

Sustainable and Inclusive Banking

6.1 Global regulatory landscape of financial sector relating to environmental conservation now becomes a priority concern. Addressing environmental and social aspects of financing and investment activities is growing to be a preferential step in the entire process of credit and investment management. Bangladesh has been a pioneer in this regard, as part of a sustained drive to ingrain a sustainable finance practices in the financial sector. Bangladesh Bank (BB) has been integrating 'sustainability' into the core banking practices of financial sector through green banking, corporate social responsibility and financial inclusion. Thus, BB has been pursuing policy and regulations for banks and financial institutions (FIs) to ensure sustainable banking practices. Eventually, sustainable banking mainly focuses on three broad categories - green banking, corporate social responsibility and financial inclusion.

Green Banking

6.2 Green banking initiatives of BB are broadly categorized into the following aspects: policy initiatives, monitoring of green banking activities of banks and FIs, refinance support from BB in diverse green products/sectors, and BB's own initiatives for environmental management.

Policy Initiatives

6.3 BB issued Environmental Risk Management Guidelines for banks and FIs and Policy Guidelines for Green Banking for Banks in 2011. In 2013, FIs were brought under green banking policy paradigm. Meanwhile government's development plans including National Sustainable Development Strategy (NSDS), Perspective Plan of Bangladesh: 2010-2021, 7th Five Year Plan, globally adopted Sustainable Development Goals (SDGs) have been considered during policy formulation and monitoring of green

