

CHAPTER 19

PAYMENT THROUGH INTERNATIONAL CARDS

1. International cards

Payment in foreign exchange may be made through international card (debit/credit/pre-paid as the case may be) of internationally recognised issuing company against the following entitlements:

- i) Balance in exporters' retention quota account [Ref : Para 27, Chapter 13] and FC accounts of EPZ units (Para 30, Chapter 13) & FC accounts of EZ units (Para 4, Chapter 20)
- ii) Annual personal travel quota entitlement of individuals [Ref : Para 1, Chapter 12].
- iii) Balances held in RFCD accounts [Ref : Chapter 13, Section-III].
- iv) Foreign exchange entitlement (fixed by the Government for each person intending to perform Hajj) of approved private Hajj Agencies for meeting food/lodging expenses of the pilgrims in Saudi Arabia. [Ref : Para 10, Chapter 12].
- v) Personal entitlement fixed by the Government of Bangladesh in each year for intending pilgrims for performing Hajj [Ref : Para 10, Chapter 12].
- vi) Foreign exchange entitlement fixed by the Ministry of Finance/competent authority for official or semi-official visits abroad by the officials of Government/Autonomous/Semi-autonomous institutions etc. [Ref: Para 3, Chapter 12].
- vii) Per diem foreign exchange entitlement for private sector participants for attending seminars, conferences, workshops, training etc. abroad arranged by recognised international bodies [Ref : Para 4, Chapter 12].
- viii) Annual business travel quota [Ref: Para 7, Chapter 12].
- ix) Balances held in private foreign currency accounts [Ref : Para nos. 1, 2 and 6, Chapter 13].
- x) Remittance facilities for BASIS member IT/Software firms within the limit in a calendar year [Ref : Para 39, Chapter 10].
- xi) Payment of membership fees of foreign professional and scientific institutions, both for individual and corporate in Bangladesh, fees for application, registration, admission, examination (TOEFL, SAT etc.) in connection with admission into foreign educational institutions [Ref : Para 9, Chapter 11, Para 36, Chapter 10].
- xii) Remittance for IT expenses [Ref. Para 40, Chapter 10].
- xiii) Payment for visa processing fees [Ref. Para 11(B), 12, Chapter 11].
- xiv) International cards for individual developers/freelancers [Ref : Para 23(b) (3), Chapter 8].

Instructions relating to issuance of international cards are outlined below:

2. International credit/debit/pre-paid card against balances held in ERQ accounts

(a) International credit/debit/pre-paid cards may be issued against the balances held in the ERQ foreign currency account as per entitlement mentioned in Para 27, Chapter 13 of this Guidelines. International cards may be issued in favour of upto three (3) top level executives of an exporting firm/organisation holding ERQ accounts. An exporting firm/organisation may avail of the card facility from one card issuing bank only. It will be upto the card issuing bank to accept or decline a request from an ERQ account holding exporting firm/organisation for issuance of international cards. Cards issued against ERQ accounts may be used only for meeting the bonafide business purposes of the exporting firm/organisation as mentioned in Para 28(A)(i), Chapter 13 (Section-IV) of this Guidelines.

(b) International debit/pre-paid card against balances held in FC accounts of EPZ & EZ companies

To facilitate business travel abroad by officials of enterprises located in EPZs/EZs, balances of FC accounts as mentioned in Para 30, Chapter 13 and Para 4, Chapter 20 may be used through international debit/pre-paid cards also. International cards (debit/pre-paid) may be issued in favour of upto three (3) top level executives of concerned enterprise against balances held in such foreign currency accounts. An enterprise may avail of the card facility from one card issuing bank only.

3. International credit/pre-paid card against travel quota entitlement.

ADs may issue international credit/pre-paid card against the annual personal travel quota entitlements of the prospective card holders as per Para 1, Chapter 12 of this Guidelines. While issuing card, the AD shall endorse on the passport, the value for which the card is issued. The same shall be reported to 'Online Foreign Exchange Transactions Monitoring System' of Bangladesh Bank as mentioned in Para 1(vi)(c), Chapter 12. ADs are advised to establish effective control to ensure utilisation of foreign exchange issued for (1) SAARC countries & Myanmar and (2) Other than SAARC countries & Myanmar in the respective areas.

