

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

F.E. Circular No.15

Date: May 9, 2016

All Authorized Dealers of
Foreign Exchange in Bangladesh, and
all airlines, shippinglines & their agents and
licensed freight forwarders operating in Bangladesh

Dear Sirs,

Foreign exchange transactions of freight forwarders

Attention of the Authorized Dealers (ADs) is invited to FE Circular No. 09, dated February 24, 2014, read with subsequent circular letters regarding freight transactions through foreign currency accounts.

02. It has been decided that licensed freight forwarders may pay freight charges to airlines/shippinglines in Taka in respect of exports made on FOB basis subject to observance of following terms and conditions:

(a) Freight forwarders will provide encashment certificates (Annexure-1) issued by the designated AD Bank of the concerned freight forwarder to airlines/shippinglines in support of freight charges recovered from the overseas importer through their counterpart freight forwarders abroad and repatriated the same to Bangladesh through normal banking channel. ADs shall issue encashment certificates in support of inward remittances as per Annexure-1 and instructions therein.

(b) Transactions of licensed freight forwarders will be channeled through one AD bank branch designated by licensed freight forwarder. In case of changing AD bank, the relevant file of licensed freight forwarder shall be transferred direct to new AD bank branch with immediate intimation to Bangladesh Bank.

03. ADs may, in addition to charges against imports on FOB basis, effect outward remittance on account of profit share/service charges payable to counterpart freight forwarders.

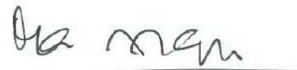
04. Licensed freight forwarders shall arrange with their foreign counterpart freight forwarders to receive their receivables in such a manner so as to match the credit line extended to them by airlines/shippinglines locally. The same arrangement shall be made with importers for settlement of charges with counterpart freight forwarders against FOB imports.

05. Freight forwarders shall, through their designated ADs, report (as per Annexure-2, 3 & 4) their transactions to Foreign Exchange Operation Department, head office/respective area office of Bangladesh Bank by 20th day at the close of the month.

Please bring the above instructions, effective from April 01, 2016, to the notice of your concerned constituents.

The instructions of this circular have been issued under Section 20(3) of the Foreign Exchange Regulation Act, 1947 and are without prejudice to permissions/approvals, if any, required under any other law.

Yours faithfully,



(Md. Abdul Mannan)
Deputy General Manager
Phone: 9530319

(To be printed on letter head of AD)

Ref. No.

Date:

For use by: (Name of Airlines/Shippinglines)

Certificate of inward remittance against FOB exports

A/c: (Name of licensed freight forwarder)

License No.:

Certified that we have encashed inward remittances of (amount in foreign currency) on against shipments made on FOB basis for which payment to airlines/shippinglines have been/will be settled in Taka. Of the inward remittances, equivalent Taka of (amount in foreign currency) will be acceptable by airlines/shippinglines as per following shipping details:

Sl. No.	MAWB/ MBL No. with date	Corresponding HAWB/HBL No. with date	Freight charges (Foreign currency)	Freight charges (BDT)

Signature:.....

Name:.....

Designation:.....

PA No.:.....

Instructions:

(a) In case of consolidated remittances, ADs may issue separate certificates for use by respective airlines/shippinglines.

(b) ADs shall observe proper caution so that aggregate amount of different certificates issued does not exceed the inward remittances received in consolidation.

(c) Concerned airlines/shippinglines will use the certificates in their usual returns for submission to Bangladesh Bank.

**Statement showing the particulars of shipments under
outbound air/sea cargo during the period from to.....**

Name and address of the freight forwarder:
License No.

1. Particulars of outbound shipments on charges collect basis

Sl No	Name of counterpart freight forwarders	Details of MAWB/MBL		Details of HAWB/HBL		Destination	EXP No.	Date	Charges paid to airlines/ Shippinglines (Taka)	Charges receivable from overseas freight forwarder (FC)	Service charges/profit share payable to overseas freight forwarder (FC)	Net amount receivable (FC)
		No.	Date	No.	Date							
1	2	3	4	5	6	7	8	9	10	11	12	13

Part - A : Statement of earlier months for which receivables remain outstanding

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Part - B : Statement of shipments sent during the reporting month

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Declaration by freight forwarder

We do hereby declare that the statement furnished above is a complete and factually correct statement of HAWBs/HBLs issued by us during the month of against export made on FOB basis We do undertake to be held responsible for false statement/declaration, if detected, under FER Act, 1947.

Signature:
Name of designated official of Freight Forwarder:
Designation:
Date:.....

2. Particulars of payment repatriated during the reporting month

Sl No	Name of counterpart freight forwarders	Details of MAWB/MBL		Details of HAWB/HBL		Destination	EXP No.	Date	Amount repatriated (FC)	Encashment Certificate Ref. No.	Date of issue
		No.	Date	No.	Date						
1	2	3	4	5	6	7	8	9	10	11	12

Certificate by AD bank

We do hereby certify that during the reporting month we have encashed (amount in foreign currency) against inward remittances and issued certificates as per above statement. Necessary taxes of Tk as declared by customers have been deducted/paid.

Signature:
Name of designated official:
Designation:
Date:.....

