

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

FE Circular Letter No. 09

Date: March 02, 2022

Head Offices/Principal Offices of
All Authorized Dealers in Bangladesh

Dear Sirs,

Payment in foreign currency against local supply of goods under international tender.

Please refer to paragraph 35, chapter 7 of the Guidelines for Foreign Exchange Transactions (GFET)-2018, volume-1 in terms of which Authorized Dealers (ADs) can, on behalf of Government authorities, establish letter of credit (LC) in foreign exchange favoring local contractors to execute work orders under international tender. The paragraph also allows ADs to settle import payment obligations of local contractors out of the funds retained in foreign exchange for 30 days as per paragraph 42(ii) of this chapter.

02. It has now been decided that paragraph 35 of chapter 7 of GFET-2018, volume-1 will be read as follows:

“ADs may establish letter of credit (LC) in foreign currency favoring local contractor to execute work order provided under international tender. Such LCs established in foreign currency shall be settled through FC clearing accounts of the bank concerned maintained with Bangladesh Bank. Foreign exchange thus received may be retained up to thirty days to settle import payment obligations of the client as mentioned in Para 42(ii) of this chapter.”

Please bring the above modification to the notice of constituents concerned.

Yours faithfully,



(Md. Enamul Karim Khan)
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