

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

FE Circular No. 21

Date : 03 November, 2009

All Authorized Dealers in Foreign Exchange
and Offshore Banking Units of Dealer Banks in Bangladesh

Dear Sirs

Submission of Return on Foreign Direct Investment and Private Sector External Debt

Data/information on Foreign Direct Investment (FDI) and Private Sector External Debt (PSED) are considered very important among all economic indicators. Presently, Statistics Department of Bangladesh Bank is collecting these information through Enterprise Survey on half yearly and quarterly basis respectively. Under the existing system, data is collected directly from the recipient enterprises of FDI and PSED. Considering the importance of the subject, to ensure receiving information regularly from the recipient enterprises of FDI/PSED, decision has been taken to collect such information through concerned authorized dealer banks of the entities. From now, ADs will submit information of FDI and PSED of the recipient entities as per the Forms mentioned below (duly filled in by the concerned entities) to the Statistics Department, Bangladesh Bank :

Reporting Form	Type of Information	Reporting Frequency	Submission Deadline
Form ED-1	Summary Report on Foreign Borrowing Agreement	One time	Within one month of approval of foreign loan.
Form ED-2	Status Report on Foreign Borrowings from Non-Residents	Quarterly	Within one month after end of reference quarter
Form-FI-1: Foreign Investment in Bangladesh	Foreign Investment Related	Half yearly	Within 3 months from the end of half year i.e. Jan-June Report by 30 September and July-Dec Report by 31 March of the next year.

To ensure submission of accurate FDI and PSED Return, FDI and PSED recipient entities and Authorized Dealers/Offshore Banking Units (OBUs) will have to comply with the following instructions:

1. All private sector enterprises who have already received FDI/PSED must obtain certificate from Statistics Department, Bangladesh Bank regarding submission of FDI/PSED Return to Bangladesh Bank. However, submission of FDI/PSED Return in accordance with the above mentioned Forms (ED-1, ED-2, FI-1, as the case may be) to Bangladesh Bank for the first time will be considered as request for obtaining such certificate and hence separate request will not be required.
2. Other entities (who have not received FDI/PSED earlier), within one month of receiving of FDI/PSI will apply to Statistics Department, Bangladesh Bank, Head Office for obtaining certificate regarding submission of FDI/PSED Return with forms Form FI-1, Form ED-1, Form ED-2 (as the case may be) through authorized dealer and will continue submission of such Return onwards regularly.

3. For submission of Return of external borrowing in Form ED-1, copy of approved borrowing agreement and subsequent amendments thereon (if any) shall have to be submitted also.
4. December end and June end Returns shall be accompanied by yearly/half yearly (as the case may be) audited balance sheet and income-expenditure statement of the company concerned.
5. While providing any financial facility/service to enterprise having FDI/PSED, the bank/OBU will have to be ensured that the service receiving enterprise has obtained certificate regarding submission of FDI/PSED Return from Statistics Department, Bangladesh Bank or have applied to Statistics Department, Bangladesh Bank, Head Office, Dhaka for such certificate by filling up forms appropriately.
6. FDI/PSED receiving entity shall fill-up the forms (Form ED-1 ED-2, Form FI-1, as the case may be) properly and submit to its nominated AD for onward submission to Bangladesh Bank. The concerned AD shall submit the filled-up forms received from client(s) to Statistics Department, Bangladesh Bank with a forwarding letter mentioning the name of the concerned FDI/PSED receiving entities whose forms are being submitted.
7. For receiving FDI/PSED through different branches of the same bank or different banks, the enterprise concerned shall have to submit Form ED-1, Form ED-2, Form FI-1 through one nominated bank branch only.
8. Head Office/Principal Office of the Banks shall prepare & maintain a branch-wise/OBU-wise list of enterprises (name and address of the Registered Office) having FDI/PSED who have been listed to submit their FDI/PSED Returns to Bangladesh Bank through different branches/OBUs of the Bank. Such list shall have to be submitted to Statistics Department of Bangladesh Bank on half-yearly basis with updated information (if any) during the reporting time.
9. Enterprises of EPZs (Type A, B or C) are also required to submit FDI/PSED Returns as mentioned above through their nominated AD/OBU.
10. AD/OBU will start FDI/PSED Return (Form ED-2, Form- FI-1) from December 2009 as per above instructions and will continue the same on quarterly/half-yearly basis respectively till further instruction. Instructions for submission of Form FI-1/Form ED-1 for new investment/loan will come in force immediately.

