



Quarterly Regulatory Updates

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Foreword

Bangladesh's regulatory landscape continues to evolve, with frequent changes across foreign exchange, banking, corporate affairs and other regulatory areas affecting the way businesses operate and make decisions. Staying abreast of these developments is therefore increasingly important not only for meeting regulatory obligations, but also for managing risk, strengthening governance and responding effectively to emerging opportunities. This edition of our Quarterly Regulatory Update brings together key regulatory developments and updates that may be relevant to businesses operating in Bangladesh. Alongside highlighting significant changes in the regulatory framework, we aim to provide practical perspectives on their potential implications, helping businesses assess what these developments may mean for their operations and decision-making.

As a trusted and leading business consultant and regulatory risk advisor, with a legacy of 60 years and formerly the first Big 4/KPMG member firm in Bangladesh, Rahman Rahman Huq (RRH) remains committed to helping clients navigate an evolving regulatory environment with clarity and confidence. Our experienced team of professionals bring in their industry insights and share their updates on key developments in the regulatory environment (e.g. company incorporation, branch, liaison, representative and project office setup, licensing and registration support). We hope this publication serves as a useful resource for business leaders, finance professionals and other stakeholders seeking to stay informed and respond effectively to regulatory change. We welcome the opportunity to discuss how these developments may affect your organisation. Please feel free to reach out to any of the contacts listed in this publication for further information or assistance.



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01.

Foreign Exchange

Restrictions on LCs and TTs for supplement imports



Following a request from the Directorate General of Drug Administration (DGDA), Bangladesh Bank has instructed banks not to open letters of credit (LCs) or process telegraphic transfers (TTs) for imports of dietary supplements, herbal supplements, nutritional supplements, medical nutrition, therapeutic nutrition and other supplement products unless the importer holds a valid registration certificate or prior approval from the DGDA, as required under the Drugs and Cosmetics Act, 2023.

FEPD-1 Circular Letter No. 06 dated 29 April 2026

Consolidation of outward remittance instructions for transportation services



Bangladesh Bank has issued a comprehensive circular consolidating existing foreign exchange regulations on outward remittances for transportation services. It compiles instructions from the Guidelines for Foreign Exchange Transactions (GFET) 2018 and subsequent circulars, with modifications to facilitate such remittances. The circular remains valid for one year from the date of issue.

FEPD-1 Circular No. 08 dated 7 May 2026

Bangladesh Bank permits remittance of visa bonds and refundable security deposits



Bangladesh Bank has extended the existing foreign exchange framework for remitting visa fees to foreign embassies and paying visa processing fees online through international or virtual cards. Authorised dealers (ADs) may now remit foreign currency for visa bonds or refundable security deposits on behalf of individual applicants. ADs may also issue or reload international or virtual cards for this purpose. Any refunded amount must be repatriated immediately upon release.

FEPD-1 Circular No. 09 dated 11 May 2026

Revision of all-in-cost ceiling for short-term foreign trade finance in foreign currency



Bangladesh Bank has revised the annual all-in-cost ceiling for permissible short-term import trade finance in foreign currency, previously prescribed in FE Circular No. 33 dated 14 August 2025. The ceiling is now a mark-up of 3.00% over the applicable benchmark rate, such as the Secured Overnight Financing Rate (SOFR) or Euro Interbank Offered Rate (EURIBOR), for the relevant currency, reflecting prevailing global market trends. It also applies to discounting usance export bills and early payments against exports on open account credit terms under FE Circular No. 31 dated 31 July 2025.

FEPD-1 Circular No. 10 dated 11 May 2026

Revised government revenue fee for raw jute exports



Bangladesh Bank has superseded FE Circular Letter No. 25 dated 3 July 2025, revising the government revenue fee for raw jute exports from BDT 2.00 per bale, as prescribed in the Ministry's memorandum dated 26 June 2025, to BDT 4.00 per bale.

FEPD-1 Circular Letter No. 08 dated 11 May 2026

Early purchase of accepted inland back-to-back LC bills



Bangladesh Bank has extended to inland transactions the facility permitting ADs to settle accepted usance import bills before maturity. ADs may now purchase accepted usance or deferred bills arising from local deliveries under inland back-to-back LCs before maturity and make payments to beneficiaries in foreign currency or, where applicable, to non-resident taka accounts. The LC applicant remains liable for payment at maturity. These transactions will therefore be treated as credit facilities extended to the respective parties in Bangladesh.

