



Boxes & Annexes



Chronology of Major Policy Announcements: October-December, 2014

<p>FE Circular Letter No. FEPD(Import Policy) 123/2014-19</p> <p>13 October 2014</p> <p>Regarding mandatory BERC license checking during LC opening for import of Petroleum bi-products under Import Policy Order, 2012-2015</p>	<p>As per the clause 26 (25), (27)(Ga), and (27)(Gha) of Chapter 6 of Import Policy Order, 2012-2015, it is mandatory for the importers of Petroleum bi-products to take license from Bangladesh Energy Regulatory Commission under Bangladesh Energy Regulatory Commission Act, 2003. In this context, all authorized dealer (AD) banks are advised to properly abide by the directions stated in Import Policy Order, 2012-2015 and Bangladesh Energy Regulatory Commission Act, 2003 in case of LC opening for import of Petroleum bi-products.</p>
<p>FE Circular Letter No. FEPD(Export Policy) 291/2014-20</p> <p>29 October 2014</p> <p>Additional cash incentive against export of RMG in textile industry</p>	<p>Referring to sub-section A of the first section of FE Circular No. 25 dated 08 June 2014, all institutions engaged in RMG export along with those established outside EPZ & taking excise bond/duty draw-back incentives will be entitled 0.25% cash incentive upon their export value (FOB value).</p>
<p>DID Circular Letter No. 01</p> <p>02 November 2014</p> <p>Regarding the investment of Deposit Insurance Trust Fund in Inter-Bank Repo</p>	<p>Referring to the decision of the Trustee Board of Deposit Insurance Trust Fund, all the scheduled banks are informed that the capital of Deposit Insurance Trust Fund can be invested in Inter-Bank Repo alongside Govt. treasury bonds.</p>
<p>DMD Circular No. 07/2014</p> <p>11 November 2014</p> <p>Closing of all activities related to 10 & 50 tk. Prize-bond</p>	<p>Referring to the circular issued by Savings and Planning Section, Internal Resources Division (IRD), Ministry of Finance of the Government of the People's Republic of Bangladesh, all scheduled banks are advised to take necessary steps to discontinue all activities related to 10 & 50 tk. Prize-bond from 31 January 2015.</p>

<p>BRPD Circular No. 16 18 November 2014 Loan Classification and Provisioning</p>	<p>With a view to encouraging participation of the banks in disbursing agricultural and micro-credits, BRPD Circular No. 14, dated 23 September 2012 has been reviewed and following amendments have been made:</p> <p>Section 4(c) of the aforesaid circular will be replaced as under:</p> <p>“(c) Provision for Short-term Agricultural and Micro-Credits:</p> <p>(1) All unclassified Credits (irregular and regular) : 2.5%</p> <p>(2) Classified as ‘Sub-standard’ and ‘Doubtful’ : 5%</p> <p>(3) Classified as ‘Bad/Loss’: 100%.”</p>
<p>BRPD Circular No. 17 21 December 2014 Interest rate of agricultural and rural credit</p>	<p>Referring to BRPD Circular No. 02 dated 04 January 2012 and BRPD Circular No. 03 dated 09 March 2011, the upper limit of the interest rate of agricultural and rural credit, as priority sector, is determined at 11% instead of 13% considering the downward trend of interest rate on deposit and advance.</p>
<p>BRPD Circular Letter No. 20 23 December 2014 Appointment and responsibilities of Chief Executive of a bank-company</p>	<p>Referring to BRPD Circular Letter No.18 dated 27 October 2013 on the captioned subject, Provision of section A(11) of the aforesaid circular letter regarding appointment of CEO will be henceforth replaced as under:</p> <p>11. Decision of Bangladesh Bank regarding appointment of CEO will be treated as final and such appointed CEO cannot be dismissed, released or removed from his office without prior approval from Bangladesh Bank. However-</p> <p>a) In case the CEO desires to terminate the contract before expiry or resign from his office voluntarily, he shall serve at least one-month notice upon the Chairman of the Board stating the actual reason for such resignation, and, at the same time forward a copy of such notice to Bangladesh Bank.</p>

	<p>b) In case the Board of the Bank desires to terminate the contract before expiry or asks the CEO to tender resignation from his post, the Board shall serve at least one-month notice stating the reasons for such action; at the same time forward a copy of such notice to Bangladesh Bank and obtain approval of Bangladesh Bank for such removal.</p> <p>c) When the position of the CEO falls vacant due to resignation, expiry of contract, or any other reason, the bank shall immediately appoint a ‘CEO In-charge’ (for maximum 3 months) among the officials next to the CEO and notify Bangladesh Bank with details of such Officer In-charge.</p>
<p>DMD Circular No. 10 24 December 2014 Regarding auction according to “Bangladesh Government Islami Investment Bond (Islami Bond) Guideline-2004 (Amended-2014)”</p>	<p>Savings and Planning Section, Internal Resources Division (IRD), Ministry of Finance of the Government of the People’s Republic of Bangladesh has issued “Bangladesh Government Islami Investment Bond (Islami Bond) Guideline-2004 (Amended-2014)” through circular no. 08.036.014.00.003.2004-128 dated 18 August 2014. As per the above stated guideline, 3 and 6 Months Islami Bond will be issued through open bidding from 01 January 2015 based on Profit Sharing Ratio (PSR).</p>