

Frequently Asked Questions on 1% Incentive on Inward Remittance to Bhutan

Duration of the Initiative: Jun-1, 2021 to May-31, 2022

1. What is the 1% Incentive Scheme?

- It is an initiative instituted whereby eligible Bhutanese are provided a 1% incentive amount on the convertible currency remitted to Bhutan through formal channels (Banks and MTOs) upon conversion into Ngultrum. (Eg: suppose you remit USD 1000 to Bhutan equivalent to Nu. 70,000 upon conversion assuming the prevailing exchange rate of USD/Nu to be 1:70; you will be eligible for a 1% Incentive amount of Nu. 700/- (70,000 X 0.01))

2. Who are eligible under this Scheme?

- The following individuals are eligible under this scheme:
 - i) Non-resident Bhutanese (NRB): Bhutanese citizens currently residing overseas for employment, studies, for caring out business or vocation outside Bhutan; **OR**
 - ii) Resident Bhutanese: Bhutanese citizen currently residing in Bhutan **receiving remittances from an NRB.**

3. If I avail this scheme, who will credit me the 1% Incentive amount?

- Your respective commercial bank or MTO (Bhutan Post) will credit you the 1% incentive amount either in cash or through account transfer.

4. Who will receive the 1% incentive amount?

- The 1% incentive scheme will be received either by the (remitter) Non-resident Bhutanese (NRB) if it is sent into the NRB's bank account or if the remittance amount is sent to a Bhutanese beneficiary, the 1% incentive will be credited into the beneficiary's bank account or it can be claimed via a cash-over-the counter.

5. If I am remitting through bank transfer, am I eligible for the 1% Incentive amount?

- Yes, inward remittances sent by NRB's through SWIFT/bank transfer are eligible for the 1% incentive amount.

6. What if I remit through a money transfer operator (MTO)?

- Yes, inward remittances sent by NRB's through money transfer operators (MTO) are eligible for the 1% incentive amount.

7. If I am an eligible individual, are there any documents I need to submit?

- Yes, if you are eligible, you will be required to submit the following documents:
 - i) NRB/remitters Bhutanese citizenship ID (CID, Passport copy or other identification documents issued by MoHCA)
 - ii) Proof of residency overseas of the NRB/remitter (Visa copy, phone bill, electricity bill or letter from Bhutanese foreign mission/embassy, etc.)

In case of cash pick-up or if you are sending money to your relatives/friends in Bhutan; required to submit a copy of their CID or other ID copy.

8. Can a beneficiary in Bhutan submit these documents?

- Yes, the remitters beneficiary in Bhutan can submit these documents.

9. To whom should I submit these documents and by when?

- The documents are to be submitted to your respective Bhutanese commercial bank or money transfer operator (MTO) in Bhutan within 10 working days from the date of receipt of remittance to claim the incentive.

10. What if I send remittances to my Foreign Currency account? Am I still eligible for the 1% incentive scheme?

- If you hold a foreign currency account opened as an NRB, you are eligible for the 1% incentive amount upon conversion of your foreign currency balances into Ngultrum. The FC balances should be converted between 1st June 2021 and May 31st 2022 to be eligible for the 1% incentive scheme.

11. Are foreign currency balances prior to the launch of this scheme eligible?

- Yes, if you hold a foreign currency account opened as an NRB, you are eligible for the 1% incentive amount upon conversion into Ngultrum. If you are an NRB, you can open an NRB FC account through the Remit Bhutan website. (*Link: <https://www.remitbhutan.bt/>*)

12. Am I still required to submit the supporting documents stated in question 3?

- Yes, you are required to submit these documents within 10 working days from the date of conversion of FC balance into Ngultrum.

13. How to submit these required documents and avail the 1% incentive amount?

 <p>Bhutan Postal Corporation Limited</p> <p>1. Submit the supporting documents copy either in-person at any of their Post Office outlets or directly email it to the respective post office email address.</p> <p><i>Post office outlets:</i> https://www.bhutanpost.bt/</p>	 <p>Bhutan National Bank Limited</p> <p>1. Submit the supporting documents copy either in-person at any of their branches or directly email it to the respective branch email addresses (<i>for SWIFT/TT transfers, you can submit the documents to yeedenp.dorji@bnb.bt</i>)</p>
 <p>Druk PNB Limited</p> <p>1. Submit the supporting documents either in person at any of their branches or directly email it to their email address:</p>	 <p>Bank of Bhutan Limited</p> <p>1.Fill-up the BOBL Incentive form (Form link: https://www.bob.bt/wp-content/uploads/2021/05/Incentive-Scheme-Claim-Form-New-May-2021.pdf)</p> <p>2. Submit the supporting documents along with the filled-up BOBL incentive form either in person at any of their branches or directly email it to their email address: incentivescheme@bob.bt</p>  <p>T Bank Limited</p> <p>1. Submit the supporting documents copy either in-person at any of their branches or directly email it to their email address: sonamgyeltshen@tbank.bt</p>

14. Am I required to submit these documents every time I remit money to Bhutan?

- No, if you have submitted the supporting documents to a commercial bank or MTO once, you may not have to submit them again while remitting money from the next month upon validation by the commercial banks or MTO. However, commercial banks or MTO's may require you to submit them again if the documents submitted earlier have not been validated.

15. Which money transfer operators facilitate remittance to Bhutan?

- The following international MTO's have linked up with our local commercial banks and MTOs:
 - i) Western Union
 - ii) MoneyGram
 - iii) Rai MTO
 - iv) Prabhu MTO
 - v) EuroGiro

16. Is there any restriction on the purpose of remittances sent?

- Yes, the 1% incentive is not applicable if the remittances amount is sent for the following purposes:
 - i) Donation;
 - ii) Foreign Direct Investment;
 - iii) Trade and business activities; or
 - iv) NGO/CSO and international organization fund transfers.

For more information, please visit www.remitbhutan.bt / www.rma.org.bt or contact the Foreign Exchange Department and/or IT of the Royal Monetary Authority of Bhutan at +975-02-323903/fed@rma.org.bt