

FE Circular No. 32

Date: August 10, 2025

All Authorized Dealers in
Foreign Exchange in Bangladesh

Dear Sirs,

Retention of export proceeds in foreign currency by
Type B and Type C industrial enterprises of specialized zones

Please refer to paragraph 42(i), chapter 7 of the Guidelines for Foreign Exchange Transactions-2018, Vol-1 (GFET) and FE Circular Letter No. 06, dated February 09, 2025 in terms of which Authorized Dealers (ADs) are permitted to retain repatriated export proceeds in back to back settlement pool in foreign currency (FC). The local value added portion is allowed to be retained in FC pool useable only for settlement of bonafide payment obligations of relevant exporters by designated ADs for a period of 30 days. Within this 30 days, ADs are allowed to transfer the unencumbered fund from FC pool, not exceeding permissible portion eligible as Exporter's Retention Quota entitlement, to other ADs for bonafide use by exporters and/or their sister concerns. The remainder, if any, needs to be encashed compulsorily in Taka just after expiry of 30 days.

02. Type B and Type C industrial enterprises operating in specialized zones - EPZs, PEPZs, EZs, HTPs - are allowed to retain up to 80 percent (75 percent in case of garments sector) of repatriated export proceeds in FC accounts to meet bonafide payment obligations in FC as per paragraph 30(ii), chapter 13 of GFET.

03. In order to bring parity and facilitate operational efficiency and foreign currency liquidity management for specialized zone enterprises, it has been decided that ADs may allow Type B and Type C industrial enterprises to retain their full repatriated export proceeds in back to back settlement pool in FC in line with the provisions as per paragraph 42(i), chapter 7 of the GFET and subsequent circulars. Accordingly, Type B and Type C industrial enterprises may:

- (a) retain repatriated export proceeds in the settlement pool until back to back payments.
- (b) retain the value added portion in the same pool for up to 30 days for settlement of import liabilities or other admissible payments in foreign currency.
- (c) transfer unutilized funds as per (b) above to other ADs for settlement of import liability of exporters or their subsidiaries/sister concerns operating in specialized zones.

04. In case of fund remaining unused within 30 days, ADs may transfer the same, after encashment of at least 20 percent (25 percent for garments sector) of total repatriation, to foreign currency accounts of respective exporters.

05. Exporters executing export without back to back basis may retain repatriated export proceeds in foreign currency for 30 days and utilize the same in terms of paragraph 42(ii), chapter 7 of GFET, including transfer to other ADs to meet import payments of exporters' subsidiaries/sister concerns operating in specialized zones. Unused fund, if any, may be transferred to foreign currency accounts of respective exporters, on encashment of at least 20 percent (25 percent for readymade garments exports) of total repatriation.

You are advised to bring the contents of this circular, effective immediately, to all your AD bank branches and central processing centers for meticulous compliance.

Yours faithfully,



(Md. Harun-Ar-Rashid)
Director (FEPD)
Phone: 9530123