

Foreign Exchange Policy Department

Bangladesh Bank

Head Office

Dhaka

www.bb.org.bd

FE Circular Letter No. 06

Date: February 09, 2025

Head offices/principal offices of all
Authorized Dealers in Bangladesh

Dear Sirs,

Retention of export proceeds in back to back settlement pool

Please refer to paragraph 42(i), chapter 7 of the Guidelines for Foreign Exchange Transactions-2018, Vol-1 (GFET) in terms of which Authorized Dealers (ADs) are permitted to retain repatriated export proceeds in back to back settlement pool in foreign currency (FC) on encashment of the local value added portion. Although this paragraph requires encashment of the local value added portion, FE Circular Letter No. 09 of September 04, 2023 allows the value added portion to be retained in the FC pool for a period of 30 days usable only for settlement of bonafide payment obligations of relevant exporters by designated ADs.

02. To facilitate export trade, ADs are allowed to transfer the unencumbered fund from FC pool, not exceeding permissible portion eligible as Exporter's Retention Quota entitlement, to other ADs for bonafide use by exporters and/or their sister concerns in terms of paragraph 28(A)(ii), chapter 13 of GFET. As usual, ADs shall encash the unused fund, if any, compulsorily in Taka just after expiry of 30 days.

You are advised to bring the contents of this circular letter to the notice of your relevant customers.

Yours faithfully,



(Mr. Harun-Ar-Rashid)

Director (FEPD)

Phone: 9530123