

STATE BANK OF PAKISTAN
EXCHANGE POLICY DEPARTMENT
KARACHI

EPD Circular Letter No. 02

January 13, 2023

The Presidents/Chief Executives of all
Authorized Dealers in Foreign Exchange

Dear Sir/Madam,

Exports of Software, Information Technology (IT) and IT Enabled Services (ITeS)

Attention of Authorized Dealers (ADs) is invited to Para 12 (iii) and Para 36 of Chapter 12 (Exports) of the Foreign Exchange (FE) Manual, which provides general instructions relating to 'Exports of Software' and 'Export of Services'.

2. In order to encourage IT companies and Freelancers to bring their foreign exchange earnings into the country, ADs are now advised to mandatorily credit 35% of the exports proceeds into these exporters' special foreign currency account, in terms of above referred paras. The exporters should be registered with Pakistan Software Export Board (PSEB) or Pakistan Software Houses Association (P@SHA), and involved in the export of Software, Information Technology (IT) services, IT Enabled Services (ITeS). However, these instructions are valid until March 31, 2023. These instructions will be reviewed in the light of incremental export performance by IT sector and realization of export proceeds thereof during this period.
3. ADs are advised to facilitate these exporters in opening their exporters' special FCY accounts and for carrying out remittances transaction from their Exporters' Special FCY retention accounts by: (i) issuing corporate debit cards, and (ii) providing digital platforms including FX digital portal, after necessary due diligence and establishing mechanism for ongoing monitoring of permissible payments abroad to meet their business requirements.
4. ADs are further advised to provide proper training to relevant staff of all foreign exchange dealing branches (FE Designated Officer) to ensure facilitation to the IT based exporters/ freelancers and establish a permanent help desk overseen by two (2) officers not below the rank of Vice President to act as lead coordinators on behalf of the bank to resolve the matters pertaining to account opening, retention in accounts, outward remittances, etc. The names and contact details of the lead coordinators and designated officers at the Authorized Dealer branches should be made available on the bank's website immediately.
5. Exporters can also approach State Bank of Pakistan at facilitation.itexporters@sbp.org.pk to share their suggestions and concerns.
6. Authorized Dealers are advised to bring the above instructions to the knowledge of all their constituents and ensure meticulous compliance of the above instructions.

Yours truly,
-Sd-
(Dr. Asif Ali)
Director