



Tonga

FOREIGN EXCHANGE CONTROL ACT

Chapter 38.16

2016 Revised Edition



FOREIGN EXCHANGE CONTROL ACT

AN ACT TO PROVIDE FOR FOREIGN EXCHANGE CONTROL AND IMPORT RESTRICTIONS¹

Commencement [27th September, 1963]

1 Short title

This Act may be cited as the Foreign Exchange Control Act.

2 Exchange control²

Whenever Cabinet is satisfied that it is expedient so to do, for the protection of the currency or of the public credit of the Kingdom, or in order to conserve, in the national interest, the foreign exchange resources of the Kingdom, it may make regulations making provision for and in relation to the control of foreign exchange and in particular but without limiting the generality of the foregoing, for or in relation to —

- (a) the buying, borrowing, selling, lending or exchanging of foreign currency, including the fixing of rates for exchange;
- (b) any dealing or transaction having the effect of a purchase, borrowing, sale, loan or exchange of foreign currency, and requiring any person to supply full details of all foreign exchange owned by him, and any foreign exchange dealings conducted by him;
- (c) the taking or sending out of the Kingdom of gold, Tongan currency or foreign currency;

- (d) requiring any person who has power to sell, or to procure the sale of, any foreign currency to sell or procure the sale of, that foreign currency as prescribed;
- (e) the taking, sending, or transfer of any securities to a place outside the Kingdom, including the transfer of securities from a register in Tonga to a register outside Tonga;
- (f) the prohibition of the importation or exportation of goods unless a licence under the regulations to import or export the goods is in force;
- (g) the terms and conditions to which such licences may be subject; and
- (h) prescribing penalties not exceeding a fine of \$200,000 or imprisonment for a period not exceeding 3 years for any offence against the regulations made under this section.³

3 Interpretation

In this Act —

“**foreign currency**” includes notes, coins, postal notes, money orders, bills of exchange, promissory notes, drafts, letters of credit and travellers’ cheques, payable or expressed otherwise than in Tongan money, and also includes rights, and instruments of title, to money other than Tongan money;

“**securities**” includes shares, stock, bonds, debentures, debenture stock, Treasury Bills, and units or sub-units of a unit trust, and also includes deposit receipts in respect of the deposit of securities and documents of title to securities;

“**Tongan currency**” includes notes, coins, postal notes, money orders, bills of exchange, promissory notes, drafts, letters of credit and travellers’ cheques, payable or expressed in Tongan money, and also includes rights, and instruments of title, to Tongan money.

ENDNOTES

¹ 1988 Revised Edition Cap. 103; Act 9 of 1963

Amended by Act 9 of 2000, commencement 4 August 2000

² Amended by Act 42 of 2010

³ Amended by Act 9 of 2000