

International Trade Finance and Role of Banks

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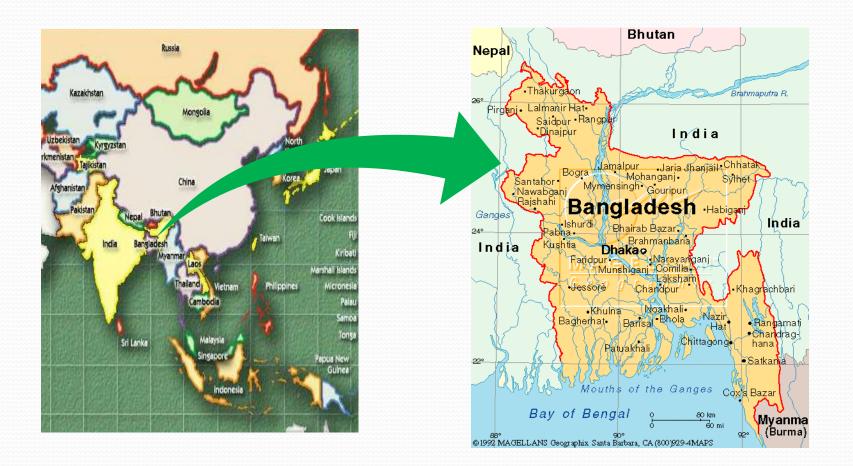
Outline

- o Bangladesh
- Policy for Int'l Trade
- **o Regulations for Payment Settlement**
- Trade Transactions
- Export Trade
- Import trade
- Trade with Myanmar
- Investment in Myanmar
- Looking Forward





Bangladesh







Policy for Int'l Trade

- Int'l trade is regulated by The Imports and Exports (Control) Act, 1950
- Under the provisions of this act, Government formulates policies
 - ✓ Import Policy Order; and
 ✓ Export Policy.





Regulations for Payment Settlement

- Settlement of payments against international trade is executed under Foreign Exchange Regulation Act, 1947
- BB, under the provisions of this act, formulates regulations in line with international trade regime
- Under the current account convertible regime since early nineties, payment against trade is fully convertible.





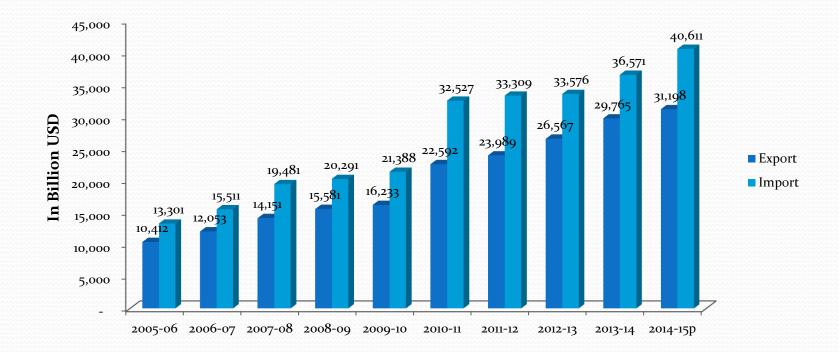
FX regime - milestones

- Bangladesh Taka is convertible on current international transactions since 1994 in terms of Article VIII of the IMF Articles of Agreements.
- Floating exchange rate regime since 2003; before that fixed exchange rate regime existed.





Export and import of Bangladesh



Both export and import are showing the increasing trend. In fiscal year 2014-2015, export has been recorded at **USD 31.2 bn** where the import is **USD 40.6 bn**





Trade transactions

- Bangladesh is following international practice in conducting trade transactions
- Documentary collection under contracts is increasing but major transactions are still on Latter of Credit



https://www.yunbaogao.cn/report/index/report?reportId=5_3700

