Foreign Exchange Policy Department-1
Bangladesh Bank
Head Office
Dhaka
www.bb.org.bd

FEPD-1 Circular No. 25 Date: July 29, 2026

All Authorized Dealers in
Foreign Exchange in Bangladesh

**Bank-intermediated cross-border digital payment framework**

Dear Sirs,

Attention of Authorized Dealers (ADs) is invited to existing foreign exchange regulations governing outward and inward remittances under current account transactions.

**02.** In line with the objective to promote digital financial inclusion, facilitate cross-border trade in services, and modernize payment infrastructure, it has been decided to introduce a 'bank-intermediated framework' for processing cross-border digital payments through ADs in collaboration with foreign payment service providers, digital platforms, online payment gateway service providers (OPGSPs), and other legitimate payment solution providers (hereinafter referred to as 'Cross-border Digital Payment Service Providers CDPSPs)'. Under this framework, ADs may:

(a) Establish standing arrangements with CDPSPs for facilitating admissible cross-border digital transactions, subject to compliance with foreign exchange regulations, AML/CFT requirements, taxes laws, and reporting obligations.

(b) Facilitate the opening of digital wallets, stored-value accounts, and similar payment instruments in the name of the individuals in whose favor foreign exchange is released. These instruments shall be referred to as Digital Value Accounts (DVAs) maintained with CDPSPs.

**03. ADs shall ensure that:**

(a) All DVAs maintained with CDPSPs shall be mandatorily linked to a Master DVA or settlement account maintained by the respective AD with the concerned CDPSP.

(b) Individual DVAs shall operate strictly as sub-accounts under such Master DVA structures and shall not function as standalone or independently funded accounts outside the purview of the AD.

(c) Real-time or near real-time system integration with CDPSPs is established to ensure full visibility of balances, transactions, and usage patterns of all DVAs.

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(d) A mirror ledger of all DVA transactions shall be maintained within the AD's systems to enable continuous monitoring, reconciliation, and regulatory reporting.

(e) All transactions conducted through DVAs comply with applicable foreign exchange regulations, prescribed limits, and declared purposes.

(f) Adequate controls are implemented to restrict unauthorized use, enforce transaction caps, and maintain complete audit trails.

(g) Any unutilized balances held in DVAs remain under the effective control of the AD and shall be subject to repatriation, reversal, or adjustment in accordance with prevailing foreign exchange regulations.

**04. ADs shall observe the following settlement and routing mechanism:**

(a) All transactions under this framework shall be routed exclusively through ADs for settlement and foreign exchange execution.

(b) ADs shall ensure that no cross-border transaction under this framework is executed outside the approved CDPSP arrangements and the established Master DVA framework.

**05. Permissible transactions and usage shall be as follows:**

(a) ADs may release foreign exchange on account of travel entitlement to eligible resident Bangladeshi nationals through DVAs maintained with partner CDPSPs integrated with respective ADs.

(b) Travels shall include private, medical, and official travel.

(c) All formalities for release of foreign exchange for travel purposes shall continue to be governed by relevant provisions of paragraphs 9, 10, and 11 of FE Circular No. 37, dated September 09, 2025 (as amended from time to time).

(d) DVA-based facilities may also be extended against balances held in Export Retention Quota (ERQ) and Resident Foreign Currency Deposit (RFCD) accounts. In case of ERQ accounts, up to 3 top-level officials of eligible entities may be allowed access to such DVA facilities for bonafide business-related foreign expenditures as per paragraph 77(2) of FE Circular No. 31, dated July 31, 2025.

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(e) ADs may allow DVA holders to undertake cross-border online payments up to a limit of USD 300 (or equivalent) per transaction as per paragraph 92(18) of FE Circular No. 37/2025. In addition, DVAs may be used for online payment, on actual requirements, of membership fees, etc. as per paragraph 28; IT related expenses as per paragraph 38; visa processing fee as per paragraphs 32 and 33; and online hotel booking as per paragraph 92(17) of the said circular and subsequent circular.

**06.** ADs intending to provide outward remittance services under this framework shall, prior to commencement of such services, apply to Foreign Exchange Policy Department-1, Bangladesh Bank Head Office, with detailed information on the relevant CDPSPs, operational structure, system integration arrangements, and compliance frameworks for regulatory acknowledgement.

**07.** Exporters and e-commerce traders maintaining notional accounts or DVAs with CDPSPs may repatriate export proceeds in accordance with existing provisions of Part-F and G of FE Circular No. 31/2025 (as amended from time to tome). Funds retained in ERQ accounts may be loaded into approved DVAs for settlement of bonafide current obligations, subject to regulatory compliance.

**08.** ADs may provide acquiring or settlement services to incoming non-residents or foreign DVA holders for facilitating payments at local merchant points, in accordance with instructions contained at paragraph 76 of FE Circular No. 34, dated August 14, 2025 and its subsequent amendments.

**09.** ADs shall ensure regular reporting of all transactions processed under this framework to Bangladesh Bank and shall maintain robust KYC, CDD, and AML/CFT controls in accordance with applicable laws and regulations.

Please bring the contents of this circular to the notice of all your constituents.

Yours faithfully,

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