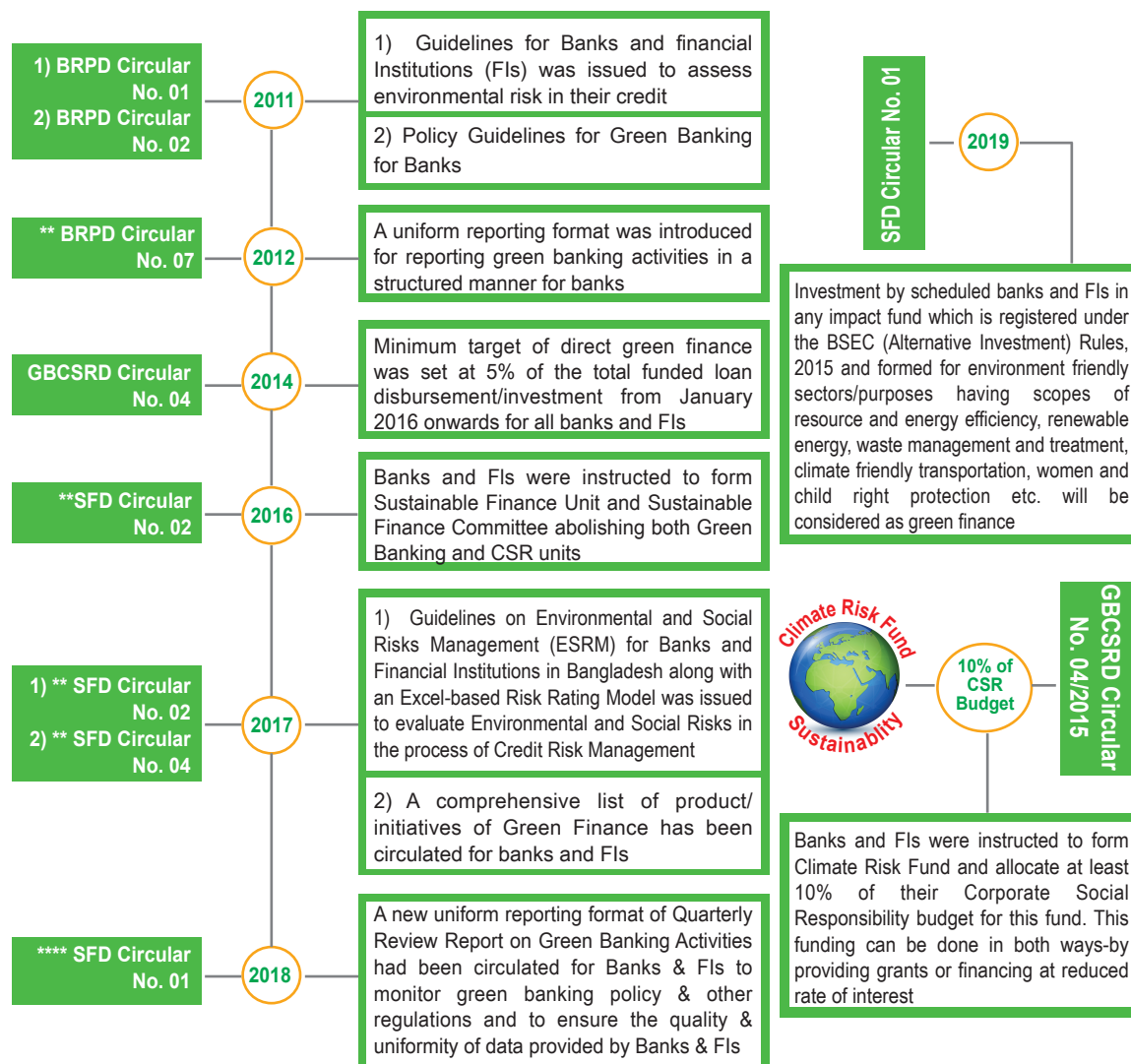
Table 6.1 Direct Green Finance in FY19

(In million BDT)

Types of Banks/FIs	Category of Green Finance								Total
	Renewable Energy	Energy Efficiency	Alternative Energy	Waste Management	Recycling & Recyclable Product	Green Brick Manufacturing	Green Establishment	Misc.	
SCBs (06)	15.35	0.00	0.00	216.70	253.68	726.92	0.00	6.79	1,219.44
DFIs (02)	2.81	0.00	0.00	0.00	0.00	0.00	0.00	0.75	3.56
PCBs (40)	1,921.36	3,667.96	83.98	25,571.35	10,852.60	16,172.27	13,878.21	6,169.16	78,316.88
FCBs (09)	216.57	130.83	0.00	128.05	2.40	0.00	18,735.31	0.00	19,213.16
Bank's Total	2,156.08	3,798.78	83.98	25,916.10	11,108.68	16,899.19	32,613.52	6,176.70	98,753.04
FIs (33)	1,286.34	232.81	0.00	1,443.30	130.00	1,686.73	1,689.69	31.00	6,499.87
Grand Total	3,442.43	4,031.59	83.98	27,359.40	11,238.68	18,585.92	34,303.21	6,207.70	105,252.91

Source: Sustainable Finance Department, Bangladesh bank

Chart 6.1 Policy Initiatives for Green Banking



Source: Sustainable Finance Department, Bangladesh bank

banking activities by banks and FIs. Chart 6.1 depicts green banking policy initiatives.

Green Finance

6.4 The total amount of direct disbursement as green finance during FY19 has been BDT 98.8 billion by Banks and BDT 6.5 billion by FIs. Category-wise amount of green finance by banks and FIs are given in Table 6.1 and

the percentage in Chart 6.2 respectively. Chart 6.3 shows the trend in total green finance (directly disbursed) by banks and FIs during last 5 years and a significant upward trend from FY17. Chart 6.4 shows the trend in the percentage of green finance of total funded loans disbursed during last 4 years and a gradual upward trend from FY17.

Box 6.1 Access to Finance in Bangladesh: New Scopes and Possibilities

Access to finance refers to the provision of a range of financial services at affordable prices, in a convenient manner, and with dignity for the clients. Financial service is regarded an important prerequisite for poverty alleviation vis-à-vis inclusive economic growth. The government of Bangladesh has already underscored the role of access to finance in its overall development agenda. The focus of access to finance campaign in Bangladesh rests mainly on rural low-income groups. Against this backdrop, Bangladesh Bank aided by its regulatory and policy tools has undertaken a comprehensive access to finance drive to reach out with financial services to the financially excluded low-income group. As a part of this drive Bangladesh Bank has issued a set of directives to the commercial and specialized banks to open farmers' accounts, government social safety-net programme accounts, freedom fighters' special accounts, small life insurance accounts, street and working children accounts, and student accounts, etc. Besides these measures, it has instructed the scheduled banks to open bank accounts by receiving BDT 10, 50, and 100 from the marginal, deprived and financially excluded populace who are social safety-net beneficiary, ultra-poor women, garment workers, city corporation cleaners, footwear and leather good manufacturing workers, tornado victims, and physically challenged persons including the blind. Opening of rural branches of the commercial banks, easy credit at low interest rates for the agriculture and small and medium enterprises sector, agent banking and mobile banking, etc. have been playing a crucial role in the central bank's pursuit for financial inclusion for the unbanked population.