ADs/OBUs are being instructed to play responsible role to ensure accurate FDI and PSED Returns of their clients.

Please acknowledge receipt and inform this issue to all concerned.

Yours faithfully,

Signed/-

(Khandaker Abdus Salim)
Deputy General Manager
Phone : 7120375



Deadline for submission: Within 1 month of approval

SUMMARY REPORT ON FOREIGN BORROWING AGREEMENT

General Information

1. Loan ID (Provided by BB) :
 2. Debtor's Name :
Address :
 3. Creditor's Name :
Address :
 4. Date of Agreement Signed :
 5. Effective Date ¹ :
 6. Expiry Date of Effectiveness :
 7. Date of Drawing Limit :
 8. No. of Tranches :
 9. Date of Authorization :
 10. Loan Amount :
 11. Authorized By :
 12. Purpose of Loan :
 13. Base Currency :
 14. Public Guarantee : Yes No
 15. Syndicated Loan * : Yes No
- * If yes, please attach the list of creditors with their contribution to loan amount.

TRANCHE Information

16. Tranche Number ³ :
17. Principal Repayment :
(Please, attach the updated repayment schedule.)
18. Information of interest

a) Rate of Interest :	b) Penalty Rate :
c) Calculation Start Date :	
d) Method of Calculation	e) Payment Dates
i) Year ⁴ :	i) Payment Start Date :
ii) Month ⁵ :	ii) Payment End Date :
iii) Periodicity ⁶ :	iii) Periodicity :
19. Commission Payment

For Regular Payment	
a) Commission Type :	c) Currency :
b) Rate/Amount :	e) Calculation End Date :
d) Calculation Start Date :	g) Payment Dates
f) Method of Calculation	i) Payment Start Date :
i) Year :	ii) Payment End Date :
ii) Month :	iii) Periodicity :
iii) Periodicity :	
For One-time Payment	
a) Commission Type :	b) Currency :
c) Payment Date :	d) Percentage/Amount :
20. Bank's Name & Address :

Notes :

1. The earliest date at which a drawing can be made.
2. The closing date for rendering the loan effective. After this date, the commitment of the creditor can be annulled.
3. For multiple tranches additional sheet should be used.
4. Options : 360 days; 364 days; 365 days; 366 days
5. Options : 30 days; Calendar
6. Options : Annual; Semiannual; Quarterly; Monthly; Irregular

Signature:
Name:
Designation:
(Official seal)
Telephone No.:
Date :

FORM ED-2

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TABLE : DETAILS OF ARREARS

	Principal	Interest	Other	Total
	a	b	c	d=(a+b+c)
At the beginning of period ^I				
Created during the period ^{II}				
Payment during the period ^{III}				
Other (Please Specify) ^{IV}				
At the end of period ^(I+II-III +/- IV)				

FORM -1: FOREIGN INVESTMENT IN BANGLADESH

Area Code :

(for internal use of Bangladesh Bank)

1. Name of the reporting enterprise / organization

Company Code No. (for internal use of Bangladesh Bank)

2. Legal form of enterprise (Please tick one box only):

Company incorporated in Bangladesh

A branch of an enterprise incorporated abroad

An unincorporated enterprise (Individual, sole trader)

Unincorporated enterprise (partnership / joint venture)

3. Nature of **major** business activities conducted in Bangladesh

Purpose Code No. (for internal use of Bangladesh Bank)

4. Date of Implementation of the Enterprise :-

5. Factory Location :-

6. Address for Correspondence :-

7. Machinery and Equipment Imported during the reporting period :

Machinery and Equipment Imported	Date of Import	Value in thousand Taka	As Capital
			(Yes/No)
a) By Foreign Investor			
b) By Local Investor			
b) By the Company			

8. Total Foreign Equity Investment (as at the end of the reporting period)

(Taka in thousand)

(Should be equal to the sum of Equity Capital on page 3)

9. List names, countries & percentages of equity held by foreign direct investors:

Investor : (a)..... Country : (a)..... Equity (a) % Type Code

(b)..... (b)..... (b) %(for internal use of BB)

(c)..... (c)..... (c) %

10. External Debt of the reporting enterprise (as at the end of the reporting period)

(Taka in thousand)

(Should be equal to the sum of Code : 2321, 2322, 2421, 2422 on page 3)

11. Total paid-up capital of the reporting enterprise (Taka in Thousand)

12. Banker's address

Form - 1(A): Claims on Nonresidents*
Half -Year Ended:.....

