

Foreign Exchange Policy Department
Bangladesh Bank, Head Office, Dhaka

Bangladesh Bank - Authorized Dealers' Forum
24th Meeting - Record Notes

The 24th meeting of the "**Bangladesh Bank-Authorized Dealers' Forum**" was held on **06/11/2019 at 11:00 AM** at the Jahangir Alam Conference Hall, 5th floor, Head Office, Bangladesh Bank. The meeting was convened and chaired by **Md. Humayun Kabir, Executive Director, Bangladesh Bank**. The list of Forum members and representatives present is shown in Annex "Ka."

The chairperson welcomed all present and commenced the meeting. The record notes of the 23rd meeting were presented and confirmed unanimously. Progress on implementation of previous decisions was reported. Decisions from Record Notes items No. 2, 3, and 6 (currently under implementation) were confirmed, and all other decisions were confirmed as uniformly implemented. Various circulars and circular letters issued between the 23rd and 24th meetings were discussed. The detailed discussions and decisions are as follows:

Sl. No.	Agenda Item	Discussion & Decision	Responsible Party
01	Import with Overdue Bill of Entry Status	The matter of opening new LCs for importers with overdue Bill of Entry status without prior Bangladesh Bank approval was re-discussed. FEOD's Import Policy Branch representative noted that the program with FEOD is currently ongoing. The chairperson directed the Import Policy Branch to take necessary measures by 30/11/2019.	Foreign Exchange Policy Division (Import Policy Branch), Bangladesh Bank
02	Inclusion of LC ID and HS Code-Based Bill of Entry Matching Directives per GFET-2018, Vol-1, Chapter-7, Section-II, Para-31(B)	Per GFET-2018, Vol-1, Chapter-7, Section-II, Para-31(B), Bill of Entry/Customs-certified invoice matching with the associated AIMP form and invoice description was re-discussed. Since no new directive from FEOD is needed for Bill of Entry matching against LC ID in BBOIMS, FEOD's representative noted. However, for Bill of Entry matching — adding a Field View in BBOIMS linking IMP, LC number, and associated commercial invoice number — would make the current Bill of Entry matching program easier, as FEOD informed. After overall discussion, FEOD's Import Trade Branch, with ISDSD assistance, will take necessary initiative by 31/12/2019.	FEOD (Import Trade Branch), Bangladesh Bank
03	Import Value Settlement Against the Same Bill of Entry via Different Banks	The problem of Bill of Entry matching issues from different banks settling import values against the same Bill of Entry was re-discussed. The FEOD representative noted banks should be discouraged from this type of value settlement. Case-by-case resolution by the concerned division will continue. Whether any general facility in the Online Import Monitoring System is available needs further examination. The chairperson requested FEOD complete its program by 30/11/2019.	Bangladesh Bank

