

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

FE Circular No. 28

Date: July 11, 2019

All Authorized Dealers in
Foreign Exchange in Bangladesh

Dear Sirs,

**Limit of Export Development Fund (EDF) to
leather goods and footwear industrial sectors**

Please refer to paragraph 5(a) of FE Circular No. 45, dated December 31, 2017 in terms of which an EDF loan for manufacturer-exporters other than bulk import to an AD shall not exceed i) the limit of input imports permissible against an export LC/firm export contract/inland back to back LC in terms of the value addition requirements prescribed in the IPO in force, or ii) USD 15 million, whichever is lower.

2. Considering the nature of import, it has now been decided that ADs can borrow funds from EDF against their loans to manufacturer-exporters of leather goods and footwear industrial sectors for input procurements up to maximum single borrower limit of USD 20.00 million, subject to compliance with paragraph 5(a) of FE Circular No. 45/2017. Consequently, paragraph 5(f) of FE Circular No. 45/2017 will stand amended.

Other instructions regarding operations of EDF shall remain unchanged. Please bring the above instruction, effective immediately, to the notice of your constituents.

Yours faithfully,



(Mohammad Khurshid Wahab)
General Manager
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