The Bangladesh Bank access to finance initiatives have been very comprehensive and have yielded remarkable achievement in respect to financial inclusion indicators over the years. However, some recent surveys / studies on the state of access to finance in Bangladesh have confirmed that some financial inclusion scopes and areas need to be addressed on a priority basis. These scopes relate to both the supply-side and demand-side stakeholders' interests. Firstly, the concept of investor market, which has been already tested in some developing countries, could be very effective in Bangladesh. In this model, private investment funds are required to be channeled to the financial institutions in the form of debt and equity. Idle savings of rural people can thus be utilized and generate returns on investments in the productive activities. Secondly, strengthening financial infrastructure for electronic fund transfer especially in the rural areas appears at the top of the access to finance agenda. Access to finance target groups concentrate mainly in the rural areas. One recent Bangladesh Bank survey found that availing Automated Teller Machines (ATMs) / Point of Sales (PoSs) is more expensive in terms of money and time spent compared to mobile banking and bank branch services. Strong and developed digital infrastructure is expected to reduce costs of setting up ATMs / PoSs in these financially excluded areas. Thirdly, adoption of insurance service is less prevalent in the rural areas. Most rural folks are unaware of insurance policies. The aforesaid survey revealed that forty two percent respondents had no information about insurance service. Emphasis may be put on insurance literacy campaign in the rural areas to tap the benefit of access to finance. Fourthly, postal services network could be instrumental in broadening access to finance domain. The post office branches are widespread throughout the country, especially reaching the remote areas. The vast number of post office outlets can be equipped with various financial services like banking, insurance, remittance, etc. and could thus become a major access to finance gateway to the unbanked rural population. Finally, for the successful access to finance planning and implementation, demand-side information is extremely helpful. Mechanism should be developed to extract information on the state of the access to finance and the prospects of new financial products on a regular basis.

Environmental and Social Risk Management

6.5 Environmental and Social Risk Rating (ESRR) is obligatory above the threshold as mentioned in guidelines on ESRM for banks and FIs. The number of projects rated by Environmental and Social Due Diligence (ESDD) checklist during the year is 68,235. Total amount of BDT 2,327.2 billion disbursed in 57,780 rated projects in FY19. Chart 6.5 shows the trend in ESRR by banks and FIs during last 5 years.

Climate Risk Fund

6.6 Total amount of BDT 281.9 million has been utilized from climate risk fund by banks and FIs in FY19. Total amount of BDT 231.8 million has been utilized as grant and BDT 50.1 million as concessional loan.

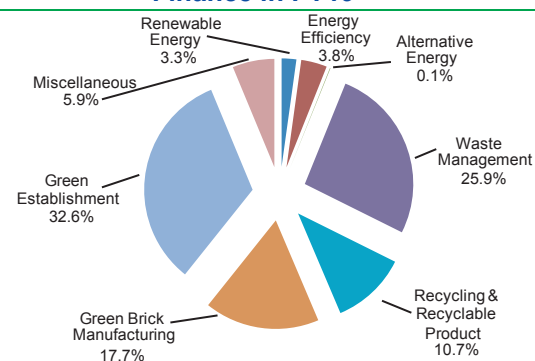
Online Banking and Energy Efficiency

6.7 Green banking policy has pursued the banks to establish online branches and bring the branches powered by solar energy. The number of online branches was 9251 and the percentage of online branches was 89.5. The number of branches powered by solar energy was 572 at the end of FY19.

BB's In-house Environmental Management

6.8 BB has taken a number of rigorous initiatives to make its in house operational activities more environment friendly, energy efficient and technologically advanced ones. Chart 6.6 summarizes the major steps taken by BB as its in house green practices.

Chart 6.2 Share of Category-wise Green Finance in FY19



Source: Sustainable Finance Department, Bangladesh bank

BB's Refinance Schemes for Green Products/Initiatives

6.9 A revolving refinance scheme of BDT 2.0 (two) billion was established in 2009 with a view to broadening finance for green products or initiatives at lower cost of fund. Initially, six green products or initiatives were identified to extend the refinance facility under this scheme. Later on, considering the market demand and expert opinions from the technical advisory committee, BB has enhanced the number of eligible green products/initiatives under the scheme from 6 to 51 till FY19. Participatory Banks/Financial Institutions (PFI) are allowed to charge interest rate of maximum 9 percent on financing in green products/initiatives under the scheme except "Solar Irrigation Pumping System" where maximum interest rate at 7 percent can be charged. The cumulative amount of refinance under the scheme upto June, 2019 stood at BDT 4,118.6 million. In FY19, total disbursement under the BB's refinance was BDT 321.3 million. The disbursement trend from FY15 to FY19 and

product wise disbursement figure are presented in table 6.2 and chart 6.7.

