

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

F.E. Circular No. 09

Date: February 24, 2014

All Authorized Dealers of
Foreign Exchange in Bangladesh

Dear Sirs,

**Foreign currency accounts for shipping lines/airlines/
freight forwarders handling FOB export and import cargo**

Shipping lines/air lines/licensed freight forwarders handling FOB export cargo from Bangladesh receive payments in foreign currency in settlement of costs incurred by them locally towards internal transportation, sea freight/air freight, and related other handling charges. Likewise they have to pay abroad in foreign currency for similar costs and charges incurred on FOB imports into Bangladesh.

To facilitate these payments in foreign currency for handling of FOB imports from their receipts in foreign currency against handling of FOB exports, it has been decided that shipping lines, air lines and multimodal transport operators licensed as freight forwarders by Customs Authorities can open and maintain accounts in USD or other freely convertible currencies with Authorized Dealer banks in Bangladesh, in which their receipts in foreign currency against their handling of FOB export cargos from Bangladesh will be credited. Funds from these accounts will be usable in foreign currency for payments abroad towards costs and charges relating to their handling of FOB imports into Bangladesh.

For FOB imports Authorized Dealer banks may at request of their importer clients make payments of freight charges in Taka or in equivalent foreign exchange to shipping lines/air lines/eligible licensed freight forwarders, out of the total value of the LCAF issued for the import covering costs of goods and freight. The receipts in foreign exchange will be used through the foreign currency accounts maintained by shipping lines/air lines/eligible licensed freight forwarders. Shipping lines/air lines may accept freight charges on FOB exports in foreign currencies from the eligible licensed freight forwarders. In such cases, the shipping lines/air lines will themselves submit necessary encashment certificates with routine monthly returns to Bangladesh Bank.

Authorized Dealer banks will inform Foreign Exchange Operation Department (FEOD) at head office, or relevant area office of Bangladesh Bank immediately (by the next business day) as and when each such foreign currency account is opened. All receipts and payments transactions through these accounts will have to be included in the monthly collection and disbursement statements routinely submitted to Bangladesh Bank by shipping lines/air lines through their Authorized Dealer banks. Eligible licensed freight forwarders shall, through Authorized Dealer banks, also submit monthly statements to Bangladesh Bank of collections and disbursements against the handling of FOB exports and imports.

Transaction statements of these foreign currency accounts will also have to be submitted to the FEOD at head office or relevant area office of Bangladesh Bank on a quarterly basis (end Dec/March/June/Sept), for post facto checking to satisfy that reasonable amounts from the foreign currency accounts have been encashed to Taka towards defraying of local costs and tax liabilities.

Please bring the above instructions, effective immediately, to the notice of all your concerned constituents.

Yours faithfully,



(Md. Zakir Hossain Chowdhury)
Deputy General Manager
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