FEPD-1 Circular Letter No. 07 dated 11 May 2026

Repatriation of sale proceeds from NITAs



Bangladesh Bank has replaced paragraph 24(v), Section IV, Chapter 14 of GFET Volume 1 on the repatriation of sale proceeds from Non-Resident Investors Taka Accounts (NITAs). The revised provision requires sale proceeds of shares or securities purchased through NITAs to be credited directly to the respective NITA. ADs must deduct or withhold applicable capital gains tax from non-resident investors' sale proceeds for payment to the government exchequer before repatriation. The previous requirement to obtain an auditor's certificate no longer applies.

FEID Circular No. 02 dated 20 May 2026

FC term deposits earning interest or profit for shipping companies and airlines



ADs were previously permitted to open foreign currency (FC) accounts for Bangladeshi shipping companies and airlines engaged in global operations. Bangladesh Bank now permits balances in these accounts to be placed in renewable FC term deposits earning interest or profit in approved currencies. The term may be determined in accordance with normal banking practices. The applicable interest or profit rate will depend on the banker–customer relationship for the relevant currency. Any interest or profit earned must be paid in taka (BDT) at the prevailing spot exchange rate.

FEPD-2 Circular No. 03 dated 24 May 2026

Expanded sources of inward freight remittances for licensed freight forwarders



FEPD-1 Circular No. 08 dated 7 May 2026 permitted licensed freight forwarders to receive inward remittances of freight charges through their overseas counterpart freight forwarders via normal banking channels. Bangladesh Bank has expanded the framework to permit inward remittances from alternative entities, including overseas importers, buying houses and other foreign arranging parties.

FEPD-2 Circular No. 04 dated 8 June 2026

Development and facilitation of alternative trade finance mechanisms



Bangladesh Bank has introduced a comprehensive framework to facilitate the gradual adoption of alternative trade finance mechanisms alongside conventional documentary LC-based transactions. Under the framework, ADs may facilitate permissible trade finance arrangements, including advance payments, open account trade, documentary collection and supply chain finance solutions.

FEPD-1 Circular No. 11 dated 11 June 2026

Expansion of the online business-to-consumer export framework



Bangladeshi exporters may now list exportable goods on globally recognised online marketplaces and platforms. The facility applies to small-value exports of up to USD 5,000 per transaction on Cost and Freight (CFR) terms. It introduces operational guidelines covering merchant agreements, shipping documentation, repatriation of export proceeds, refund arrangements and remittances for platform-related fees.

FEPD-1 Circular No. 12 dated 15 June 2026

Extension of the ship lease rental remittance facility



Bangladesh Bank has extended the lease rental remittance facility, previously available to airlines incorporated in Bangladesh, to shipping companies incorporated in Bangladesh. ADs may now remit lease rentals for ships and vessels under the facility.

FEPD-1 Circular No. 13 dated 18 June 2026

Remittance of consular and visa processing fees



ADs may now remit consular fees collected by foreign embassies in Bangladesh and deposited in designated taka accounts, and visa processing fees collected through nominated resident agents of foreign embassies, to bank accounts designated by the embassies without prior approval from Bangladesh Bank.

FEPD-1 Circular Letter No. 09 dated 22 June 2026

Introduction of the Non-Resident Convertible Taka Account (NRCTA) facility



Bangladesh Bank has introduced the Non-Resident Convertible Taka Account (NRCTA) facility for non-resident Bangladeshis (NRBs). These accounts may be opened with offshore banking units (OBUs) of scheduled banks and funded through inward remittances and other permitted sources. NRCTAs earn interest or profit, with both principal and accrued interest freely repatriable. They also allow transfers to other eligible accounts and investments in Bangladesh. The framework permits NRCTA deposits to be used for specified financing purposes, including loans to eligible industrial enterprises and to NRBs or their designated third parties.

FEPD-1 Circular No. 14 dated 23 June 2026

02.

Others

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Special exit facility for defaulted loans



Bangladesh Bank has introduced a special exit facility for loans classified as “Sub-standard” or “Bad/Loss” as at 30 June 2026. Under the facility, eligible borrowers demonstrating the capacity and willingness to continue operations may settle their entire outstanding liability through a single payment, subject to approval by the bank’s board of directors. The facility also covers loans rescheduled between 6 August 2024 and 30 June 2026.

Banks must prioritise short-term agricultural loans and loans to cottage, micro, small and medium enterprises (CMSMEs) when extending the facility and notify eligible borrowers accordingly. The facility will remain available until 31 December 2026.

BRPD-1 Circular Letter No. 23 dated 29 June 2026

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