

BANK OF SIERRA LEONE**Govt. Notice No. 134****GUIDELINES ON THE USE OF CURRENCIES OTHER THAN THE LEONE IN SIERRA LEONE**

Pursuant to Section 26(6) of the Bank of Sierra Leone (Amendment) Act, 2023 and section 1 of the Other Financial Services Act, 2001, the Bank of Sierra Leone hereby issues the following Guidelines:

1.0 Interpretation

In these Guidelines, unless the context otherwise requires:

- "Bank" means the Bank of Sierra Leone.
- "Currency" means the currency of Sierra Leone which shall continue to be the Leone in accordance with the Bank of Sierra Leone Act, 2019 or any applicable law.
- "Foreign donor funded project" means a project established as a result of an international donor funding agreement to which the Government of Sierra Leone is a party, to supply goods or services to beneficiaries.

2.0 Special circumstances for use of currencies other than the Leone

The Bank hereby stipulates that currencies other than the Leone may be used in transactions in Sierra Leone only and strictly in circumstances relating to the following:-

- 2.1 Payments that are required to be made in foreign currency pursuant to international treaties and agreements to which Sierra Leone is a signatory.
- 2.2 Contracts that are denominated in foreign currency which have been approved by Parliament.
- 2.3 Contracts involving donor-funded capital projects that require imported inputs, including services.
- 2.4 Persons and businesses that are not licensed by the Bank to buy and sell foreign currency may make and/or accept foreign currency payments for goods and services procured in Sierra Leone if they:
- (a) are licensed and registered tourist enterprises under the Development of Tourism Act, 1990 or any successor law;
 - (b) operate duty-free shops, hotels and restaurants at the Lungi International Airport;
 - (c) their line of business requires them to transact mostly in foreign currency, except that airlines may receive payments in foreign currency by mutual agreement with their clients but may charge for their services in only Leones;

- (d) such other circumstances as may from time to time be determined by the Bank.
- 2.5 On a weekly basis, the foreign currency received from such foreign currency transactions pursuant to Article 2.4 above shall be:
- (a) deposited in a foreign currency account at an authorized foreign exchange dealer; or
 - (b) sold to an authorized foreign exchange dealer; or
 - (c) used to settle external obligations through authorized banks.
- 2.6 All entities that benefit from Article 2.4 above shall submit monthly returns to the Bank.

3.0 Applicable Exchange Rate

Where there is a need to convert foreign currency prices into Leones for transactions pursuant to Article 2.4 above, the average market exchange rate published by the Bank of Sierra Leone shall be the relevant exchange rate.

4.0 Amendments

These Guidelines may be amended by the Bank from time to time as and when the need arises.

5.0 Effective Date

These Guidelines shall take effect immediately upon publication in the Gazette and shall remain in force until otherwise determined by the Bank.