

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

FE Circular No. 04

Date: January 13, 2025

All Authorized Dealers in
Foreign Exchange in Bangladesh

Dear Sirs,

Retention of foreign currency in Agent's Retention Quota accounts

In terms of section iv, chapter 13 of the Guidelines for Foreign Exchange Transactions (GFET)-2018, Vol-1, merchandise exporters and service exporters are entitled to retain permissible portion of their repatriated export proceeds in Exporter's Retention Quota (ERQ) accounts. Balances in ERQ accounts may be used by the exporters for bonafide business purposes.

02. Like exporters, resident companies/firms working as agents/trade facilitators need to make payments abroad for bonafide business purposes. To meet bonafide needs, it has been decided that such companies/firms can open and maintain foreign currency accounts with Authorized Dealers (ADs) in the name of Agent's Retention Quota (ARQ), subject to observance of the following instructions:

- (a) Companies/firms shall have valid permissions from competent authorities, if applicable, and are active members of trade associations representing the relevant sectors.
- (b) Earnings shall have to be in foreign currency.
- (c) ARQ accounts can be credited upto 10 percent of the receipts in foreign currency.
- (d) Funds from these accounts will be usable for bonafide payments abroad as per stipulation of paragraph 28, chapter 13 of GFET; including payments by international cards as per paragraph 29 ibid.

03. In view of this decision, last part of paragraph 27(d), chapter 13 of GFET shall stand revised.

Please bring the above instructions, effective immediately, to the notice of all your concerned constituents.

Yours faithfully,



(Md. Harun-Ar-Rashid)
Director (FEPD)
Phone: 9530123