

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

FE Circular No.

Date:

All Authorized Dealers in
Foreign Exchange in Bangladesh

Dear Sirs,

Foreign exchange transactions of freight forwarders against Multimodal transportations

Please refer to paragraph 4, chapter 17, of the Guidelines for Foreign Exchange Transactions-2018 (GFET), Vol-1 in terms of which Authorized Dealers (ADs) can execute transactions on behalf of freight forwarders.

02. It is observed that different modes of transportation are used to economize charges as per underlying arrangements between shippers and consignees for international trades. To facilitate the transactions, it has been decided that ADs may effect outward remittances against outbound shipments shipped from Bangladesh to mid-destinations before reaching final destinations through different mode of carriers. In this context, ADs shall observe following instructions:

(a) ADs shall ensure that licensed freight forwarders are regular in submission of statements as per paragraph 4(D), chapter 17 of GFET;

(b) ADs shall obtain statement as per Annex-A together with relevant invoices against outward remittances.

(c) ADs shall obtain declaration from freight forwarders and comply with the relevant instructions as stipulated in Annex-A (page no-3).

03. While on executing outward remittances, ADs shall obtain Form FF as per FEOD Circular Letter No. 1/2018 from freight forwarders. In case of use of the same form for different carriers under reasonable grounds, ADs shall ensure the authenticity through verification of the same from Bangladesh Bank online reporting system. For CFR exports, ADs shall get the documents [as per paragraph 1(viii)(a), chapter 10 of GFET] verified by ADs issuing the same.

04. Licensed freight forwarders may establish tie-up arrangements with other forwarders having arrangements with several modes of transportation with counterparts at different on-forwarding locations abroad, for the particular services. Payments between them will be settled in Taka against prepaid outbound shipments. In case of shipments on charges collect, service receiving forwarders shall arrange payments to service providing forwarders through FDD which will be issued by concerned ADs out of inward remittances received in their favor, on encashment of service charges. ADs receiving FDD shall encash the FDD and issue encashment certificates as per Appendix 5/96 of GFET.

05. Freight forwarders shall, through their designated ADs, report their transactions with attachment of the enclosed statement (Annex-A) to Foreign Exchange Operation Department, Head Office/respective area office of Bangladesh Bank by 20th day of the following month at the close of the reporting month.

06. As usual, ADs shall observe due diligence regarding AML/CFT standards, reporting routine to Bangladesh Bank and so on.

Please bring the above instructions, effective immediately, to the notice of your constituents concerned. The instructions of this circular have been issued under Section 20(3) of the Foreign Exchange Regulation Act, 1947 and are without prejudice to permissions/approvals, if any, required under any other law.

Yours faithfully,

(Kazi Rafiqul Hassan)
General Manager
Phone: 9530123

Annex-A

STATEMENT SHOWING THE PARTICULARS OF SHIPMENTS
DURING THE MONTH OF

Name and address of the freight forwarder:

1. Particulars of outbound shipments on charges collect basis

Sl. No.	Name of counterpart freight forwarder(s)	Details of transport documents (first carrier)		Details of transport documents (second carrier)		Details of HAWB/HBL Date and No.		Country of destination	EXP No.	Date	Charges payable locally	Charges payable to second carrier	Charges receivable from abroad	Charges payable to counterpart s	Net charges receivable from abroad
		3	4	5	6	7	8								
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Total															
Add: Opening balance															
Net Payable/Receivables															

2. Particulars of outbound shipments on prepaid basis

Sl. No.	Name of counterpart freight forwarder(s)	Details of transport documents (first carrier)		Details of transport documents (second carrier)		Details of HAWB/HBL Date and No.		Country of destination	EXP No.	Date	Charges payable locally	Charges receivable from shippers	Charges payable to second carrier	Charges payable to counterparts	Remarks
		3	4	5	6	7	8								
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Total															
Add: Opening balance															
Net Payable/Receivables															

Annex-A

Reconciliation

Sl. No.	Particulars	Table	Reference	Amount	Remarks
1.	Charges payable to second carrier	1	Col. 13	****	
2.	Charges payable to counterparts	1	Col. 15	*****	
3.	Charges payable to second carrier	2	Col. 14	*****	
4.	Charges payable to counterparts	2	Col. 15	*****	
	Total			*****	
5.	Charges receivable from abroad	1	Col. 14	*****	
6.	Net payable/receivable				
7.	Adjustments (Sl. No.)			*****	
8.	Net payable/receivable, net of adjustment			*****	
9.	Repatriated/remitted during the reporting month (on.....)			*****	
10.	Balance payable/receivable			*****	

Annex-A
Declaration by freight forwarder

We do hereby declare that the statement furnished above is a complete and factually correct statement of HAWBs/HBLs against outward shipments through several modes of transportation during the month of During the reporting month, we have repatriated/remitted (amount in foreign currency) for which necessary payment of applicable taxes of Tk..... have been deducted/paid. We do undertake to be held responsible for false statement/declaration, if detected, under FER Act, 1947.

Signature:

Name of designated official of Freight Forwarder:

Designation:

Date:.....

Certificate by AD bank

We do hereby certify that during the reporting month we have encashed inward remittances/effectuated outward remittance (amount in foreign currency) on as per above statement. Necessary taxes of Tkas declared by customers in terms of have been deducted/paid.

Signature:

Name of designated official:

Designation:

Date:.....

Instructions:

- (a) Adjustment between receivables and payables may be made subject to deduction/payment of applicable taxes on eligible receivables and payables and without prejudice to permissions/approvals, if any, required under any other law.
- (b) ADs shall, before effectuating remittances, satisfy themselves with verification of necessary documents such as invoices from counterpart freight forwarders, etc.
- (c) ADs shall advise their freight forwarders to maintain relevant documents which will be made available as and when required by Bangladesh Bank/other relevant agencies.
- (d) ADs shall maintain customer-wise systematic record of outward remittances with relevant documents.