**BANQUE DU LIBAN**

**Intermediate Circular No 263**

**Addressed to Banks and Exchange Institutions**

Attached is a copy of Intermediate Decision No 10726 of May 21, 2011, amending Basic Decision No 8024 of January 11, 2002 (Information on the cross-border transportation of foreign currencies from and to Lebanon), attached to Basic Circular No 89 addressed to banks, financial institutions, exchange institutions and financial intermediation institutions.

Beirut, May 21, 2011

The Governor of Banque du Liban

Riad Toufic Salamé

**Intermediate Decision No 10726**

**Amending Basic Decision No 8024 of January 11, 2002**

**Relating to Information on the cross-border transportation of foreign currencies  
from and to Lebanon**

**The Governor of Banque du Liban,  
Pursuant to the Code of Money and Credit, particularly Article 70 thereof,  
Pursuant to Law No 347 of August 6, 2001 regulating the Money Exchange Profession in  
Lebanon, particularly Article 13 thereof,  
Pursuant to Basic Decision No 8024 of January 11, 2002 relating to Information on the  
cross-border transportation of foreign currencies from and to Lebanon, and  
Pursuant to the Decision of the Central Council of Banque du Liban (BDL), taken in its  
meeting of May 18, 2011,**

**Decides the following:**

**Article 1:**

The title of Basic Decision No 8024 of January 11, 2002 is repealed and replaced with:  
“Cross-border transportation of cash and precious metals”.

**Article 2:**

The numbering of Articles 2 and 3 of Basic Decision No 8024 of January 11, 2002 is amended to  
read as Articles 5 and 6, respectively.

**Article 3:**

The text of Article 1 of Basic Decision No 8024 of January 11, 2002 is repealed and replaced  
with the following one:

“Exchange institutions that undertake cross-border transportation of cash and/or metal coins and  
bullion (hereafter “precious metals”) from and to Lebanon must comply with the following  
conditions simultaneously:

- 1- Their capital must not be less than five billion Lebanese pounds.
- 2- They must appoint an external auditor selected among internationally renowned audit firms.
- 3- They must separate the accounting entries relating to cross-border transportation of cash and/or precious metals from the accounting entries of their other operations.

- 4- They must comply with the provisions of the Law on Combating Money Laundering and with all other relevant regulations issued by Banque du Liban and the Special Investigation Commission (SIC), particularly the Regulations on the Control of Financial and Banking Operations for Combating Money Laundering and Terrorist Financing (AML/CFT), where applicable.
- 5- They must appoint a Compliance Officer or a Compliance Unit in order to control the institution's compliance with the laws in force and the regulations and recommendations issued by Banque du Liban, the Banking Control Commission and the SIC, particularly the Regulations on the Control of Financial and Banking Operations for Combating Money Laundering and Terrorist Financing, where applicable.
- 6- The Compliance Officer or the Head of the Compliance Unit must attend, on a continuous basis, AML/CFT training sessions or obtain specialized AML/CFT certificates such as the CAMS-Certified Anti-Money Laundering Specialist- specified in Basic Decision No 9286 of March 9, 2006 attached to Basic Circular No 103.
- 7- They must appoint an Internal Audit Officer to perform internal audit on their operations.

The concerned institutions are granted a time limit ending on December 31, 2011 to comply with the provisions of paragraphs 2, 3, 5 and 7 of this Article, and another time limit ending on March 31, 2012 to comply with the provisions of paragraph 1 thereof.”

#### **Article 4:**

Articles 2, 3 and 4 shall be added to Basic Decision No 8024 of January 11, 2002 and shall read as follows:

##### **“Article 2:**

Banks and exchange institutions that undertake cross-border transportation of cash and/or precious metals from and to Lebanon must provide the Banking Control Commission and the BDL Financial Markets Department, at the end of each month and for each currency and each metal, with the following:

- a- a monthly position prepared according to Form No 1 exhibiting clearly the total cross-border transportation volume of cash and/or precious metals, from and to Lebanon.
- b- a monthly position prepared according to Form No 2 exhibiting clearly the number of cross-border transport operations of cash and/or precious metals from and to Lebanon.
- c- a monthly position prepared according to Form No 3 exhibiting the total transportation volume of cash and/or precious metals inside Lebanon, computed on the basis of operations performed among these institutions, and between these institutions and the banks and institutions regulated by Banque du Liban and not undertaking cross-border transportation of cash and/or precious metals.

