

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

FE Circular Letter No. 09

Date: 19 March 2020

Head offices/principal offices of all  
Authorized Dealers in Bangladesh

Dear Sirs,

Retention of foreign currency in single pool for back to back import payments

Please refer to paragraph 42(i), chapter 7 of the Guidelines for Foreign Exchange Transactions-2018 (GFET), Vol-1 in terms of which Authorized Dealers (ADs) can maintain repatriated export proceeds, net of encashment up to the portion of value addition, in foreign currency in a single pool. Funds from this pool are useable for different back to back import payments of the same exporting unit on maturity basis to keep minimum involvement of AD's own fund under the exchange position as well as to keep exporter free from debt burden.

2. It has come to the notice of Bangladesh Bank that the instructions as noted above are not properly observed by ADs which result in cost burden to exporters. This is to clarify that the prevailing regulatory framework permits back to back liabilities to be settled out of funds held in single pool irrespective of export proceeds whether associated or not with import liabilities waiting for payment.

You are advised to instruct all your AD branches to comply with the regulations meticulously.

Yours faithfully,



(Mohammad Khurshid Wahab)

General Manager

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