Financing Brick Kiln Efficiency Improvement Project Supported by Asian Development Bank (ADB)

6.10 Asian Development Bank (ADB) supported revolving relending facility-Financing Brick Kiln Efficiency Improvement Project was established in BB in June 2012 with a view to improving the brick sector especially brick kilns through manufacturing more energy-efficient and environment friendly brick kilns resulting in reduced Green House Gas (GHG) and Suspended Particulate Matter (SPM). The total amount of this relending facility is USD 50.0 million. The facility has two parts, Part A: USD 30.0 million for conversion of Fixed Chimney Kiln (FCK) into Improved Zigzag Kiln and Part B: USD 20.0 million for establishing new Vertical Shaft Brick Kiln (VSBK), Hybrid Hoffman Kiln (HHK) and Tunnel Kiln. Total USD 33.6 million equivalent to BDT 264.1 crore relending facility has been disbursed to 14 subprojects through 15 Participating Financial Institutions (PFIs) till 30 June 2019. The tenure of the project is December 2019.

Green Transformation Fund (GTF)

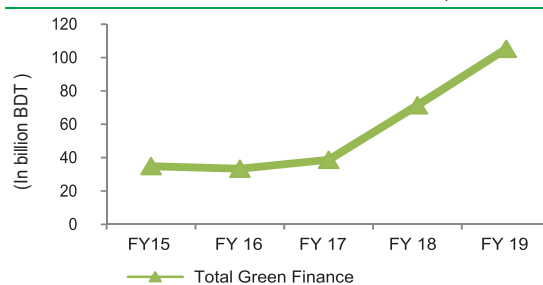
6.11 Bangladesh Bank created Green Transformation Fund (GTF) of 200 million USD in February 2016 to create a new longer term refinancing window. Initially the fund was available only for export oriented textile, leather and jute sectors and it became available for all export oriented

Table 6.2 Disbursement Trend in BB Refinance Scheme for Green Products/Initiatives (In million BDT)

	FY15	FY16	FY17	FY18	FY19
Bio gas	83.3	84.8	46.6	10.5	4.6
Solar home system (SHS)	87.5	114.7	35.3	0.0	0.2
Solar irrigation pump	26.5	0.6	0.0	0.0	0.0
Solar assembly plant	148.1	16.3	0.0	0.0	0.0
Solar Mini-grid	0.0	10.0	0.0	0.0	0.0
Effluent treatment plant	0.0	58.0	179.6	60.0	108.4
HHK technology in brick kiln	47.0	177.8	10.0	0.0	5.0
Vermicompost	1.1	1.6	1.3	0.0	0.8
Green Industry	0.0	400.0	0.0	500.0	152.3
Safe Working Environment	0.0	35.7	55.3	82.0	40.0
Organic Manure from Slurry	0.0	0.2	0.1	0.0	0.0
Paper Waste Recycling	0.0	20.0	20.0	0.0	0.0
Energy Efficient Tech	0.0	0.0	0.6	13.0	10.0
Total	381.5	393.5	919.7	348.8	321.3

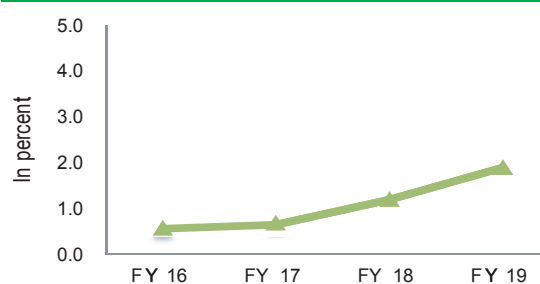
Source: Sustainable Finance Department, Bangladesh bank

Chart 6.3 Trend in Total Green Finance (In billion BDT)



