

**Foreign Exchange Policy Department**  
**Bangladesh Bank, Head Office, Dhaka**

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**Bangladesh Bank – Authorized Dealers' Forum**  
**38th Meeting – Record Notes**

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The 38th meeting of the "**Bangladesh Bank-Authorized Dealers' Forum**" was held on **20/05/2025 at 11:00 AM** at the conference hall of Jalal's Alam Conference Center, 5th floor, Head Office, Bangladesh Bank. The meeting was convened and chaired by **Arif Hossain Khan, 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 with introductions of new participants. The record notes of the 37th meeting were presented and adopted unanimously. Subsequently, progress on implementation of decisions from previous meetings was reported. Among other matters, a decision was noted that where import bill payments are made by a bank on behalf of a customer, no forced loan should be created in the customer's name — the BIARPIFD representative was requested to raise this matter at the next bankers' meeting for the chairperson to inform FEPD.

Various circulars and circular letters issued by the Foreign Exchange Policy Department between the 37th and 38th meetings were discussed, along with clarifications on other raised issues. The detailed discussions and decisions are as follows:

| Sl. No. | Agenda Item                                                                                                            | Raised By             | Discussion & Decision                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Responsible Party |
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| 01      | Facultative Reinsurance – Insurance Company Act 2019, Section 17 and GFET-2018, Vol-1, Chapter-18, Section-II, 14(i)-c | FEPD, Bangladesh Bank | Per Insurance Company Act-2019 (published in Bangladesh Gazette, May 09, 2019), Section 17, for non-life insurance businesses, 50% of the reinsurable portion must be placed with Sadharan Bima Corporation (SBC) and the remaining 50% may be placed with SBC, any other insurer within Bangladesh, or with a foreign insurer. The Foreign Exchange Operation Department noted that the relevant instructions and GFET-2018, Vol-1, Chapter-18, Section-II, 14(i)-c direct that reinsurance of 100% of the country's share must be completed with premium remittance. The Financial Intelligence and Customer Services Department also noted instances of reinsurance premiums being unlawfully remitted abroad. As a result, the country is incurring significant foreign exchange expenditure due to non-compliance with Insurance Company Act-2019, Section 17, and GFET-2018, Vol-1, Chapter-18, Section-II, 14(i)-c. The chairperson directed all AD banks to ensure all related rules and regulations are followed, and warned that Bangladesh Bank will take necessary action if any deviation is observed. | All Banks         |

| Sl. No. | Agenda Item                                                  | Raised By             | Discussion & Decision                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Responsible Party |
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| 02      | Reporting Incorrect Purpose Codes                            | FEPD, Bangladesh Bank | Banks are reporting incorrect Purpose Codes in the Online Inward Remittance Monitoring System (OIRMS) and Online TM Form Monitoring System (OTFMS), contrary to FEPD Circular No. 03 (dated 31/07/2024). Reporting incorrect Purpose Codes results in ships, re-exporters, and other sectors being deprived of appropriate government revenue/tax. The chairperson directed all AD banks to comply with FEPD Circular No. 03 (dated 31/07/2024) and report the correct Purpose Code.                           | All Banks         |
| 03      | Dashboard Reporting                                          | FEPD, Bangladesh Bank | Per FEPD Circular No. 03 (dated 31/07/2024), any foreign currency payment and receipt must be reported to the dashboard within 8 working hours, from 5 days down to 30 days. The Foreign Exchange Operation Department noted that some banks are still not complying with this Circular. The chairperson directed all AD banks to comply with FEPD Circular No. 03 (dated 31/07/2024) and report to the dashboard on time.                                                                                     | All Banks         |
| 04      | Non-Reporting of Service LC Payment in OTFMS                 | FEPD, Bangladesh Bank | Banks are required to report service LC payments in the Online TM Form Monitoring System (OTFMS). Although banks execute outward remittance for service LC payments, they are not reporting in all cases, and in many cases data is not being properly maintained. The chairperson directed all AD banks to properly report service LC payments in the OTFMS portal.                                                                                                                                           | All Banks         |
| 05      | Fake Document Submission                                     | FEPD, Bangladesh Bank | AD banks are required to verify the authenticity of documents before submission to Bangladesh Bank. However, in many cases, banks are submitting documents without proper verification. The chairperson directed all AD banks to verify the authenticity of documents before submitting to Bangladesh Bank.                                                                                                                                                                                                    | All Banks         |
| 06      | Money Changer License Renewal Application Submission on Time | FEPD, Bangladesh Bank | Per GFET-2018, Vol-1, Chapter-02, Section-II, Para 11, money changer establishments must submit their license renewal application 2 (two) months before the license expiry date. The Foreign Exchange Operation Department noted that in most cases, money changer establishments and their AD banks are not following this instruction. The chairperson directed all AD banks to properly monitor the license renewal process for money changer establishments and ensure applications are submitted on time. | All Banks         |