4. International credit/debit/pre-paid card against balances held in RFCD accounts

International credit/debit/pre-paid card may be issued against the balances held in RFCD accounts opened and maintained as per instructions mentioned in Chapter 13 (Section III) of this Guidelines by authorised dealers in Bangladesh.

5. International pre-paid card against Hajj entitlement (for private sector Hajj agencies)

In each year government declares general permission for releasing foreign exchange favouring private sector Hajj agencies to meet food, lodging etc. expenses of the pilgrims in Saudi Arabia against foreign exchange entitlement fixed for each individual. Foreign exchange within the approved limit under general authorisation may be issued in favour of approved private sector

Hajj agencies operating in Bangladesh by the ADs in the form of pre-paid card besides cash/TC/FDD/FTT under the following arrangements:

(a) Hajj pre-paid card as issued within the said entitlement fixed by the Government for the respective year shall be used in Saudi Arabia only. Unused balance (if any) shall be encashed into Taka after return to Bangladesh and the card will be invalidated;

(b) The ADs shall have to be satisfied that endorsement of the same entitlement has not already been made/will not be made on the pilgrim pass/passport by another AD.

While issuing the card, the AD shall endorse an amount not exceeding Hajj entitlement (as fixed by the Government) on the pilgrim pass/passport.

6. International prepaid card against Hajj entitlement (for individuals)

International prepaid card may be issued to intending pilgrims (individual resident Bangladesh Nationals) for meeting expenses in Saudi Arabia while performing Hajj as per entitlement declared by the Government in each year [Para 10, Chapter 12] for using in Saudi Arabia only. While issuing the card, the AD shall endorse an amount not exceeding Hajj entitlement (as fixed by the Government) on the passport/pilgrim pass.

Hajj pre-paid card as issued within the said entitlement fixed by the Government for the respective year shall be used in Saudi Arabia only. Unused balance (if any) shall be encashed into Taka after return to Bangladesh and the card will be invalidated

7. International credit/pre-paid card against govt. officials etc.

International credit/pre-paid card may be issued favoring officials of government/autonomous/semi-autonomous institutions etc. for official/semi official visits abroad against foreign exchange entitlement fixed by the Ministry of Finance/competent authority from time to time as mentioned in Para 3, Chapter 12 of this Guidelines. In such case, the prospective card holder shall be required to submit the letter of sanction for limit of foreign exchange and the competent authority's order authorising the travel. While issuing the card, the AD shall endorse an amount not exceeding the entitlement (as fixed by the government/competent authority) on the passport.

8. International credit/pre-paid card for private sector officials.

International credit/pre-paid card may be issued favouring private sector participants for attending seminars, conferences, workshops, training etc. abroad arranged by recognised international bodies as per entitlement mentioned in Para 4, Chapter 12. While issuing the card, the AD shall endorse an amount not exceeding the entitlement as stated in the above mentioned Para on the passport.

9. International credit/pre-paid card for business travel quota entitlements for exporters, manufacturers for domestic markets and importers.

International credit/pre-paid card may be issued favouring exporters, importers and producers for the local market as per entitlement mentioned in Para 7, Chapter 12. While issuing the card, the AD shall endorse an amount not exceeding the entitlement as stated in the above Para on the passport.

10. International debit/pre-paid card against private foreign currency accounts

International debit/pre-paid card may be issued against the balances held in private foreign currency accounts (accounts opened and maintained as per Para nos. 1, 2 & 6, Chapter, 13).

11. International credit/pre-paid cards for BASIS member IT/software firms

Within the total limit of USD 30,000(thirty thousand) per calendar year, (as mentioned in Para 39, Chapter 10) ADs may issue international credit/pre-paid card favoring a nominated official of IT/software firm for upto the limit of USD 6,000(six thousand) with the recommendation of BASIS. The card may be refilled for another USD 6,000(six thousand) subject to production of documents evidencing the fact that the previous transactions were carried out for the purposes mentioned in Chapter 10, Para 39. ADs shall ensure that the aggregate amount of refills of IC and outward payment through other means do not exceed USD 30,000(thirty thousand) in a calendar year as stated in the said Para of Chapter 10.

