

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

FE Circular Letter No. 18

Date: 17/07/2019

Head offices/principal offices of
All Authorized Dealers in Bangladesh

Dear Sirs,

Transactions from Private Foreign Currency Account for trade settlement

In terms of paragraph 1, chapter 13 of the Guidelines for Foreign Exchange Transactions-2018 (GFET), Vol-1 Authorized Dealers (ADs) are allowed to open and maintain Private Foreign Currency (PFC) Accounts in the name of eligible persons/firms. Funds from these accounts are freely remittable abroad.

02. It has come to the notice that there are confusions in the market regarding trade payment from PFC accounts. This is to clarify that funds from PFC accounts may be used for payment of admissible imports in terms of Import Policy Order in force. Payment for legitimate services is also admissible, subject to compliance of regulations on taxes deduction. Balances held in this accounts may also usable for payment in advance against import of legitimate goods and services. The clarification as stated herein shall be in force provided that no restrictions are imposed by other authorities.

03. In this regard, ADs shall comply due diligence and KYC/AML/CFT standards.

Please bring the above clarification to the notice of all concerned constituents.

Yours faithfully,



(Md. Kawsar Matin)
General Manager (Current Charge)
Phone: 9530123