

FOREIGN EXCHANGE POLICY DEPARTMENT  
BANGLAESH BANK  
HEAD OFFICE  
DHAKA

F.E CIRCULAR NO-11

DATE : 20/12/2004

All Authorized Dealers in Foreign Exchange  
in Bangladesh.

Dear Sirs,

ADVANCE PAYMENT AGAINST IMPORTS

Please refer to paragraph 24, chapter 15 of the "Guidelines for Foreign Exchange Transactions, 1996 (GFET), Volume-1" on the captioned subject.

02. Effective from 1st January 2005, the existing text of paragraph 24, chapter 15 of GFET, Vol-1 shall be substituted as under:

“24(i). Advance remittance for permissible imports of goods and services into Bangladesh may be effected by the Authorized Dealers without prior approval of the Bangladesh Bank, against applications from the importers submitted with signed undertaking in the revised format of Appendix 5/12(enclosed), provided that:

- a) the purchase contract with supplier specifically requires advance payment,
- b) the supplier furnishes repayment guarantee acceptable to the Authorized Dealer, from a bank abroad, to be invoked for refund of the amount paid in advance in the event of the supplier's default in delivering the goods or services as per contract. Such guarantee need not however be insisted upon in cases of advance payments up to USD2500 for import of books, journals or life savings medicines.

(ii) Requests for advance remittance where the suppliers are unwilling or unable to furnish the repayment bank guarantee referred to at para 24(i)(b) may be forwarded by the Authorized Dealers, along with their recommendations, for specific decision of the Bangladesh Bank on merit of each case.

(iii) Authorized Dealers shall report to the Bangladesh Bank the cases where the goods/ services against advance payments are not received in Bangladesh within due time.”

03. Please bring these instructions to the notice of all concerned; meanwhile please acknowledge receipt of this circular.

Yours faithfully,

Enclosure:01(one) page.

(Khandaker Khalidur Rahman)  
Deputy General Manager  
Phone: 7120375

**BANGLADESH BANK  
FOREIGN EXCHANGE POLICY DEPARTMENT**

**FORM OF UNDERTAKING**

(To be furnished by the importer for making advance remittances for permissible imports of goods and services).

In consideration of Bangladesh Bank permitting me/us an advance remittance of \_\_\_\_\_ to \_\_\_\_\_ I/We hereby undertake that the amount so remitted by me/us will be used solely for the purpose of payment for the goods/services described below to be imported into Bangladesh from \_\_\_\_\_ in accordance with the regulations in force regarding such imports. I /We declare that the goods/ services will be so imported by me/us on or about \_\_\_\_\_ and I/We undertake to produce to the Bangladesh Bank documentary evidence in respect of goods/ services so imported including the Exchange Control Copy of the Customs Bill of Entry for goods and suppliers invoice in original. I/We further declare that the amount paid by me/us in advance will be deducted from the invoice value of the goods (CFR)/ services imported and that the deduction will be shown on the invoice.

Name and address of the supplier	Invoice value		Description		Country of origin		Particulars of L.C. Authorisation Form	
	Goods	Services	Goods	Services	Goods	Services	Goods	Services

Signature and Stamp of the  
Importer

Name of the Importer \_\_\_\_\_

Address \_\_\_\_\_

Registration Number with CCI & E \_\_\_\_\_

Date.....

*Signature and Stamp of the  
Authorised Dealer*