- d- a monthly position prepared according to Form No 4 exhibiting all transport operations inside Lebanon of cash and/or precious metals whose amount is equivalent to or in excess of US dollar 10,000.

Article 3:

Banks that do not undertake cross-border transportation of cash and/or precious metals from and to Lebanon must provide the Banking Control Commission and the BDL Financial Markets Department with a monthly position prepared according to Form No 3, exhibiting the transportation volume of cash and/or precious metals inside Lebanon, computed on the basis of operations performed by these banks, and between these banks and the institutions regulated by Banque du Liban and not undertaking cross-border transportation of cash and/or precious metals.

Article 4:

The monthly positions mentioned in Articles 2 and 3 above shall be sent on compact discs within ten days from the end of the reported month, whether or not cross-border transport operations of cash and/or precious metals from and to Lebanon or transport operations of cash and/or precious metals inside Lebanon have taken place.”

**Article 5:**

The monthly table exhibiting the total volume of cross-border transportation of foreign currencies from and to Lebanon attached to Basic Circular No 8024 of January 11, 2002 is repealed.

**Article 6:**

This Decision shall come into force upon its issuance.

**Article 7:**

This Decision shall be published in the Official Gazette

Beirut, May 21, 2011

The Governor of Banque du Liban

Riad Toufic Salamé

**Form No 1 attached to Basic Circular No 89**

Bank/ Exchange Institution: \_\_\_\_\_

BDL List Number: \_\_\_\_\_

Month: \_\_\_\_\_

Year: \_\_\_\_\_

**Monthly Table on the Total Volume of Cross-Border Transport Operations of Cash or Metal Coins and Bullion from and to Lebanon**From Lebanon:

Country	Customer's name	Currency	Value in initial currency of cross-border transport operation	Amount estimated in US dollar	Type of metal coins or bullion	Value in US dollar of metal coins or bullion

To Lebanon:

Country	Customer's name	Currency	Value in initial currency of cross-border transport operation	Amount estimated in US dollar	Type of metal coins or bullion	Value in US dollar of metal coins or bullion

**Form No 2 attached to Basic Circular No 89**

Bank/ Exchange Institution: \_\_\_\_\_  
 BDL List Number: \_\_\_\_\_  
 Month: \_\_\_\_\_  
 Year: \_\_\_\_\_

**Monthly Table on the Number of Cross-Border Transport Operations of Cash or Metal Coins and Bullion from and to Lebanon****From Lebanon:**

Date of cross-border transport operation	Country	Customer's name	Total value in US dollar of cross-border transport operation	Type of metal coins or bullion	Value in US dollar of metal coins or bullion	Insurance policy No of cross-border transport operation

**To Lebanon:**

Date of cross-border transport operation	Country	Customer's name	Total value in US dollar of cross-border transport operation	Type of metal coins or bullion	Value in US dollar of metal coins or bullion	Insurance policy No of cross-border transport operation

**Form No 3 attached to Basic Circular No 89**

Bank/ Exchange Institution: \_\_\_\_\_  
 BDL List Number: \_\_\_\_\_  
 Month: \_\_\_\_\_  
 Year: \_\_\_\_\_

**Monthly Table on Total Transport Operations inside Lebanon of Cash or Metal Coins and Bullion (delivered or received)**Delivered to:

Customer's name inside Lebanon	Currency	Amount in initial currency	Amount estimated in US dollar	Type of metal coins or bullion	Value in US dollar of metal coins or bullion

Received from:

Customer's name inside Lebanon	Currency	Amount in initial currency	Amount estimated in US dollar	Type of metal coins or bullion	Value in US dollar of metal coins or bullion

