

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

FE Circular No. : 24

Date: 29 July, 2018

All Authorized Dealers in
Foreign Exchange in Bangladesh

Dear Sirs,

Issuance of bid bonds on behalf of residents in favor of non-residents

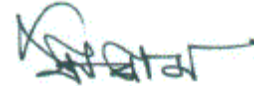
Please refer to paragraph 8(i), chapter 16 of the Guidelines for Foreign Exchange Transactions-2018, Vol-1 in terms of which Authorized Dealers (ADs) are allowed to issue bid bonds/performance bonds on behalf of residents favoring international agencies inviting tenders for supply of goods/services.

It is observed that resident organizations/entities participate in international tenders floated by foreign organizations/entities besides international agencies. In accordance with international practices, bid bonds are required to be furnished to the tender inviting parties as per provisions of tenders. To facilitate the transactions, it has now been decided that ADs may issue bid bonds on behalf of residents favoring foreign organizations/entities inviting tenders for supply of goods/services in Bangladesh or from Bangladesh to foreign countries. In this context, ADs shall satisfy themselves that resident suppliers have made necessary arrangements to comply with regulatory instructions with regards to cross border delivery of goods/services and repatriation of export proceeds within the stipulated time.

Other instructions in this regard shall remain unchanged.

Please bring the content of this circular to the notice of all concerned constituents.

Yours faithfully,



(Md. Kawsar Matin)
Deputy General Manager
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