

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

FE Circular No. 04

Date: January 22, 2014

All Authorized Dealers in
Foreign Exchange in Bangladesh

Dear Sirs,

Advance payment against imports

Please refer to paragraph 27(i)(b), Chapter 7 of the Guidelines for Foreign Exchange Transactions (GFET)-2009, Vol-1 in terms of which Authorized Dealers (ADs) are allowed to effect advance payments up to US\$ 2,500 for import of books, journals or life saving medicines without repayment guarantee.

02. With a view to further liberalizing foreign exchange regime, advance payment without requiring repayment guarantee needs to be addressed for facilitating some urgent import transactions. Hence, it has now been decided to enhance the limit of advance payment from USD 2,500 to USD 5,000. It has also been decided that this facility will be applicable for all permissible imports subject to compliance of the following instructions:

- (a) ADs shall have to be ensured that the applicant-importers do not have bill of entry/customs certified invoice pending for submission beyond the stipulated period of four months (or such extension as permitted by Bangladesh Bank) against any earlier remittance for imports;
- (b) ADs shall have to be satisfied that repayment guarantee is not obtainable from the suppliers against the remittances to be made in advance;
- (c) ADs shall, at their own responsibility, have to arrange for repatriation of the remittances made in advance in case the entry of goods into the country is not effected within the stipulated time;
- (d) Import Policy Order in force shall have to be meticulously followed;
- (e) Before effecting the advance payment, ADs shall obtain Form of Undertaking (Appendix 5/10 of the GFET-2009) duly filled in and signed by the importer.

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

Yours faithfully,



(Md. Jahirul Hoque)
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