

RULES

on General Reporting Requirements pursuant to the Foreign Exchange Act

Article 1

Scope

These Rules apply to domestic commercial banks – cf. Article 4, Paragraph 1, Item 1 of the Act on Financial Undertakings, no. 161/2002 – that are subject to the general reporting requirement pursuant to Article 10, Paragraph 1 of the Foreign Exchange Act, no. 70/2021. Other parties listed in Article 10, Paragraph 1 of Act no. 70/2021 are exempt from the reporting requirement pursuant to the same provision.

These Rules also apply to domestic legal entities that are obliged to report cross-border movement of capital pursuant to Article 10, Paragraph 2 of the Foreign Exchange Act, no. 70/2021, that takes place without the intermediation of entities pursuant to Paragraph 1 of the same Article.

Article 2

Cross-border payments and movement of capital requiring registration

Domestic commercial banks shall maintain a register of cross-border payments and movement of capital that they handle or receive; cf. Article 2, Items 3 and 5 of the Foreign Exchange Act, no. 70/2021. Domestic commercial banks are required to classify and register transfers pursuant to the first sentence in accordance with instructions issued and published by the Central Bank and shall submit daily reports to the Bank on such transactions.

For each transfer pursuant to Paragraph 1, the following shall be recorded:

1. Date.
2. Unique reference number.
3. Type of transfer.
4. Currency.
5. Amount.
6. Purpose code for the transaction.
7. Explanatory text.
8. The following information on the sender, as applicable: name, national ID number, date of birth, legal entity identifier (LEI) code, account number, and bank identifier code (BIC).
9. The following information on the recipient, as applicable: name, national ID number, date of birth, legal entity identifier (LEI) code, account number, and bank identifier code (BIC).

Article 3

Foreign exchange transactions requiring registration

Domestic commercial banks shall maintain a register of their foreign exchange transactions; cf. Article 2, Item 4 of the Foreign Exchange Act, no. 70/2021. Domestic commercial banks are required to classify and register foreign exchange transactions pursuant to the first sentence in accordance with instructions issued and published by the Central Bank and shall submit daily reports to the Bank on such transactions.

For each foreign exchange transaction pursuant to Paragraph 1, the following shall be recorded:

1. Date.
2. Unique reference number.
3. Form of transaction.
4. Currencies.
5. Amounts.

6. Purpose code.
7. The following information on the counterparty, as applicable: name, national ID number, date of birth, legal entity identifier (LEI) code.

Article 4

Notification by legal entities of cross-border movement of capital

Domestic legal entities shall report cross-border movement of capital pursuant to Article 10, Paragraph 2 of the Foreign Exchange Act, no. 70/2021, in electronic form, according to instructions issued and published by the Central Bank, within three weeks of the date of the transactions in question.

The notification pursuant to Article 10, Paragraph 2, Items 1-3 and 5 of the Foreign Exchange Act, no. 70/2021, shall contain information on the borrower or debtor; the lender or guarantor; and the loan, guarantee, or amendment to terms and conditions in question.

It is not required to report derivatives transactions pursuant to Article 10, Paragraph 2, Item 4 of the Foreign Exchange Act, no. 70/2021, beyond that which follows from the Act on Derivatives Trading, Centralised Counterparties, and Trade Repositories, no. 15/2018.

Article 5

Access to information

The police, the tax authorities, and Statistics Iceland, which have access to the information received by the Central Bank pursuant to Article 10, Paragraphs 1-3 of the Foreign Exchange Act, no. 70/2021 – cf. Article 10, Paragraph 7 of the same Act – may request information reported to the Central Bank on the basis of Articles 2-4 of these Rules. The request for information shall be clearly delineated and shall be delivered to the Bank in a secure manner. If access to information is requested in another manner, a separate contractual agreement shall be made for such access.

Article 6

Remedial action and sanctions

Sanctions and other measures undertaken by the Central Bank of Iceland are subject to Chapter V of the Foreign Exchange Act, no. 70/2021.

Article 7

Entry into effect

These Rules, which are set on the basis of Article 10, Paragraph 8 of the Foreign Exchange Act, no. 70/2021, shall take effect immediately. Domestic commercial banks are granted a grace period until 15 September 2022, however, to satisfy the requirements pursuant to Articles 2 and 3 of the Rules. On that day, the Rules on the Obligation to Provide Information in respect of Foreign Exchange Transactions and Cross-Border Capital Movements, no. 13/1995, shall cease to apply.

Central Bank of Iceland, 1 July 2022

Ásgeir Jónsson
Governor

Haukur C. Benediktsson
Director