

Foreign Exchange Investment Department

Bangladesh Bank

Head Office

Dhaka.

Bangladesh Bank Website: www.bangladeshbank.org.bd

FEID Circular Letter No. 04/2013

Date: 20 March, 2013

Head Offices/Principal Offices of
All Authorized Dealers (ADs) in Bangladesh.

Dear Sirs,

**Facilitation of permission and renewal procedure
under Section 18B of Foreign Exchange Regulation (FER) Act, 1947.**

Pursuant to Section 18B of the FER Act, 1947, it needs to take general or special permission from Bangladesh Bank for the establishment of branch/liaison office or any other business place in Bangladesh by any organization not registered in Bangladesh. Again, it needs to take general or special permission from Bangladesh Bank for foreign nationals under Section 18A of FER Act, 1947 to work in Bangladeshi branch/liaison office or any other business place of foreign organization permitted under Section 18B of the aforesaid act. To avoid delay in starting relevant business functions due to time lag in obtaining permission, the following decisions shall come into force with immediate effect:

(1) For taking permission from this department, application along with relevant documents signed by the competent official of the organization shall be submitted to AD bank in conformity with the instructions given in App. 6/3 of Guidelines for Foreign Exchange Transactions (Vol.-1), 2009 and Circular Letter No. 02/2010 dated 23/11/2010 of this department.

(2) An electronic copy of forwarding letter (as per Annexure-1 & 2) including recommendation of granting permission certifying the accuracy of the client's application and all other received documents, signed by the chief official of foreign exchange operations of AD bank shall be sent (gm.feid@bb.org.bd) to the General Manager, Foreign Exchange Investment Department of Bangladesh Bank. At the same time and date, hard copy of the forwarding letter along with all other relevant documents shall have to be sent to the same recipient. In reference to the received message through electronic media, a primary permission from this department will be informed to the AD bank in the following working day. This primary permission will be considered as ad-hoc permission for the application related to the establishment of branch/liaison office or any other business place of foreign organization and/or the application by foreign nationals for running operation in the aforesaid type of branch/liaison office or any other business place, and it will remain valid until further instruction is given. The aforementioned procedures will also be applicable for other local offices of Bangladesh Bank.

(3) After receiving the hard copy of application and other relevant documents sent at the same time and date, the concerned department/office of Bangladesh Bank will seek necessary explanation/information if any deficiency is found in detailed scrutiny. Bangladesh Bank will intimate instruction cancelling the initial ad-hoc permission if any satisfactory response of the explanation/information is not received within maximum 8 (eight) weeks. If the application is found in order and complete, a formal permission letter will be issued.

(4) If the forwarding letter of the AD bank is not sent in accordance with the prescribed format (Annexure-1 & 2) and as per the instructions of this circular, then it will not be acknowledged and hence, the applicant will not be considered as permitted primarily.

P.T.O.

(5) In case of submission of certificate related to bringing and expending of all office expenses of permitted Bangladeshi branch/liaison office or any other business place of foreign organization from the foreign parent company, the instructions stated in FEID Circular Letter No. 02 dated 23/11/2010 shall have to be followed. Mentionable that, if the stated certificate is not found along with the application as per the aforesaid circular, cancellation of permission may be considered by Bangladesh Bank.

(6) In accordance with the instructions circulated above, section (f) of FEID Circular Letter No. 01/2013 dated 28/01/2013 shall be considered as cancelled.

ADs are advised to play active role in implementing the decisions stated above and bring those to the notice of all concerned. In this context, concerned ADs shall be brought under punitive/disciplinary action if any kind of business function including export-import is hampered or if any complaint regarding customer harassment is proved due to their negligence/slackness.

Please acknowledge receipt.

Yours faithfully,
Sd/-
(Nurun Nahar)
Deputy General Manager
Phone: 9512605

E-mail Application of the AD Bank

Annexure-1

Ref. No:

Date:

The General Manager
Foreign Exchange Investment Department
Bangladesh Bank
Head Office
Dhaka.

Dear Sir,

Application for Permission (or renewal of permission)
Under Section-18B of Foreign Exchange Regulation Act, 1947.
Bangladesh Bank Permission No:-----.

We are submitting the application of ----- (Name of the Applicant) for granting permission (or renewal of permission) under Section-18B of Foreign Exchange Regulation Act, 1947.

We hereby certify that all the required documents mentioned in the App. 6/3 of Guidelines for Foreign Exchange Transactions (Vol.-1), 2009 and Circular Letter No.-02/2010, dated 23/11/2010 has been received from ----- (Name of the Applicant) and verified by us. We also certify that all the documents are found genuine and correct. We confirm that the applicant has already repatriated required foreign currency to establish/operate the branch/liaison/representative office as per condition given in the permission letter of Board of Investment and encashed by us.

We have already submitted all these documents (hard copy) to your good office for granting permission under Section-18B of Foreign Exchange Regulation Act, 1947.

We hereby also certify that all the necessary office expenses were met from the remittances brought in Bangladesh from abroad by the branch (or liaison or representative office) (and/or expenses met from the local source of income since the branch/liaison/representative office has got waiver from the condition 2(iii) of Bangladesh Bank's permission letter) and accurately furnished in the Certificate (as per Circular Letter No.-02/2010, dated: 23/11/2010) attached with all other documents submitted to Bangladesh Bank.

We recommend hereby to kindly accord permission to ----- (Name of the Applicant) under Section-18B of Foreign Exchange Regulation Act, 1947.

Name:

Designation:

Phone:

Fax:

E-mail:

E-mail Application of the AD Bank

Annexure-2

Ref. No:

Date:

The General Manager
Foreign Exchange Investment Department
Bangladesh Bank
Head Office
Dhaka.

Dear Sir,

Application for Permission (or renewal of permission)
Under Section-18A of Foreign Exchange Regulation Act, 1947.
Branch/Liaison/Representative Office Name:-----

We are submitting the application on behalf of foreign expatriate Mr./Ms. ----- for granting permission (or renewal of permission) under Section-18A of Foreign Exchange Regulation Act, 1947.

We hereby certify that all the required documents mentioned in the App. 6/3 of Guidelines for Foreign Exchange Transactions (Vol.-1), 2009 has been received from Mr./Ms.----- and verified by us. We also certify that all the documents are found genuine and correct. We confirm that Mr./Ms.----- has been maintaining an account with our branch.

We have already submitted all these documents (hard copy) to your good office for granting permission under Section-18A of Foreign Exchange Regulation Act, 1947.

We recommend hereby to kindly accord permission to Mr./Ms.----- under Section-18A of Foreign Exchange Regulation Act, 1947.

Name:

Designation:

Phone:

Fax:

E-mail: