

Foreign Exchange Policy Department
Bangladesh Bank
Head Office
Dhaka.
www.bb.org.bd

FE Circular No. 06

Date: April 19, 2022

All Authorized Dealers in
Foreign Exchange in Bangladesh

Dear Sirs,

Interest charges for financing during interim period against
input procurements under Export Development Fund (EDF)

Please refer to FE Circular No. 45, dated December 31, 2017 and its subsequent circulars in terms of which Authorized Dealers (ADs) can borrow US Dollar funds from the EDF against their foreign currency loans to manufacturer-exporters for input procurements. The cost of EDF loans for ultimate borrowers is 2 percent per annum as per FE Circular No. 18, dated April 07, 2020.

02. The ongoing export trend creates huge demand of input procurements, leading to pressures on EDF loans. To maintain smooth support for input procurements from EDF against export trade, it has been decided that ADs may charge additional interest to borrowers not exceeding 1.0 percent per annum for the period between ‘import payments from sources of ADs’ and ‘receipts of refinancing from EDF’. As usual, ADs will be charged by Bangladesh Bank at 1.0 percent per annum against its refinancing from EDF.

Other relevant instructions on EDF shall remain unchanged. Please bring the contents of the circular to the notice of your concerned clientele.

Yours faithfully,



(Kazi Rafiqul Hassan)
General Manager
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