Instructions:

- (a) ADs shall obtain declaration with regards to freight charges and service charges/profit share separately from their freight forwarder-customers and ensure deduction and payment of applicable taxes, where applicable.
- (b) ADs shall advise their freight forwarders to maintain relevant documents which will be made available as and when required by Bangladesh Bank/other relevant agencies.
- (c) ADs shall maintain customer-wise systematic record of inward remittances and copies of relevant encashment certificates with relevant documents.

**Statement showing the particulars of shipments under
inbound air/sea cargo during the period from to.....**

Name and address of the freight forwarder:
License No.

1. Particulars of inbound shipments on charges collect basis

Sl No	Name of counterpart freight forwarders	Details of MAWB/MBL		Details of HAWB/HBL		Country of shipment	LCAF No./ Ref. No.	Date	Charges received/ receivable from importers		Charges payable to overseas freight forwarder (FC)	Service charges/profit share receivable from overseas freight forwarder (FC)	Net amount payable (FC)
		No.	Date	No.	Date				FC	Taka			
1	2	3	4	5	6	7	8	9	10	11	12	13	14

Part - A : Statement of earlier months for which receivables remain outstanding

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Part - B : Statement of shipments received during the reporting month

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Declaration by freight forwarder

We do hereby declare that the statement furnished above is a complete and factually correct statement of HAWBs/HBLs against inward shipment us during the month of against import made on FOB basis We do undertake to be held responsible for false statement/declaration, if detected, under FER Act, 1947.

Signature:

Name of designated official of Freight

Forwarder:

Designation:

Date:.....

2. Particulars of payment made during the reporting month

Sl No	Name of counterpart freight forwarders	Details of MAWB/MBL		Details of HAWB/HBL		Country of shipment	LCAF No./ Ref. No.	Date	Charges received from importers		Charges paid to overseas freight forwarder (FC)	Date of remittance	Net amount payable (FC)
		No.	Date	No.	Date				FC	Taka			
1	2	3	4	5	6	7	8	9	10	11	12	13	14

Certificate by AD bank

We do hereby certify that during the reporting month we have effected remittance (amount in foreign currency) against FOB import as per above statement. Necessary taxes of Tk as declared by customers have been deducted/paid.

Signature:

Name of designated official:

Designation:

Date:.....

Instructions:

(a) ADs shall, before effecting remittances, satisfy themselves with verification of necessary documents such as invoices from counterpart freight forwarders, import documents, etc. and ensure deduction/payment of applicable taxes, if applicable.

(b) In case of payment received in Taka from importers against import on FOB basis, ADs shall be ensured that the payment is supported by certificate as per appendix 5/8 of the Guidelines for Foreign Exchange Transactions'2009, Vol-1.

(c) ADs shall advise their freight forwarders to maintain relevant documents which will be made available as and when required by Bangladesh Bank/other relevant agencies.

(d) ADs shall maintain customer-wise systematic record of outward remittances with relevant documents.

**Statement showing the particulars of shipments
during the period from to.....**

Name and address of the freight forwarder:
License No.

1. Particulars of outbound shipments on prepaid basis

Sl No	Name of counterpart freight forwarders	Details of MAWB/MBL		Details of HAWB/HBL		Country of Destination	EXP No.	Date	Charges to airlines/ shippinglines (Tk)	Charges payable to overseas freight forwarder (FC)
		No.	Date	No.	Date					
1	2	3	4	5	6	7	8	9	10	11
Total										
Add; Opening balance										
Amount payable										

2. Particulars of inbound shipments on prepaid basis

Sl No	Name of counterpart freight forwarders	Details of MAWB/MBL		Details of HAWB/HBL		Country of shipment	LCAF No./ Ref. No.	Date	Charges to airlines/ shippinglines (FC)	Charges receivable from overseas freight forwarder (FC)
		No.	Date	No.	Date					
1	2	3	4	5	6	7	8	9	10	11
Total										
Add; Opening balance										
Amount receivable										

Adjusted receivable/(Payable) [Difference between column 11 of above statements]										
Less: Amount repatriated/remitted during the month										
Balance receivable/(payable)										

Declaration by freight forwarder

We do hereby declare that the statement furnished above is a complete and factually correct prepaid statement of HAWBs/HBLs against outward/inward shipments during the month of During the reporting month, we have repatriated/remitted (amount in foreign currency) for which necessary payment of applicable taxes of Tk..... have been deducted/paid. We do undertake to be held responsible for false statement/declaration, if detected, under FER Act, 1947.

Signature:

Name of designated official of Freight

Forwarder:

Designation:

Date:.....

Certificate by AD bank

We do hereby certify that during the reporting month we have encashed inward remittances/effectuated outward remittance (amount in foreign currency) on as per above statement. Necessary taxes of Tk as declared by customers have been deducted/paid.

Signature:

Name of designated official:

Designation:

Date:.....

Instructions:

- Adjustment between receivables and payables may be made subject to deduction/payment of applicable taxes on eligible receivables and payables and without prejudice to permissions/approvals, if any, required under any other law.
- ADs shall, before effecting remittances, satisfy themselves with verification of necessary documents such as invoices from counterpart freight forwarders, etc.
- ADs shall advise their freight forwarders to maintain relevant documents which will be made available as and when required by Bangladesh Bank/other relevant agencies.
- ADs shall maintain customer-wise systematic record of outward remittances with relevant documents.