Source: Sustainable Finance Department, Bangladesh bank

Chart: 6.4 Trend in Share of Green Finance in Total Funded Loan Disbursed



Source: Sustainable Finance Department, Bangladesh bank

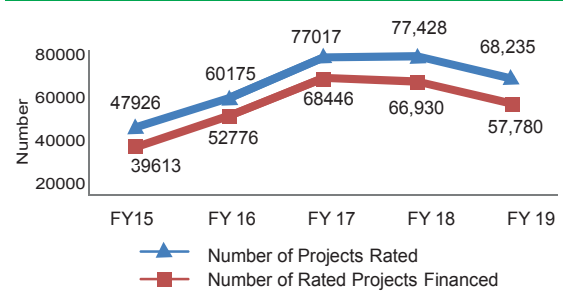
sectors in June, 2019 to ensure sustainable export growth of the country and for transforming to a greener economy. It is intended to facilitate access to financing in

foreign exchange by all manufacturer-exporters in export oriented sectors to import capital machinery and accessories for implementing environment-friendly initiatives. The initiatives include Water use efficiency in wet processing, Water conservation and management, Waste management, Resource efficiency and recycling, Renewable energy and Energy efficiency, Heat and temperature management, Air ventilation and circulation efficiency and Work environment improvement initiatives (FE Circular No. 02/2016). The total USD 22.3 million has been disbursed in 4 projects from GTF up to FY 19.

Refinance Scheme for Islamic Banks and Financial Institutions for Investment in Green Products/Initiatives

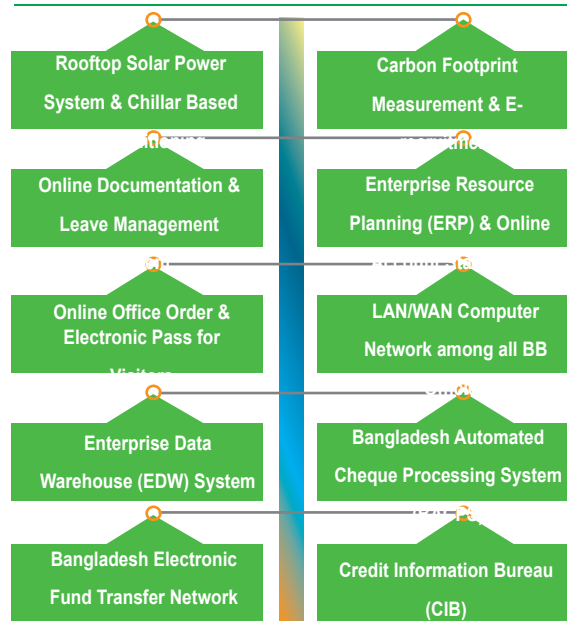
6.12 In September 2014, Bangladesh Bank introduced an "Islamic Refinance Fund" with the surplus liquidity of SLR of shariah based Islamic banks. To encourage the further involvement of the shariah based banks and FIs in green finance, Bangladesh Bank launched a refinance scheme for Islamic banks and FIs funded by "Islamic Refinance Fund". Over time, considering the modification in the country's economic structural conditions, advanced technology, gradually raising demand for the eco-friendly products/initiatives Bangladesh Bank has issued an integrated and comprehensive "master circular" in April 2018. According to this circular, the scheme has renamed as "Refinance Scheme for Islamic Banks and Financial Institutions for Investment in Green

Chart 6.5 Trend in ESRR by Banks and NBFIs



Source: Sustainable Finance Department, Bangladesh bank

Chart 6.6 BB's In-house Green Practice



Source: Sustainable Finance Department, Bangladesh bank

Products/Initiatives." BB enhanced the product range under this scheme from 50 to 51 and segregated these products into 8 categories which include renewable energy, energy-efficient and energy-savings technology, alternative energy, waste management, recycling and recyclable product, environment friendly brick production, environment friendly installation and miscellaneous. The cumulative amount

of refinance under the scheme up to June 2019 stood at BDT418.0 million. Total disbursement under this scheme during FY19 was BDT139.0 million.

Corporate Social Responsibility

6.13 BB issued CSR policies and guidelines on June 2008 and December 2014 for mainstreaming CSR in banks and FIs in Bangladesh and for end use monitoring of CSR engagements of the financial sector. These policies and guidelines clearly state the requirement of administrative setup, budgetary allocation, expected range/coverage of CSR activities and end use monitoring process of CSR expenditures and activities. Besides that, on June, 2015 BB issued reporting format for monitoring CSR activities of banks and FIs.

