



Asian Exporters' Chamber *Of* Commerce and Industry

SOURCING ENTERPRISE

AECCI VIEWPOINT

Stay Informed, Stay Ahead!



Get the Latest Updates

Bangladesh's import LC openings fall 23% to \$45.52 bn in Jul-Feb FY23

Opening letters of credit (LCs) for imports in Bangladesh dropped by around \$14 billion, or 23.45 percent, year on year (YoY) in the first eight months of fiscal 2022-23 (FY23) to \$45.52 billion due to restrictions by the central bank and a fall in export orders.

The raising of the LC margin to 100 percent—among a few other restrictions to minimize the dollar crisis—discouraged businesses from importing capital machinery and luxury goods.

The Bangladesh Bank also directed banks to report imports worth more than \$3 million before opening LCs. It adopted the policy of verifying reported international prices of such products before approval.



Bangladesh Bank data shows that in terms of monetary value, the highest LCs were opened for industrial raw material imports, a major part of which was used by garment exporters.

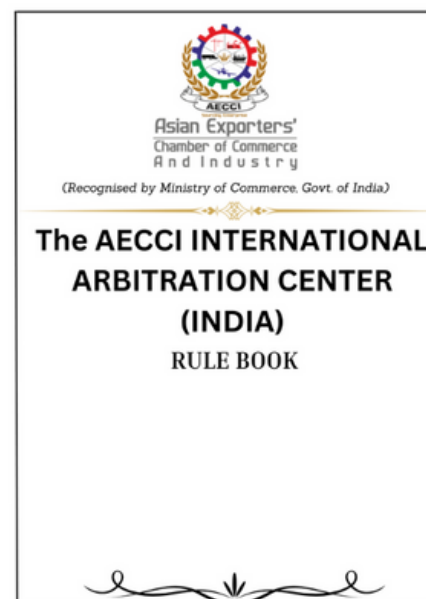
Between July last year and February this year, \$15.56 billion worth of LCs were opened in this segment, which is \$6.68 billion, or 30.05 percent, less than the same period of the previous fiscal. Businesses say they have reduced opening LCs for importing raw materials.

Central bank data shows the opening of import LCs for capital machinery fell by about 54 percent, in terms of volume, to \$2.53 billion.

LC settlements also dropped. Data showed that payments stood at \$52.02 billion in the July-February period—down by 1.22 percent from the same period a year ago.

The central bank also asked to be notified in advance for LCs worth more than \$3 million.

AECCI INTERNATIONAL ARBITRATION CENTER



AECCI's motto of "Come and Grow with us" is reinforced with the launch of our new AECCI International Arbitration Center, which is fully operational and ready to serve clients globally. Recently, we held an internal legal meeting at our AECCI premises, where we inaugurated the first draft of the AIAC Rule Book, laying the foundation for our arbitration proceedings.

Headlines of the Day


Here's the latest business news of 11 April 2023

- In value terms, the highest LCs were opened for industrial raw material imports, most of which were used by garment exporters, central bank data shows.
- Opening letters of credit (LCs) for imports in Bangladesh fell by 23.45 percent year on year in the first eight months of FY23 to \$45.52 billion due to central bank restrictions and a fall in export orders.
- 'There is not that much interest at present in the rupee transactions...hence, the push for routing it through third countries,' people aware of the matter told the Economic Times.


Get your

e-CO(NP)

within Minutes!




BEFORE



➔

AFTER



Enjoy completely

Paperless e-Stamping

& Attestation Facility

through **AECCI's**

e-Platform.

Register Today!

Call us on +91- 8433720996, or mail us at info@aecci.org.in

- No Printing.
- No Scanning.
- No Long Wait Times.
- Submit your e-COO within minutes.
- Track your Documents via your
- Phone/PC.

ASIAN EXPORTERS' CHAMBER OF COMMERCE & INDUSTRY, 604 | 6TH FLOOR | HILTON CENTER | PLOT NO.66 | SECTOR NO.11 | CBD BELAPUR | NAVI MUMBAI-400614 | MAHARASHTRA-INDIA

India, Russia Opting to Route Goods Operations Through the UAE as Rupee Trade Acceptance Slow

India and Russia are increasingly opting to route goods operations through third countries such as the UAE as the nation's currency – the dirham – is pegged to the dollar and enjoys global stability, people aware of the matter told the Economic Times.

