

**Green Banking and CSR Department
Bangladesh Bank
Head Office
Dhaka**

GBCSRD Circular No. 08

December 24, 2013
Date: -----
Poush 10, 1420

Managing Directors/Chief Executives
All Scheduled Banks in Bangladesh

Dear Sir,

Policy Guidelines for Green Banking

Please refer to BRPD Circular No.02 dated February 27, 2011 and GBCSRD Circular Letter No. 05 dated September 11, 2013 on the captioned subject.

As per section 1.1 of the said circular and circular letter, all scheduled Bangladeshi banks had to form a high powered Committee comprises of directors from the Board to review the banks' environmental policies, strategies and program. According to the Banking Companies Act, 1991 (Amended upto 2003) and BRPD Circular No. 06/2010, there could only be two committees comprising the Board members- Audit Committee and Executive Committee. Pursuant to that, either of these two committees was supposed to be responsible to review the banks' green or environmental policies, strategies and program. Meanwhile, as per section 15kha (3) of the Banking Companies Act, 1991 (Amended upto 2013), each banking company shall form a risk management committee comprising the members of the Board of Directors. In view of this context, the risk management committee comprising the members of the Board of all scheduled Bangladeshi banks will review the banks' green or environmental policies, strategies and program for governing the overall green banking activities of the banks.

The experience from on-site and off-site supervision shows that banks scheduled before 2013 will require more time for implementing Green Banking Policy under 2nd and 3rd phase where the deadlines were December 31, 2012 and December 31, 2013 respectively. Under this scenario, it has been decided to revise the time frame for implementing green banking activities under Phase-II and Phase-III. Time frame for 47 banks (scheduled before 2013) for implementation of green banking activities under Phase-II and Phase-III will be December 31, 2014 and June 30, 2015 respectively.

Time frame for implementing green banking activities under Phase I - June 30, 2014; Phase II - December 31, 2014 and Phase III - June 30, 2015 for banks scheduled in 2013 as advised vide GBCSRD Circular Letter No. 05 dated September 11, 2013 will remain same.

Earlier Scheduled banks had been provided with uniform reporting format to submit quarterly report on green banking activities/initiatives within next 15 (fifteen) days of the respective quarter end. Now, it has been decided that banks will be required to submit their quarterly report as of December 31, 2013 basis within January 30, 2014 and similarly they will continue submitting reports of the subsequent quarters within the next 30 days of the respective quarter end. Banks will keep their annual report and websites updated with the disclosures on green banking initiatives/activities.

All other existing instructions will remain unchanged.

The above instructions shall remain in force with immediate effect.

Please acknowledge receipt.

Yours sincerely,



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