12. International cards for online payment of membership fees, etc.

International cards may be used for online payment through internet of membership fees of foreign professional and scientific institutions, both for individual and corporate in Bangladesh, fees for application, registration, admission, examination (TOEFL, SAT etc.) in connection with admission into foreign educational institutions as mentioned in Para 9, Chapter 11, Para 36, Chapter 10 of this Guidelines. Individuals not holding international cards in their names may also make such online payment through internet using 'virtual card' for the required amount by international card issuing banks, for use through designated bank branches.

13. Virtual (debit/credit/pre-paid) card for IT expenses

International Card issuing banks have been allowed to issue 'Virtual Card' to individual developers/freelancers of mobile Apps and Games having acknowledgements/training/bootcamps/hackathons/course participation certificates on mobile application development, maximum USD 300 in a calendar year as mentioned in Para 40, Chapter 10 of this Guidelines.

14. International cards/virtual cards for visa processing fees

Remittance on account of visa processing may be made through online using International Cards, as mentioned in Para 11(B) & 12(visa processing), Chapter 11 of this Guidelines. International Cards issuing banks may also issue Virtual Cards for individuals not holding International Cards to facilitate the online payment of visa processing fees.

15. International cards to individual developers/freelancers

ADs may issue international cards to individual developers/freelancers to credit their proceeds received from abroad against ITE services provided by them. Issuance, crediting proceeds and utilisation of balances of such cards are described in Para 23(b)(3), Chapter 8 which are to be followed meticulously.

16. Online hotel booking using international cards on internet

International cards issued under different entitlements as mentioned in Para 1 of this chapter may also be used for online hotel booking by the cardholders in case of travel abroad.

17. Use of international cards for online payment

ADs may allow their cardholder customers to use IC for online payment not exceeding USD 300 (US Dollar three hundred) or its equivalent at a single transaction against legitimate purchase of items of goods and services (such as downloadable application software, e-books, etc.), magazine/newspaper subscription fees from reputed and reliable sources abroad. Online payments for such purchases shall be limited to the available unused annual travel quotas of the IC holders plus an additional amount not exceeding USD 1000 (One thousand) annually. It will be the responsibility of the IC holders using the online purchase option to fulfill tax/duty payment obligations, if any; they should also undertake such transactions with due caution against risks being defrauded by unreliable unscrupulous vendors.

18. Payment of mobile phone roaming bill

Subject to entitlement in each of the categories mentioned above, International Card holder may pay their mobile phone roaming service utilisation bill to mobile phone operators in Bangladesh through International Card. For realisation of roaming bills, the mobile phone operators are advised to specify the followings in their bills:

- i) category of area (SAARC/Non-SAARC including Myanmar);
- ii) name of the country;
- iii) amount of security deposit of the customer (if any, specifying area and country as above)

19. Other instructions

The following requisites, instructions etc. shall have to be meticulously complied with while issuing such international cards :

- i) A declaration from the intending card holder stating that he is not availing himself of any International Credit/Debit/Pre-paid Card from any other AD against the same account or the same entitlement;

(ii) In case the card is issued by a bank against any ERQ/RFCD/FC account maintained in another bank, an authorisation has to be obtained from the prospective card holder allowing the card issuing bank to have lien and debit authority for the said account from the bank maintaining that account;

(iii) Effective control system must be ensured by the issuing bank to guard against unwanted drawings in excess of the entitlement or balance in the respective foreign currency accounts (as the case may be). To facilitate monitoring towards limiting the liabilities on account of card use, the FC account holding ADs may from time to time advise the card issuing bank about the credit balances of the FC account;

(iv) The cards shall have to be withheld/invalidated as soon as the fund available in the ERQ/RFCD/FC account is fully utilised/exhausted unless there is reasonable prospect of replenishment;

(v) In cases of issuances of International Cards against ERQ/RFCD/FC accounts, the amount of the respective card shall be under lien so that under no circumstances related account is overdrawn. Yet for any unforeseen reason, if any account becomes overdrawn at any point of time, the same shall have to be immediately reported to the Bangladesh Bank clarifying the reason and remedial measure thereof;

(vi) All records, documents, account statements relating to issuance and use of cards should be kept ready and available for inspection /examination by Bangladesh Bank as and when required.

20. Reporting

a. Head Office/Principal Office of ADs are required to submit monthly statement of International Card to FEOD Head office, Bangladesh Bank as per format given in Appendix 5/103.

b. Online reporting

Information regarding issuance of international cards utilisation thereof are required to be reported to 'Online International Card Monitoring System' of Bangladesh Bank.