| Sl. No. | Agenda Item                                                   | Raised By             | Discussion & Decision                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Responsible Party |
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| 07      | FE Circular Letter No. 35 (dated 30/09/2020) – Implementation | FEPD, Bangladesh Bank | Banks often send letters to Bangladesh Bank without mentioning the phone number, email ID, or signature of the signing official, making it impossible to follow up on cases. FE Circular Letter No. 35 (dated 30/09/2020) provides clear instructions on this matter. The chairperson directed all AD banks to comply with FE Circular Letter No. 35 (dated 30/09/2020) and send letters to Bangladesh Bank accordingly.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | All Banks         |
| 08      | Submission of Freight Forwarder Transaction Details           | FEPD, Bangladesh Bank | According to the Bangladesh Freight Forwarders Association (BAFFA) website, 1,193 freight forwarders are registered as conducting business in Bangladesh. Among the 1,193 freight forwarders, 601 have FC accounts. AD banks have submitted transaction details of only 323 freight forwarders, and details of the remaining 278 with FC accounts have not been submitted — contrary to GFET-2018, Chapter 17, Section-III. Per GFET instructions, freight forwarders must mandatorily submit transaction details. The chairperson directed all AD banks to comply with GFET-2018, Chapter 17, Section-III instructions on freight forwarder transaction details.                                                                                                                                                                                                                                                                                                                                                                 | All Banks         |
| 09      | Opening New LC/Contract When Bill of Entry is Overdue         | FEPD, Bangladesh Bank | Per GFET-2018, Vol-1, Chapter-7, Para-31(c), no new LC can be opened without Bangladesh Bank approval when a Bill of Entry is overdue. Per Circular No. 7 (dated 30/01/2020), the same rule applies for Advance Payment and/or Imports under sales contracts without LCs. The same rule applies for LC Amendment where Bill of Entry is overdue. The meeting was informed that a single business entity may have both Commercial and Industrial IRC, and may create import obligations through separate LCs/contracts at different banks. Previously, FEPD had instructed through letter FEPD/Import Trade/05/2021-3940 (dated 12/10/2021) to search by IRC number and name in OIMS 'Importer Wise Import Overdue' tab to verify Bill of Entry overdue information before providing import facilities. However, despite this, the number of new LC/contract openings with overdue Bills of Entry has grown noticeably. The chairperson directed all AD banks to comply with GFET-2018, Vol-1, Chapter-7, Para-31(c) instructions. | All Banks         |