The countries are facilitating transactions in currencies other than rupees, roubles and dollars, the people quoted above told the business daily.

“There is not that much interest at present in the rupee transactions,” said one of the persons cited above. “While the interest is picking up slowly, there are complex invoicing arrangements to be carried out as the existing systems are heavily dominated by the euro and the US dollar. Hence, the push for routing it through third countries.”

In July 2022, the Union government had said it will be setting up of a mechanism to settle international trade in rupees.

The Reserve Bank of India in March granted approvals to foreign banks in 18 countries to open Vostro accounts to settle international trade in rupees.

According to news reports, the central bank has allowed Botswana, Fiji, Germany, Guyana, Israel, Kenya, Malaysia, Mauritius, Myanmar, New Zealand, Oman, Russia, Seychelles, Singapore, Sri Lanka, Tanzania, Uganda, and the UK to open Vostro accounts as of now.

“There is not that much interest at present in the rupee transactions,” said one of the persons cited above. “While the interest is picking up slowly, there are complex invoicing arrangements to be carried out as the existing systems are heavily dominated by the euro and the US dollar. Hence, the push for routing it through third countries.”

In July 2022, the Union government had said it will be setting up of a mechanism to settle international trade in rupees.

The Reserve Bank of India in March granted approvals to foreign banks in 18 countries to open Vostro accounts to settle international trade in rupees.

According to news reports, the central bank has allowed Botswana, Fiji, Germany, Guyana, Israel, Kenya, Malaysia, Mauritius, Myanmar, New Zealand, Oman, Russia, Seychelles, Singapore, Sri Lanka, Tanzania, Uganda, and the UK to open Vostro accounts as of now.



Excellency Legalisation Services Pvt. Ltd.
APOSTILLE & LEGALISATION CONSULTANCY



K/A: Pharmaceutical Product Reg. Div/Regulatory Affairs Div/Merchant Exporter/ Director/ Proprietor/ Partner/ Logistics Div/ Export Manager

We're India's biggest Export documentation Company, handling shipping and legal paperwork for various clients including pharmaceutical companies, exporters, manufacturers, freight forwarders, and individuals. With 24+ years of experience, we are the market leaders specializing in Apostille, Certification, and Legalisation services such as EC and Arab Certificates of Origin, GSP, Notary Public Documentation, and Embassy Legalisation.

Our Services



Export Shipping Documentation

- In-house Chamber of Commerce Preparation
- E.C & Arab Certificates of Origin raised & certified
- Legalisation arranged at foreign
- Embassies/Consulates
- A.T.A Carnets
- Health Certificate processing from EIA
- All Types of Passing
GSP/GTSP/APTA/SAPTA/ISFTA/IAPTA/ASEAN-India FTA
- Excise Refund/Exports House Formalities/ Various DGFT Matters Handle

Documenary Letter of Credit Services

- Preparation & Checking of L/C finance paperwork
- Bank presentations - direct & online comprehensive reporting functionally
- In - house support

Translation Services

- Technical Translations
- Corporate & Personal documents
- Proofreading & Typesetting
- All Language Combinations

Regulatory Affairs Documentation

- Processing of COPP, GMP & related documentation
- Daily collection from MOH, FDA, etc
- Notarisation, Apostille & Legalisation services
- COPP applications to Health Authorities
- INDIA & Overseas markets services
- Global Legalisation Support

Legal, Corporate & LP Documentation

- Processing of COPP, GMP & related documentation
- Daily collections from MOH, FDA etc
- Notarisation, Apostille & Legalisation Services
- COPP applications to health authorities
- INDIA & Overseas markets serviced
- Global Legalisation Support

Personal Documents

- Birth, Marriage & Death Certificates
- Academic Certificates
- Police Reports (PCC)
- Certified copy documents applied for
- Notarisation, Apostille & legalisation services
- INDIA & Overseas markets serviced Foreign documents