

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

**FE Circular No. 03**

**Date: 22/01/2017**

All Authorized Dealers in  
Foreign Exchange in Bangladesh

Dear Sirs,

**Use of balances held in Exporter's Retention Quota Accounts**

Attention of Authorized Dealers is invited to paragraph 29(i), chapter 13 of the Guidelines for Foreign Exchange Transactions-2009 (GFET), Vol-1 in terms of which balances held in exporter's retention quota (ERQ) accounts are useable by exporters for bonafide business purposes.

02. In order to keep minimum involvement of AD's own fund for settlement of import, it has been decided that ADs maintaining ERQ accounts may transfer fund from ERQ accounts to other ADs of same exporters or their subsidiaries/sister concerns for settlement of import payment. In this context, following instructions need to be observed:

(a) Fund transferring AD:

(i) ADs shall be satisfied that the fund will be used only for imports by other ADs of same exporters or their subsidiaries/sister concerns and the fund is unencumbered.

(ii) Transfer will be executed through FDD to be settled through Bangladesh Bank clearing accounts of ADs. This instruction shall not be applicable for fund transfer and receipt in the same AD.

(b) Fund receiving AD:

(i) ADs shall retain the fund in margin account till settlement of import payments.

(ii) ADs shall settle the import payments in compliance with Import Policy Order in force, foreign exchange regulations and other import related instructions.

other instructions in this regard shall remain unchanged.

This FE Circular is issued under authority of section 20(3) of the Foreign Exchange Regulation Act, 1947. Please bring the above instructions to the notice of all concerned constituents.

Yours faithfully,



**(Md. Zakir Hossain Chowdhury)**  
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