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Quarterly Regulatory Updates

December 2025

KPMG in Bangladesh



01 Foreign Exchange (Bangladesh Bank)



Remittance facilities to SMEs

Bangladesh Bank has allowed small and medium enterprises (SMEs) to remit up to USD 3,000 per year abroad for bona fide current expenses. Remittances can be made through banking channels or SME Cards, with each card limited to USD 600 for a nominated official. SMEs must be registered with the SME Foundation, and the total annual remittance, including card use, cannot exceed USD 3,000. This facility excludes payments for royalty, technical assistance, or franchise fees, which follow BIDA guidelines. Transactions must be handled through a single nominated AD branch, and banks must ensure tax compliance, KYC, and AML/CFT procedures.

FEPD Circular No. 38 dated 5 October 2025



Local insurance backed payment risk coverage allowed for open account exports

Bangladesh Bank has allowed exports under open account credit terms to be supported by payment risk coverage from local insurance companies, in addition to foreign institutions. The insurance must be in foreign-currency, with premiums paid from exporters' ERQ accounts and claims settled in foreign currency. The insurer must have reinsurance abroad and may maintain FC accounts for premiums, reinsurance payments, claim receipts, and settlements, with unutilised funds converted to Taka. Based on such coverage, ADs may extend early payment facilities to exporters, including through OBUs.

FEPD Circular No. 39 dated 7 October 2025



Imports under purchase and sale agreements without bank exposure

Bangladesh Bank permits imports under purchase/sale agreements, allowing industrial importers to import specified items without price limits while commercial imports remain subject to limits, with delayed payment facilities available. Importers submit agreements or proforma invoices to AD banks for reporting, and ADs may provide documentary collection services under URC without assuming credit risk, while guiding importers on compliance.

FEPD Circular Letter No. 33 dated 13 October 2025

01 Foreign Exchange (Bangladesh Bank)



Reporting commercial invoice and related document details through the OIMS

Bangladesh Bank has introduced a new “Commercial Invoice” tab in the Online Import Monitoring System (OIMS), integrated with the National Board of Revenue’s systems via API. Authorised Dealers (ADs) must report information from commercial invoices and other relevant documents through this tab, following the procedures outlined in the OIMS Commercial Invoice Data Entry/Upload Manual.

FEOD Circular No. 01 dated 15 October 2025



Permission granted for payments of government approved cross border power purchases

Bangladesh Bank has allowed authorised banks to send payments abroad for government-approved cross-border power purchases. These payments can be made as long as the power purchase agreements are officially approved, valid contracts are in place, invoices are authenticated, electricity delivery is confirmed, and all tax and regulatory requirements are met. Banks must also follow foreign exchange laws, KYC, and AML/CFT rules. When power purchases involve customs procedures, payments must follow the IMP Form process outlined in FE Circular No. 33, dated August 14, 2025.

FEPD Circular No. 40 dated 28 October 2025



Allowance of foreign currency–taka swap facility for exporters’ short-term liquidity

Authorised Dealers (ADs) may enter into foreign currency–Taka swaps with exporters using balances in their 30-day pools and ERQ accounts. The swap involves a spot purchase of foreign currency against Taka with a forward sale at an agreed rate and maturity, limited to 30 days. Only unencumbered foreign currency balances may be used, and ADs must maintain proper risk and approval controls. Exporters must confirm their understanding of the swap, and Taka funds are to be used solely for export-related working capital.

FEPD Circular No. 41 dated 3 November 2025

01 Foreign Exchange (Bangladesh Bank)



Limit increased for small value e-commerce exports without EXP Form

Bangladesh Bank has raised the limit for small Business-to-Consumer exports made through e-commerce platforms that do not require an EXP Form. Previously, exporters could ship goods up to USD 500 without filing the form; the limit is now increased to USD 1,000. Authorised Dealers are instructed to inform exporters of this updated rule.

FEPD Circular No. 42 dated 5 November 2025



MFSPs and PSPs allowed to receive export proceeds for small e-commerce shipments

Bangladesh Bank now allows Mobile Financial Service Providers (MFSPs) and Payment Service Providers (PSPs) to bring in export proceeds for small e-commerce shipments of up to USD 1,000 without requiring an EXP Form. These providers must follow existing rules for handling service-sector income, conduct proper due diligence on e-commerce exporters, and credit exporters' accounts based on the electronically received Bill of Export using funds kept in settlement accounts with designated banks.

FEPD Circular No. 43 dated 5 November 2025



Allowing OBUs to extend trade finance through other ADs

Bangladesh Bank has updated its rules so that Offshore Banking Units (OBUs) can provide trade finance more flexibly. OBUs may now offer financing such as buyer's credit and accepted bill financing not only through their own bank's Authorised Dealers but also through ADs of other banks, for both specialised and non-specialised zones. These arrangements must undergo full risk assessment, including checks on counterparty exposure and credit limits, and must follow all existing prudential and due-diligence requirements.

