

# **Annex**

### Chronology of Major Policy Announcements: July-September, 2017

<p>FEID Circular Letter No. 01 18 July, 2017 Setting up help desk to assist foreign investors to boost foreign direct investment (FDI).</p>	<p>Aimed at boost foreign direct investment (FDI) through facilitating potential investors to make productive investment in Bangladesh, Authorized Dealer Banks are advised to set up at least one dedicated FDI help desk comprising of competent officials in the Head Offices and or main branches of Authorized Dealers in Dhaka and Chittagong.</p>
<p>FE Circular No. 28 23 July, 2017 Taka loans to Non- Resident Bangladesh (NRBs) working abroad.</p>	<p>In order to enhance housing finance facility to NRBs working abroad, it has been decided that they may avail housing finance facility at a maximum debt equity ratio of 75:25 instead of existing debt equity ratio of 50:50. All other instructions in this context shall remain unchanged.</p>
<p>ACD Circular No. 02 27 July, 2017 Agricultural and Rural Credit Policy and Program for the Fiscal Year 2017-2018.</p>	<p>Agricultural and Rural Credit Policy and Program for the Fiscal Year 2017-2018 have been announced by Bangladesh Bank.</p>
<p>FEPD Circular Letter No. 12 27 July, 2017 Issuance and payment of Back-to-Back LC in foreign currency.</p>	<p>In support of hundred percent export-oriented factories, authorized dealers (ADs) have to ensure issuance of domestic letter of credit and make payment in foreign currency in case of back-to-back LCs. In case of domestic input purchase from the local trader/suppliers the mode of payments should be in local currency instead of foreign currency.</p>
<p>BRPD Circular No. 10 03 August, 2017 Amendment of Guidelines on Credit Card Operations of Banks.</p>	<p>Bangladesh Bank has been noticed banks are facing operational and technical problems in implementing guidelines on Credit Card Operations. To make easier implementation of the guidelines, to popularize and to enhance the appropriate use of credit cards, Bangladesh Bank has replaced some sections of the Credit Card Operation Guidelines.</p>
<p>FE Circular No. 31 17 August, 2017 Export subsidy/Cash incentive against exports for fiscal year 2017-2018.</p>	<p>To encourage export of the country, Bangladesh Bank has decided to provide Export subsidy/Cash incentive for fiscal year 2017-2018. Different rate of subsidy/Cash incentive has been allocated for the exports of different types of commodities.</p>

<p>FE Circular No. 32 17 August, 2017 Green Transformation Fund for export oriented textile &amp; textile products and leather manufacturing industries.</p>	<p>In order to encourage ADs to use Green Transformation Fund for export oriented textile &amp; textile products and leather manufacturing industries, it has now been decided that reduced interest at six-month USD LIBOR plus 1.00 percent shall be charged to ADs instead of existing six-month USD LIBOR plus 2.25 percent against the financing. ADs will determine their own loan interest rates to the borrowers covering their cost of borrowing from the Fund and operational expenses, plus a reasonable risk-adjusted spread and profit margin (now typically expected to be in the range of 1.00 ~ 2.00 percent above the cost of borrowing).</p>
<p>BRPD Circular No.12 20 August, 2017 Loan Classification and Provisioning.</p>	<p>With a view to promoting cashless secured transaction and considering the cost of operation of the credit card business, banks are required to maintain 2% General Provision against all unclassified credit card loans under Consumer Financing instead of earlier 5%.</p>
<p>FE Circular No. 33 20 August, 2017 Issuance of bank guarantees against import under buyer's credit.</p>	<p>Authorizes Dealers (Ads) ADs shall report Bangladesh Bank giving full details of the circumstances leading to invocation and copy of bill of entry relevant to the concerned imports in case of issue repayment bank guarantees on behalf of industrial importers for importing industrial raw materials.</p>
<p>SFD Circular No.04 06 September, 2017 List of Eligible Products/initiatives for Green Financing of Banks &amp; Financial Institutions.</p>	<p>Bangladesh Bank has published eligible products/initiatives list of Green financing for banks &amp; financial institutions to achieve Perspective Plan of Bangladesh 2010-21, National Sustainable Development Strategy 2010-21 and Sustainable Development Goals.</p>
<p>BRPD Circular No. 14 18 September, 2017 Prudential Guidelines for Agent Banking Operation in Bangladesh.</p>	<p>Aimed at enhancing financial inclusion and to bring the banking services at the door-step of rural marginal people Bangladesh Bank has circulated prudential guidelines for Agent Banking operation in Bangladesh.</p>

<p>FE Circular No. 35 18 September, 2017 Amendment of form Kha for Alternative Cash incentive in RMG/Textile sector.</p>	<p>Producer and exporters of RMG/textile purchased yarn from the listed mills of BTMA will avail cash incentives against their RMG export.</p>
<p>BFIU Circular Letter No. 04/2017 20 September, 2017 Issuance of "Uniform KYC Profile Form" for Insurance Companies/ Corporation.</p>	<p>Bangladesh Bank has issued uniform KYC profile Form for Insurance Company/Corporation according to Money Laundering Prevention Act, 2012 and Anti terrorism Act, 2009.</p>
<p>BRPD Circular No. 15 27 September, 2017 Loan Classification and Provisioning.</p>	<p>Bangladesh Bank has amended general provision for all unclassified credit under short-term Agricultural and Micro-Credits. From now banks will maintain 1% general provision instead of 2.5%.</p>
<p>SFD Circular Letter No.05 27 September, 2017 Regarding Expenditure allocation for Country's tourism development under Corporate Social Responsibility (CSR) activities.</p>	<p>Banks are advised to enhance expenditure in tourism sector for the development of country's tourism under corporate social responsibility (CSR) activities.</p>