CSR Activities of Banks and NBFIs

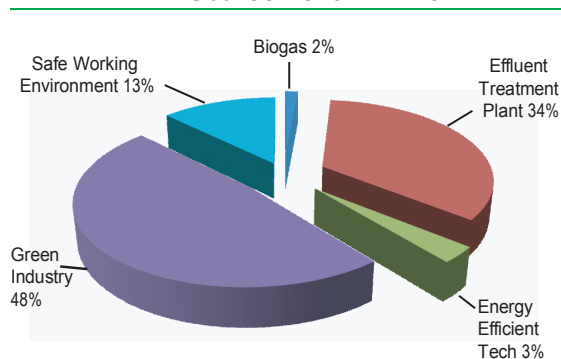
6.14 Total amount of CSR expenditure by banks and FIs in FY19 was BDT 5203.5 million while the amount was BDT 10491.3 million in FY18. The sector-wise CSR expenditure scenario of banks and FIs are stated in Table 6.3. Bank's total CSR expenditure in FY19 was BDT 5168.3 million. Banks contributed their major share in humanitarian and disaster relief, education, health & others contributed to 39.29, 31.72, 10.42 and 10.37 percent respectively of the total CSR activities. Expenditure on cultural welfare and environment in underprivileged area were 6.71 and 0.99 percent respectively. Besides, only 0.42 percent of total CSR expenditure was made under infrastructural development. As income

Table 6.3 CSR Expenditure of Banks and NBFIs in FY19 (In million BDT)

Sectors	Banks		NBFIs	
	Amount	Sectoral Share (percent)	Amount	Sectoral Share (percent)
Education	1639.2	31.7	10.1	28.6
Health	538.3	10.4	9.5	27.0
Humanitarian & disaster relief	2030.6	39.3	4.4	12.5
Environment	51.2	1.0	1.9	5.3
Cultural welfare	347.0	6.7	3.4	9.8
Infrastructural development	21.8	0.4	0.0	0.0
Income generating activities	4.4	0.1	0.0	0.0
Others	535.8	10.4	5.9	16.9
Total	5168.3	100.0	35.2	100.0

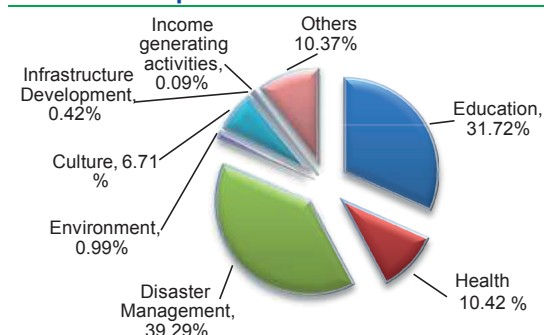
Source: Sustainable Finance Department, Bangladesh Bank

Chart 6.7 Product-wise Refinance Disbursement in FY19



Source: Sustainable Finance Department, Bangladesh Bank

Chart 6.8 Share of Sector-wise CSR Expenditure of Banks in FY19



Source: Sustainable Finance Department, Bangladesh Bank

generating activities for the poor, banks expenditure in this area was insignificant. Share of expenditure in CSR programs of

banks in FY19 are shown in Chart 6.8. FIs reported direct CSR expenditure of BDT 35.17 million in FY19. The major share of CSR expenditure by FIs went to education (28.58 percent), health (27.01 percent). However, they spent 16.86, 12.51, 9.78 and 5.26 percent in others, disaster management, cultural welfare and environment sectors respectively during the period. FIs have not made any CSR expenditure in infrastructure development in underprivileged area and Income Generating Activities in FY19. Sectoral shares of CSR expenditure by NBFIs in FY19 are stated in Chart 6.9.

BB's Own CSR Activities

6.15 Bangladesh Bank has established "Bangladesh Bank Disaster Management and Social Responsibility Fund" by transferring BDT 50 million from its annual profit each year to conduct its own CSR activities in different areas such as education, health, environment, empowerment, human resources development, etc. with a view to developing the backward sectors of Bangladesh and ensuring its sustainable development. Later on, the fund was extended to BDT 100 million in FY15. BB has sanctioned BDT 41.75 million in FY19 which was BDT 45.92 million (contribution from BB profit and bank interest) in FY18 from the fund. The sector wise allocation in FY19 is shown in Table 6.4.

