

Foreign Exchange Policy Department

Bangladesh Bank

Head Office

Dhaka

www.bb.org.bd

FE Circular No. 05

Date: May 27, 2015

All Authorized Dealers in
Foreign Exchange in Bangladesh

Dear Sirs,

Enhancement of Exporter's Retention Quota (ERQ)

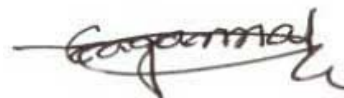
Section IV, chapter 13 of the Guidelines for Foreign Exchange Transactions-2009 (GFET) permits exporters to retain specified parts of their export earnings in foreign exchange, for utilization without prior Bangladesh Bank approval for bonafide business expenses abroad including maintenance of offices abroad, import of raw materials, machineries and spares, etc. It has been decided to further widen this facility by enhancing the ERQs as under:

- (a) ERQ for exports of high domestic value added merchandise shall stand enhanced to 60 percent from existing 50 percent.
- (b) ERQ for merchandise exports of high import contents (like apparels using woven fabric) shall stand enhanced to 15 percent from existing 10 percent.
- (c) ERQ for export of services shall stand enhanced to 60 percent from existing 50 percent of repatriated export receipts.

02. Other relevant instructions of section IV, chapter 13 of GFET shall remain unchanged.

Please inform the above instructions, effective immediately, to all your concerned constituents.

Yours faithfully,



(Jagannath Chandra Ghosh)
Deputy General Manager
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