

Foreign Exchange Policy Department-1
Bangladesh Bank
Head Office
Dhaka
www.bb.org.bd

FEPD-1 Circular Letter No. 16

Date: September 03, 2026

All Offshore Banking Units and
Managing Director/Chief Executive Officer
All Scheduled Commercial Banks in Bangladesh

Access to finance against funds held in OBUs as collateral

Dear Sirs,

Please refer to FE Circular No. 27, dated July 03, 2025, in terms of which Offshore Banking Units (OBUs) may allow foreign currency deposits of non-resident account-holders to be used by their respective Domestic Banking Units (DBUs) as collateral against financing to resident companies/firms and individuals.

02. Paragraph 3 of the said circular provides general permission to extend loans in Taka to NRB customers of DBUs in exercise of the powers vested under Section 5(1)(a) of the Foreign Exchange Regulation Act, 1947. Balances held in private foreign currency accounts and non-resident foreign currency deposit accounts maintained in accordance with Sections I and II of Chapter 13 of the Guidelines for Foreign Exchange Transactions (GFET) may be used as collateral against short-term working capital financing in local currency, as provided in paragraph 5 of the said circular.

03. To facilitate a wider scope of financing against balances held in private foreign currency accounts and non-resident foreign currency deposit accounts, paragraph 5 of the said circular shall stand modified as follows:

“05. Balances held in private foreign currency accounts and non-resident foreign currency deposit accounts maintained in accordance with Sections I and II of Chapter 13 of GFET may be used as collateral against short-term working capital financing in local currency to resident companies/firms and individuals, or against short-term finance/consumer finance in local currency to resident persons and NRBs, as applicable, subject to compliance with the instructions contained in paragraphs 2, 3 and 4 above.”

04. Other instructions contained in the above-referred circular shall remain unchanged.

Faithfully yours,



(Dr. Md. Abu Bakkar Siddique)
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