| Sl. No. | Agenda Item                                                                                             | Raised By               | Discussion & Decision                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Responsible Party |
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| 10      | Settlement of Matured Accepted Bills (Foreign or Local)                                                 | FEPD, Bangladesh Bank   | Per FEPD Circular Letter No. 01/2025 (dated 13/08/2025), instructions have been given on the number of steps for proper settlement of matured accepted bills (local and foreign) and the payment process, including: (1) detailed review of matured accepted bills, (2) comprehensive action planning, (3) branch-wise performance evaluation, (4) enhanced monitoring, (5) maintaining records of all bills submitted at AD branches along with discrepancy and bill value settlement information, and (6) submitting quarterly reports to the head office's concerned division. The chairperson noted that failure to settle import bills on time is causing an increase in Bangladesh Bank's confirmation charges. The chairperson directed all AD banks to settle matured accepted bills (foreign or local) on time as per the above instructions, and advised all AD banks to report regularly on the progress of implementing the above-mentioned Circular. | All Banks         |
| 11      | Strengthening Monitoring and Oversight of Matured Export Value Repatriation                             | FEPD, Bangladesh Bank   | Per FEPD source letter No. FEPD/Export Trade/08/2022-36397 (dated 06/09/2022), instructions have been given to follow proper procedures and oversight for matured export value repatriation/settlement. Accordingly, a bank committee should be formed under a deputy managing director or equivalent officer at each bank, and quarterly progress reports on matured export value repatriation and case settlement should be submitted to the Foreign Exchange Operation Department by the 10th of the following month. FEPD also noted that repatriated export value is being used to settle back-to-back import (accepted) bill maturities remaining on the accepted bill maturity list. The chairperson directed all banks to settle back-to-back import (accepted) bill values and comply with the Foreign Exchange Operation Department's instructions (dated 06/09/2022).                                                                                  | All Banks         |
| 12      | Offshore Banking – Account Opening Transactions (Direct Import) and GFET/Guideline for Offshore Banking | Standard Chartered Bank | Standard Chartered Bank informed the meeting that business establishments regularly open accounts and conduct transactions in Offshore Banking Units. However, GFET/Guideline for Offshore Banking Business (FE Circular No. 11 dated January 30, 2025) does not have clear guidelines on this matter — various banks are therefore taking different approaches. The Import Policy Division of the Foreign Exchange Policy Department noted that for these types of transactions, a sales contract/purchase contract and pre-registration are required. Therefore, pending resolution, FEPD will continue the ongoing discussion of applicable rules and regulations, and the chairperson directed all AD banks to follow accordingly.                                                                                                                                                                                                                            | All Banks         |

| Sl. No. | Agenda Item                                                                            | Raised By               | Discussion & Decision                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Responsible Party                             |
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| 13      | Standardizing FOC Certificates Issued by Banks for FOC Imports                         | Standard Chartered Bank | Standard Chartered Bank informed the meeting that business establishments are importing items FOC (Free of Charge) as per import policy. Currently, importers obtain FOC certificates from banks. Various banks are easily issuing such certificates. A request was made to introduce a sub-module in BB-OIMS for this purpose. The Foreign Exchange Operation Department informed the meeting that the BB-OIMS modernization program is ongoing and FOC-related upgrades — including coordination with customs and other government bodies — have already started. After detailed discussion, the meeting decided that FEPD, with assistance from Bangladesh Bank's ICT Department, will take necessary measures to implement the proposal. | FEPD, Bangladesh Bank                         |
| 14      | IMP Form Modernization                                                                 | Standard Chartered Bank | Standard Chartered Bank informed the meeting that per GFET Chapter 7, Clause 28, AD banks collect and retain IMP forms and related information. Although Bangladesh Bank has digitalized IMP-related reporting, some banks still treat IMP form processing as a manual procedure. FEPD noted that although trade transactions are now largely online-based, system updates for IMP forms are still in progress. However, for local back-to-back LC issuance through to dashboard reporting, work has already begun. After discussion, IMP form automation will be considered at the conclusion of current work.                                                                                                                              | Import Policy Division, FEPD, Bangladesh Bank |
| 15      | Non-Judicial Stamp Use in Cash Incentive Applications – Civil Audit Dept. Observations | Standard Chartered Bank | Standard Chartered Bank informed the meeting that each cash incentive application is signed with a stamp by the applicant in the prescribed manner; however, the Civil Audit Department is flagging non-judicial stamps (without affixing) as irregular under the Stamp Act, 1899. FEPD noted that per government policy, FE Circulars are issued regarding cash incentive settlement. On the use of non-judicial stamps, a letter will be sent to the Ministry, and a Circular will be issued based on directions received from the Ministry.                                                                                                                                                                                               | Export Policy Division, FEPD, Bangladesh Bank |
| 16      | Delayed Settlement of Accepted Bills Against Import LC                                 | Standard Chartered Bank | Standard Chartered Bank noted that various AD banks are delaying settlement of accepted bills against import LCs, as bills are falling into overdue status — leading to deteriorating client management and offering of new loan facilities. The chairperson directed all present to settle accepted bills (local or foreign) on time per the payment schedule.                                                                                                                                                                                                                                                                                                                                                                              | All Banks                                     |

