

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

FE Circular No.07

Date: February 14, 2017

All Authorized Dealers of
Foreign Exchange in Bangladesh

Dear Sirs,

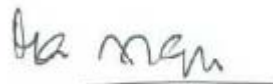
Validity of Letter of Credit Authorization Form (LCAF)

Please refer to Paragraph 3(c), Chapter 7 of the Guidelines for Foreign Exchange Transactions-2009 (GFET), Vol.-1 wherein remittances for import payment against expired LCAF are restricted without obtaining its revalidation.

It is observed that LCs/Contracts for import of capital machinery require phase-wise payments as part of the total import value, besides usual/quarterly payments. This situation, in some cases, leads LCAF to expire before settlement of such remainder payments. To facilitate these remainder payments, it has been decided that ADs may effect such remittances within 30 months of LCAF issuance against import of capital machinery without obtaining its revalidation. It has also been decided that revalidation of LCAF will not be required for remittances against import out of fund held in foreign currency accounts of importers maintained under general or special authorization from Bangladesh Bank.

Please bring the above instructions to the notice of all your constituents.

Yours faithfully,



(Md. Abdul Mannan)
Deputy General Manager
Phone: 9530319