

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

FE Circular No. 35

Date: September 23, 2014

All Authorized Dealers of
Foreign Exchange in Bangladesh

Dear Sirs,

Export Development Fund (EDF).

Please refer to paragraph 5(b) of FE Circular No. 25, dated December 22, 2009 in terms of which Authorized Dealers (ADs) may borrow from EDF against their foreign currency financing to BTMA mills to make bulk import of raw cotton and other fibres against deemed exports.

02. It has now been decided that EDF loans will be available also to member mills of the Bangladesh Dyed Yarn Exporters Association (BDYEA) making bulk import of unprocessed yarn and chemicals for processing yarn for local deliveries to manufacturer-exporters against inland back to back LCs in foreign exchange. An EDF loan to an AD against their foreign currency financing of input imports of BDYEA member mills, shall not exceed (i) the value realized in foreign exchange against inland back to back LCs over the past twelve months, or (ii) USD 15.00 (fifteen) million, whichever is lower. As usual this limit will be applicable as a maximum single borrower limit for BDYEA member manufacturer-exporter.

03. Other instructions contained in FE Circular No. 25, dated December 22, 2009 and relevant other FE circulars shall remain unchanged.

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

Yours faithfully,



(Md. Zakir Hossain Chowdhury)
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