

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

FE Circular No. 44

Date: December 28, 2017

All Authorized Dealers in  
Foreign Exchange in Bangladesh

Dear Sirs,

**Repatriation of export proceeds through Online  
Payment Gateway Service Providers– revision of**

Please refer to FE Circular No. 15, dated August 07, 2011 in terms of which Authorized Dealers (ADs) are permitted to facilitate the repatriation of remittances against small value service exports in non-physical form such as data entry/data process, off-shore IT service, business process outsourcing etc. through Online Payment Gateway Service Providers (OPGSPs). With reference to the said circular, necessary amendments for smooth transactions are brought through issuance of different circulars. To bring ease in operations of transactions through OPGSPs, revised instructions prepared through consolidations of FE Circular No. 15/2011 and its subsequent relevant circulars at one place with modifications as necessitated are given below:

(a) ADs shall enter into standing arrangements with internationally recognized OPGSPs and maintain separate Nostro collection account for each OPGSP to repatriate the above mentioned service export related payments. Service exporters availing of this facility shall open notional accounts with only those OPGSPs having arrangements with ADs in Bangladesh. It shall be ensured that no funds are retained in such accounts and all receipts shall be automatically swept and pooled into the Nostro collection account maintained by the ADs. In no way, income in foreign exchange by residents can be retained in notional accounts like resident bank accounts. OPGSPs shall observe it with strict compliance.

(b) This facility shall only be available for service export in non-physical form of value not exceeding USD 5,000 (US Dollar five thousand) per transaction. Beyond the limit, normal banking channel shall be used for repatriation.

(c) The following debits will only be permitted to the Nostro collection account opened and maintained under this arrangement:

- i) Repatriation of funds representing service export (as mentioned in the opening paragraph) proceeds to Bangladesh for payment to service exporters;
- ii) Payment of fee/commission to OPGSP as per the predetermined rates/frequency/arrangement; and

iii) Charge back to the service recipient/importer where the service exporter has failed in discharging the obligations as per specifications.

(d) ADs shall repatriate the balances held in the Nostro collection account and arrange to credit the respective exporter's account with a bank in Bangladesh on being confirmed that the export proceeds have been swept and pooled into the Nostro collection account from the exporter's notional account.

(e) ADs shall satisfy themselves as to the bonafide of the transactions on examination of relevant documents and credit the amount in ERQ account of exporters up to the permissible limit at their options. The remainder (or upto full, at exporter's option) shall mandatorily be credited in local currency accounts after conversion. ADs shall also ensure deduction of applicable taxes, if any and payment thereof.

(f) Besides online reporting and monthly reporting in schedules/statements of the transactions to Bangladesh Bank with appropriate purpose codes, ADs shall submit all the relevant information/documents relating to any transaction under this arrangement to Bangladesh Bank, as and when advised to do so.

(g) Each Nostro collection account shall be subject to reconciliation and audit on a quarterly basis in terms of paragraph 7, chapter 4 of GFET.

(h) Resolution of all payment related complaints of exporters/service providers in Bangladesh shall remain the responsibility of OPGSPs concerned.

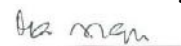
(i) ADs entering into arrangement(s) with any OPGSP(s) shall report to the Foreign Exchange Policy Department, Bangladesh Bank, Head Office, Dhaka with necessary details. The arrangements are subject to strict compliance by OPGSPs with the instructions contained in this circular.

(j) As usual, ADs shall exercise due diligence in respect of the transactions with OPGSPs and comply with the foreign exchange regulations, AML/CFT regulations and any other relevant laws/regulations in force.

02. Instructions of FE Circular No. 15/2011 and its subsequent circulars shall stand repealed with issuance of this circular.

Please bring the contents of this circular to the notice of all concerned.

Yours faithfully,



**(Md. Abdul Mannan)**  
Deputy General Manager  
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