

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

FE Circular No. 50

Date: 19 November, 2020

All Authorized Dealers in
Foreign Exchange in Bangladesh

Dear Sirs,

Remittance against current account transactions

Please refer to paragraph 27, chapter 10 of the Guidelines for Foreign Exchange Transactions-2018 (GFET) in terms of which industrial enterprises producing for local markets and service sector industries are allowed to remit through their nominated Authorized Dealers (ADs) up to one percent of annual sales as declared in their previous year's income tax return on account of costs of training and consultancy services as per relevant contracts with the foreign trainer/consultant.

02. To widen the scope of outward remittances, it has been decided to include legitimate other current account payments like audit fee, certification fee, commissioning fee, testing fee, valuation fee, etc. within the purview of the above stated regulation. However, this will exclude payments which require permission from competent authorities without limiting to paragraph 25, chapter 10 of GFET. ADs shall, while undertaking the transactions, satisfy themselves to the effect that regulations regarding deductions and payments of taxes at source, value added taxes and other levies applicable on the payments have duly been complied with. This facility and other permissible remittances will be mutually exclusive.

03. The above facilities shall equally be applicable to industrial enterprises operating in domestic processing areas of EZs having sales in Taka. However, in case of the availability of foreign exchange in the respective foreign currency accounts, out of legitimate sources, of concerned customers, ADs will first use such balances before utilization of their own sources by conversion of Taka fund.

04. As usual, ADs shall observe due diligence with regards to customers' KYC and AML/CFT standards, reporting routine to Bangladesh Bank and so on.

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

Yours faithfully,



(Mohammad Khurshid Wahab)
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