(Taka in thousands)

Instrument Type	Code No.	Country of Investors		Opening Position as on / /	Change in Position			Closing Position as on / /	
		Name	Code No. (for Internal use of B.B)		Transactions				Due to Exchange Rate
					Increase	Decrease	Net		
A	B	C	D	E	F	G	H = F-G	I	J = E+H+I
I. CLAIMS ON FOREIGN DIRECT INVESTORS (see Technical note)									
1. Short Term									
a) Loans	1121								
b) Trade Credits	1141								
c) Other debts (to be specified)	1145								
2. Long Term									
a) Loans	1122								
b) Bonds and notes	1152								
c) Other debts (to be specified)	1155								
3. Other Claims (to be specified)	1159								
II. CLAIMS ON OTHER NONRESIDENTS (see Technical note)									
4. Short Term									
a) Loans	1221								
b) Trade Credits	1241								
c) Other debts (to be specified)	1245								
5. Long Term									
a) Loans	1222								
b) Bonds and notes	1252								
c) Other debts (to be specified)	1255								
6. Other Claims									
a) Currency and deposits	1251								
b) Others (to be specified)	1259								
7. Total Claims (I+II)									

* Please use additional sheets, if necessary.

Form - 1(B) : Liabilities to Nonresidents*
Half -Year Ended :

(Taka in thousands)

Instrument Type	Code No.	Country of Investors		Opening Position as on / /	Change in Position			Closing Position as on / /	
		Name	Code No. (for Internal use of B.B)		Transactions		Due to Exchange Rate		
					Increase	Decrease			Net
A	B	C	D	E	F	G	H = F-G	I	J = E+H+I
I. LIABILITIES TO FOREIGN DIRECT INVESTORS (see Technical note)									
1. Equity Capital									
a) Ordinary Shares	2311								
b) Revaluation & Capital Reserves	2312								
c) Share Money Deposits	2313								
d) Reinvested Earnings/ Retained Profit	2314								
e) Other Reserves	2319								
2. Short Term									
a) Loans	2321								
b) Trade Credits	2354								
c) Other debts (to be specified)	2355								
3. Long Term									
a) Loans	2322								
b) Bonds and notes	2352								
c) Other debts (to be specified)	2356								
4. Other Liabilities (to be specified)	2359								
II. LIABILITIES TO OTHER NONRESIDENTS (see Technical note)									
5. Equity Securities									
a) Ordinary Share	2411								
b) Preference Shares	2412								
c) Share Money Deposits	2413								
d) Other	2419								
6. Short Term									
a) Loans	2421								
b) Trade Credits	2441								
c) Other debts (to be specified)	2445								
7. Long Term									
a) Loans	2422								
b) Bonds and notes	2452								
c) Other debts (to be specified)	2455								
8. Other Liabilities									
a) Currency and deposits	2451								
b) Others (to be specified)	2459								
9.Total Liabilities(I+II)									

* Please use additional sheets, if necessary

**Form - 1(C): Operating Profit and Net Income of the Reporting Enterprise
during the Half-year ending**

	Total to all shareholders of the enterprise (Taka in thousands)	Share attributable to Foreign Direct Investors (%) (please specify country and percentage in the next Box)				
1. Profit before Tax						
2. Tax on profit due for payment						
3. Net profit after Tax						
4. Provision for Dividend						
5. Provision for others (such as Profit Repatriation to be specified)						
6. Reinvested Earnings (3-4-5)**						
7. Remittances abroad during the period						
a) Profits/ Earnings						
b) Dividends						
c) Interests						
d) Technical fees						
e) Royalty fees						
f) Consultancy fees						
g) Others (to be specified)						

**Which equals to net transactions of code no. 2314 of Form-1 (B)

Date:/...../.....

Signature:

Name:

Designation:

(Official seal)

Telephone No.:

Note : Change in mailing address may please be notified promptly to : Deputy General Manager, Foreign Investment & External Debt Division, Statistics Department, Bangladesh Bank, Head Office, Dhaka.