Financial Inclusion Activities

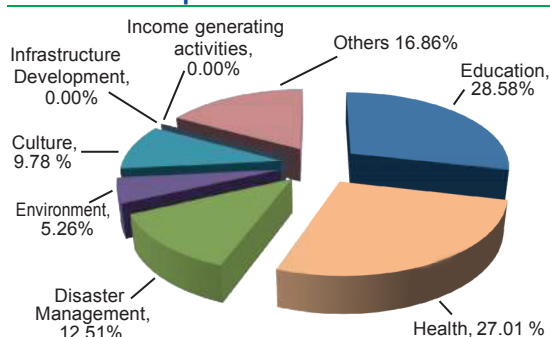
6.16 Financial inclusion is the process of enabling access of all citizens to the basic

Table 6.4 Sector-wise Expenditure of BB's CSR Fund in FY19

Sectors	Amount (In million BDT)
Education	14.30
Health	1.10
Human Resources Development/Capacity Building	20.26
Others	6.09
Total	41.75

Source: Sustainable Finance Department, Bangladesh bank

Chart 6.9 Share of Sector-wise CSR Expenditure of NBFIs in FY19



Source: Sustainable Finance Department, Bangladesh bank

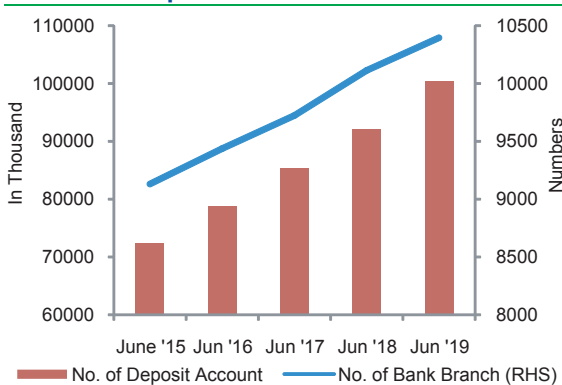
and formal financial services at an affordable cost. The basic formal financial services include access to savings, credit, payment, etc. Literally, financial inclusion means to have access of an individual to at least one of the financial services offered by a formal financial institution. Financial inclusion emerges as one of the most effective tools among the policy makers around the world to ensure inclusive and sustainable economic development. Realizing the importance of financial inclusion, BB has been engaged in the exploration and promotion of innovative and successful policy initiatives to bring the financially excluded people under the umbrella of financial inclusion. It has been working rigorously to ensure formal banking

services to the poor and the under-privileged portion of the society through low-cost digital financial services. The level of financial inclusion in Bangladesh has been increasing day by day. The 2017 Global Findex database shows that 50 percent of the Bangladeshi adults have access to at least one formal financial service (World Bank, 2017). The level of financial inclusion has increased significantly (19 percent) since 2014. The major channels of financial services are Branch Banking, Agent Banking, Mobile Financial Services (MFS), Digital Financial Services, etc. With a view to onboarding poor, marginalized and specific underprivileged groups into the formal financial service platform, Bangladesh Bank has designed special programs such as No-Frill Accounts (NFA), Refinance Schemes, devised special financial awareness and literacy campaigns, etc.

Inclusion Through Branch Banking

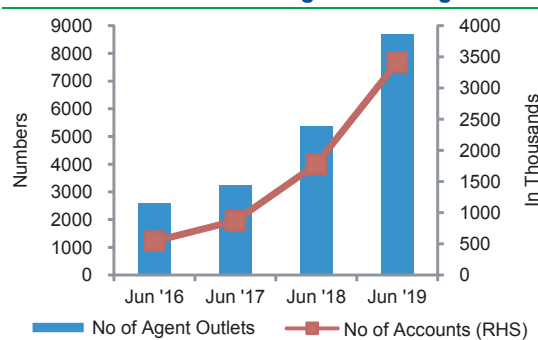
6.17 The conventional way of extending comprehensive banking services for the people is branch banking. Bank branch is being treated as the most trusted place of banking. Bangladesh Bank encourages banks to open new branches, especially in the rural areas. In FY19, a total of 282 branches were opened and 81,97,953 deposit accounts were added with the banking system. The growth of bank branch network and number of deposit accounts is shown in chart 6.10.

Chart 6.10 Number of Bank Branches and Deposit Accounts



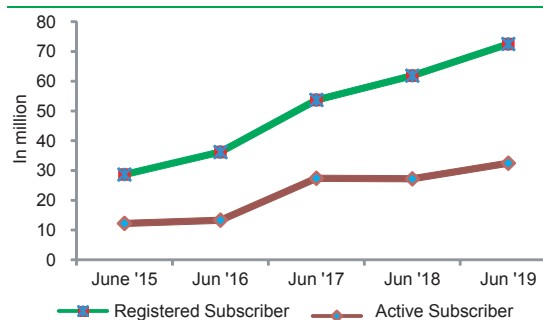
Source: Financial Inclusion Department, BB.

Chart 6.11 Number of Agent Outlets and Accounts of Agent Banking Network



Source: Financial Inclusion Department, BB.