FEPD Circular Letter No. 34 dated 11 November 2025

01 Foreign Exchange (Bangladesh Bank)



Ramadan-specific usance import relief on essential food items

Bangladesh Bank has introduced a temporary, Ramadan-focused relaxation in usance import facilities to ensure smooth supply and reasonable pricing of essential food items during the holy month. Referring to paragraph 35(1) of FE Circular No. 33 dated August 14, 2025, the central bank has decided to allow commercial imports of rice, wheat, onion, pulses, edible oil, sugar, chickpea, pea, spices and dates on usance terms of up to 90 days under supplier's or buyer's credit, effective until March 31, 2026.

FEPD Circular No. 44 dated 12 November 2025



Cash assistance not allowed for supplies to specialised zones

Bangladesh Bank has announced that cash assistance or export incentives will no longer be provided when goods are supplied or sold in foreign currency from institutions inside Bangladesh to institutions located in specialised zones. This rule applies to all sectors, including the textile sector, and takes effect immediately.

FEPD Circular No. 45 dated 12 November 2025



Extended textile export cash assistance

Bangladesh Bank announced that textile export cash assistance will also cover goods made through approved sub-contracting if the exporter owns an active factory. Eligible producer-exporters receive assistance based on net Free On Board value, following RMG sub-contracting and warehouse rules. Traders not involved in production are ineligible.

FEPD Circular No. 46 dated 12 November 2025

01 Foreign Exchange (Bangladesh Bank)



Addition to existing guidelines on use of international cards for overseas air ticket purchases

Bangladesh Bank has issued a new circular, building on FE Circular No. 37 dated September 30, 2025, to ease difficulties faced by Bangladeshi travellers in purchasing overseas air tickets using international cards through airlines operating in Bangladesh. Payments must be settled via authorised dealer banks to ensure proper recording of foreign exchange, with card refills permitted only up to the exact ticket value after verification. Airlines may credit proceeds to foreign currency accounts under existing rules, while local airlines must encash in Taka.

FEPD Circular Letter No. 47 dated 19 November 2025



LC prohibited for narcotics or alcohol without prior approval

Bangladesh Bank has circulated a memorandum from the Ministry of Home Affairs stating that Letters of Credit (LCs) cannot be issued for the import of narcotics and alcohol products without obtaining a license, permit, or No Objection Certificate (NOC) from the Department of Narcotics Control.

FEPD Circular Letter No. 36 Dated 19 November 2025



Exports of goods under Business to Business to Consumer framework

Bangladesh Bank allowed exporters to sell via Business to Business to Consumer (B2B2C) model, on recognised online platforms, to ultimate buyers. ADs must verify registrations, facilitate shipments to intermediaries, and issue certificates. Export proceeds can be repatriated through traditional banks or foreign legitimate payment operators, with FIFO settlement for multiple shipments.

FEPD Circular No. 48 dated 24 November 2025

01 Foreign Exchange (Bangladesh Bank)



Submission of discount claims against exports of jute goods

Bangladesh Bank has clarified that exporters of jute goods can submit discount claims for their shipments. Authorised Dealers (ADs) should forward these applications to the Discount Committee through the Foreign Exchange Policy Department, following standard procedures. The Discount Committee will now include representatives from the Bangladesh Jute Mills Association (BJMA) and Bangladesh Jute Spinners Association (BJSa) to help evaluate these claims.

FEPD Circular No. 49 dated 9 December 2025



Import of capital goods on usance term

Bangladesh Bank has updated rules for importing capital goods, allowing industrial importers to bring in machinery and equipment on usance terms of up to three years under supplier's or buyer's credit. This also applies to enterprises in export processing zones, private EPZs, economic zones, hi-tech parks, and other government-designated specialised zones. However, the usance period for imported spares is limited to 360 days.

FEPD Circular Letter No. 50 dated 10 December 2025



Revised usance facility for imports

Bangladesh Bank has revised the usance facility for imports of industrial raw materials, back-to-back imports, agricultural implements, and chemical fertilisers under suppliers' or buyers' credit. The previously extended period of 360 days (from 180 days) is now limited to 270 days or the importer's cash conversion cycle, whichever is shorter. Authorised Dealers must ensure the cash conversion cycle is realistic based on historical trends. For back-to-back letters of credit, the usance period must follow the statutory export proceeds repatriation period. The facility remains inapplicable to imports financed under the Export Development Fund (EDF).

FE Circular No. 51 dated 29 December 2025

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