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04	Inconsistent Unit Code Use for Bangladesh Bank Division Foreign Exchange Transaction Data Reporting	The matter of Pricing unit code and Statistical unit code use inconsistencies in import/export transaction data reporting to Bangladesh Bank's FEOD and the Statistical Department was discussed. IBBL and Southeast Bank representatives noted some commodity types (e.g., Spare Parts, Pillow case, Terry Towel, Capsule caps) are reported inconsistently in Pricing unit-unit/piece and Statistical unit-kg. Whether ISO Standard/First Schedule-Bangladesh Customs Tariff-based Unit Code can be used was proposed. Banks' CBS (Core Banking System) data processing with separate data provision is costly, participants agreed. After overall discussion, the chairperson directed forming a committee with FEOD supervision, FEPD, ISDSD, Statistical Division, and IBBL and Southeast Bank representatives to take necessary initiative and report to the chairperson at the earliest.	FEOD, Bangladesh Bank
05	Legal Changes/Amendments Regarding Non-Resident Taka Account Transactions per GFET-2018, Vol-1, Chapter-18, Clause-2	Per GFET-2018, Vol-1, Chapter-18, Clause-2, the matter of legal changes/amendments regarding non-resident Taka account transactions was discussed. There are provisions for some accounts at specific limited levels, but due to technological advancement, bank automation makes the current practice increasingly difficult. Multiple short-circuit parameter placements and system automation are possible. Brac Bank's representative noted that many bank representatives agree the Guidelines' current legal changes/amendments are urgently needed. After overall discussion, FEPD's concerned branch will examine and take initiative.	FEPD (ATENFTBI Branch), Bangladesh Bank
06	100% Insurance Cover Requirement Before Opening Import LC	The mandatory 110% insurance policy/certificate requirement before opening import LCs was discussed in detail. Per Import Policy Order 2015-2018 and GFET, insurance policy provision is mandatory for import LC opening. Per these regulations, importers must provide 110% insurance cover as per regulations — but Bangladesh Bank's inspection team found many cases of not maintaining 110% insurance cover. Bank representatives noted this. Per UCPDC-600, Article-28, the LC-stated commodity value's insurance policy/certificate provision is mentioned. If no insurer information is in the LC, CIF or CIP value minimum 110% insurance cover obligation exists. After overall discussion, FEPD's concerned branch will examine and take initiative.	Foreign Exchange Policy Division (Import Policy Branch), Bangladesh Bank
07	0.20% Stamp Duty on Export Bill of Exchange for Deferred/Usance Payment	Per Stamp Act, 1899 (Act-II of 1899) under Finance Bill-2012, Schedule-I, Chapter 2, Section 13(a), Clause 8, 0.20% Stamp duty on 'Bill of Exchange' was discussed. Commercial Bank of Ceylon proposed developing specific policy for exporters' Stamp duty payment. The matter involves the Finance Ministry's Internal Resources Division and concerned parties can be contacted.	All AD Banks
08	Rapid Error Correction for Bangladesh Bank Dashboard EXP-Related Errors	Bangladesh Bank's dashboard-reported EXP-related corrections take in many cases 1 (one) month or more, as Sonali Bank raised. For rapid correction of minor errors/low-importance matters, Sonali Bank proposed banks be given authority or Bangladesh Bank's concerned division directly receive sent emails/letters. After overall discussion, the chairperson directed FEOD supervision, FEPD, ISDSD, and Sonali, IBBL, HSCBC, Midland, and Southeast Bank representatives' committee to take necessary initiative by 31/01/2020.	FEOD, Bangladesh Bank

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09	Views on Preliminary Draft of Foreign Exchange Regulation and Administration Act-2019	Per the Foreign Exchange Regulation Act-1947 Bangladesh adaptation including modernization and appropriateness preparation, a preliminary draft was prepared and by 01/10/2019 all AD banks were directed to provide views. Only 2-3 banks provided views within that period. The chairperson directed all banks to provide their board-approved views to FEPD by 30/11/2019.	All AD Banks
10	Policy for Incentive/Cash Assistance Provision for Valid Remittance Sending	Per FE Circular No. 31, dated 06/08/2019, for cash incentive payment up to 1,500 Margin Dollars, 1500 Margin Dollar equivalent Taka necessary rate cash incentive payment — Eastern Union Bank proposed a focal point designation for each bank. Additionally, for cash incentive payment for above 1,500 Margin Dollar amounts, per conditions Employment Certificate provision is mandatory for banks. In many cases the certificate in different bank languages creates disbursement difficulties. After overall discussion, FEPD's AD branch will take necessary initiative.	FEPD (AD Branch), Bangladesh Bank
11	Single-Level HS Code Reporting in BBOIMS at All Stages of Reporting	Bangladesh Bank's Online Import Monitoring System (BBOIMS) at various LC-EXP, LC, and IMP reporting stages requires HS code reporting causing unnecessarily extra processing time. City Bank's representative proposed that only single-level HS code reporting should be required. Bank representatives agreed. FEOD will take necessary initiative with ISDSD and Statistical Department discussion.	FEOD, Bangladesh Bank

Finally, the chairperson thanked all present for their valuable contributions and declared the meeting closed.

(Md. Humayun Kabir)
 Convener, BB-AD Forum
 &
 Executive Director, Bangladesh Bank