

**Foreign Exchange Policy Department**

Bangladesh Bank

Head Office

Dhaka

www.bb.org.bd

FE Circular No. 39

Date: October 07, 2025

All Authorized Dealers in  
Foreign Exchange in Bangladesh

Dear Sirs,

**Export under open account credit terms backed by payment undertaking/  
payment risk coverage from local insurance companies**

Please refer to paragraph 39, Part-D of FE Circular No. 31 of July 31, 2025 regarding export of goods on sales contracts under open account credit terms against payment undertaking/payment risk coverage from designated institutions abroad, inter alia.

02. To bring further flexibility in executing export trade under open account, it has been decided that Authorized Dealers (ADs) may also arrange payment undertaking/payment risk coverage available from insurance companies operating in Bangladesh.

03. Operational modalities for such insurance coverage shall be as follows:

- (a) Policy for insurance coverage shall be issued in foreign currency;
- (b) Policy premia shall be payable by ADs from the ERQ accounts of the respective exporters;
- (c) In case of default in repatriation of export proceeds, insurance claims shall be realized in foreign currency, for which necessary arrangements must be in place with the insurance companies concerned.

04. Insurance companies extending payment undertaking/payment risk coverage shall obtain appropriate reinsurance coverage from external sources as per their regulatory frameworks. ADs may remit reinsurance premia in terms of Part-H of FE Circular No. 37/2025 and subsequent amendments.

05. To facilitate transactions in foreign currency (FC), ADs may allow insurance companies to maintain FC accounts.

(1) The accounts will be treated as parking accounts for:

- (a) receiving policy premia;
- (b) making outward remittances on account of reinsurance coverage;
- (c) depositing inward remittances on account of claim settlements from external sources;
- (d) making payments to ADs for settlement of claims against respective exports.

(2) Unencumbered funds held in FC accounts need to be encashed and transferred to Taka accounts of respective insurance companies.

06. Based on insurance coverage under the above authorization, ADs may extend early payment facilities to exporters as per paragraph 45 of FE Circular No. 31/2025. Such early payment may also be arranged by ADs through their Offshore Banking Units in terms of D(3) of FE Circular No. 11, dated January 30, 2025.

As usual, other relevant instructions shall remain unchanged. Please bring the contents of this circular to the notice of all concerned.

Yours faithfully,



(Md. Harun-Ar-Rashid)  
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