

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

FE Circular Letter No. 19

Date: May 29, 2025

Head offices/principal offices of all  
Authorized Dealers in Bangladesh

Dear Sirs,

Guarantees favoring local project authorities on behalf of residents

Please refer to paragraph 11, 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/guarantees favoring local project authorities on behalf of residents in foreign currency on the condition that in case the guarantee is invoked the claim thereagainst would be paid only in Taka.

02. Given the actual requirement of respective project authorities as per tender documents, ADs may settle payments in foreign currency, in case of revocation, through RTGS-system. For issuance of guarantees on behalf of joint ventures/consortiums/associations between resident entities and foreign partners, ADs shall satisfy themselves regarding coverage of proportionate collaterals (such as bank guarantees, SBLCs) from foreign partners.

Other relevant instructions shall remain unchanged. Please bring the contents of this circular letter to the notice of your clientele.

Yours faithfully,



(Md. Harun-Ar-Rashid)  
Director (FEPD)  
Phone: 9530123