| Sl. No. | Agenda Item                                                                              | Raised By | Discussion & Decision                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Responsible Party |
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| 17      | Remittance for Bankers' Professional Certification Abroad                                | Brac Bank | Brac Bank informed the meeting that per GFET-2018, Chapter 11, Clause 9, permission exists for remittance of registration/enrollment fees for regular courses for students at foreign educational institutions, as well as application, registration, admission, and exam fees for both individual and corporate entities. However, under current guidelines, if training is provided via an online platform, prior AD branch central bank approval is required for each case. FEPD noted that GFET Chapter 11, Clause 14 instructions on online training do not apply here. However, private training institutions can remit online training fees as current account expenditure through authorized dealer banks per FE Circular No. 01/2021. | All Banks         |
| 18      | Opening Student Files for A-Level Students Who Have Not Yet Completed A(A2) Level        | Brac Bank | Brac Bank informed the meeting that per GFET-2018, Chapter 11, Clause 10, AD banks may open files and send remittances for students in regular courses (bachelor's, master's, etc.) at foreign educational institutions. However, many international institutions currently provide offer letters for A(A2) level completion and request remittance. FEPD noted that such matters are considered by Bangladesh Bank on a case-by-case basis.                                                                                                                                                                                                                                                                                                   | All Banks         |
| 19      | Opening Regular Course Student Files for Bangladeshi Dual Citizens/Dual Passport Holders | Brac Bank | Brac Bank informed the meeting that per GFET, Chapter 11, Clause 10, Bangladeshi student-citizens may open student files and remit to associated foreign institutions without Bangladesh Bank prior approval. However, if a Bangladeshi citizen holds citizenship of another country (dual citizen/dual passport holder), AD banks may be unable to open regular course student files and send remittances. FEPD noted that such matters are considered by Bangladesh Bank on a case-by-case basis.                                                                                                                                                                                                                                            | All Banks         |
| 20      | Remittance for Online Training                                                           | Brac Bank | Brac Bank informed the meeting that per GFET-2018, Chapter 11, Clause 14, permission exists for remittance of registration/enrollment fees for training, seminars, or workshops abroad. However, under current guidelines, if training is conducted via an online platform, prior AD branch central bank approval is required for each case. FEPD noted that GFET Chapter 11, Clause 14 instructions on online training do not apply here. However, private training institutions can remit online training fees as current account expenditure through authorized dealer banks per FE Circular No. 01/2021.                                                                                                                                   | All Banks         |

| Sl. No. | Agenda Item                                                | Raised By  | Discussion & Decision                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Responsible Party     |
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| 21      | Export Contract Transfer by Buying Houses                  | Dhaka Bank | Dhaka Bank's representative informed the meeting that for export trade in Bangladesh via transferable contracts, buying house principals transfer export contracts to one or more second beneficiaries, and beneficiaries send documents to the buyer's bank. Although UPC-600 has specific instructions for export LC transfers, there are no instructions in URC-522 for export contract transfers. FEPD noted that under the contract, commercial operations are a matter for both importer and exporter. For risk considerations in export operations conducted via buying houses, necessary Due Diligence must be carried out and exporters must be informed. For export bill substitution received from exporters, appropriate measures must also be taken. Export value per Export Circular Letter No. 18/2022 will be retained as margin in the buying house's name. A portion of the protected amount on behalf of the exporter will be transferred to the exporter's bank in foreign currency. | All Banks             |
| 22      | Auto-Upload of Bill of Export Data from ASYCUDA to BB OEMS | Dhaka Bank | Dhaka Bank informed the meeting that for export contracts via Chittagong Customs House, Bill of Export data for EXP-issued items is not auto-uploading to OEMS. The Foreign Exchange Operation Department informed the meeting that the process for auto-uploading Bill of Export data to OEMS in coordination between Bangladesh Bank and Customs has already started and will be completed at the earliest.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | FEPD, Bangladesh Bank |

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Finally, the chairperson thanked all present and declared the meeting closed.

**(Arif Hossain Khan)**  
 Convener, BB-AD Forum  
 &  
 Executive Director, Bangladesh Bank