Chart 6.12 Trends in Mobile Financial Services



Source: Financial Inclusion Department, BB.

Expansion Through Agent Banking

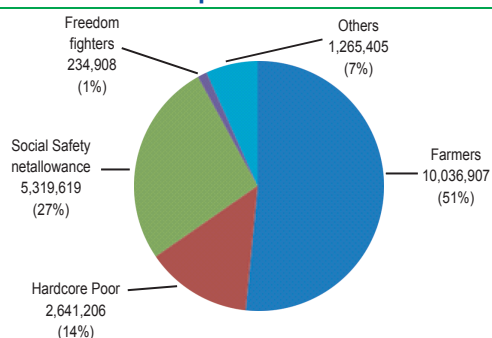
6.18 Agent Banking, another important tool of financial inclusion, usually provides a

limited number of banking services to the customers through an agent of a bank. The purpose of introducing Agent Banking is to provide a safe and secure alternative delivery channel for banking services to the under-privileged, under-served population who generally live in a geographically remote area and beyond the reach of the traditional banking networks. Considering the cost of setting a full-fledged branch banks prefer Agent Banking as a cost-effective delivery channel. Since inception, it has gained much popularity in the rural areas. As of June, 2019, 21 banks have been permitted for Agent Banking and out of them 19 banks have started their activities. A total of 3,320 agent outlets and 16,39,272 accounts were added in FY19. The growth of the number of agent outlets and accounts were 62 percent and 92 percent respectively. Number of agent and accounts of agent banking network in Bangladesh is shown in chart 6.11.

Expansion through Mobile Financial Services

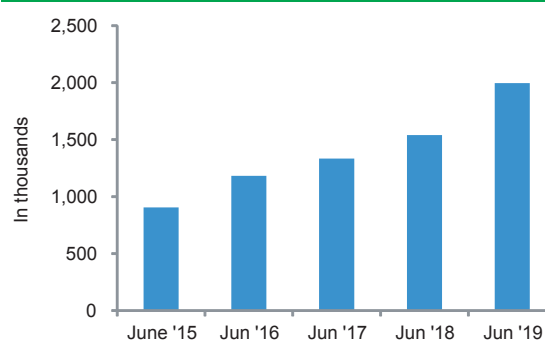
6.19 Mobile Financial Services is a medium of offering financial services with mobile networks which enable users to make deposits, withdrawals and send or receive funds from another account. Considering the potentials in promoting financial inclusion, Bangladesh Bank introduced Bank-led MFS in 2011. Since the inception of MFS, the flow of money into the rural parts of Bangladesh has been increasing significantly. As of June 2019, 16 banks were engaged in MFS. The number of

Chart 6.13 Category-wise Number of NFAs for Farmer and Under-privileged Group as of June 2019



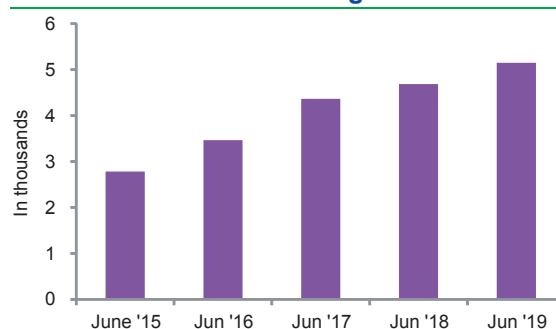
Source: Financial Inclusion Department, BB.

Chart 6.14 Trends in School Banking Accounts



Source: Financial Inclusion Department, BB.

Chart 6.15 Trends in Financial Inclusion of the Working/Street Children



Source: Financial Inclusion Department, BB.

registered and active mobile bank accounts stood at 7.25 crore and 3.25 crore respectively. During the last fiscal year, MFS

Box 6.2 Climate Change and Bangladesh Economy

Over the past two decades, sustained and inclusive growth together with impressive social indicators have been the unique features of Bangladesh's economy. Following the stellar performance in achieving the Millennium Development Goals (MDGs), the country has embraced Sustainable Development Goals (SDGs) as its new development framework. Meeting the eligibility criteria for LDC graduation is another significant milestone that the country achieved last year. Bangladesh is confronting arises from the adverse effects of climate change which is causing havoc on the lives and livelihoods of the communities at large, in particular, those who are the most vulnerable- women, children, indigenous people, people with disabilities and others.

Being a climate vulnerable country, Bangladesh has been addressing climate change issue at policy level for last decade with the highest priority. Adoption of Bangladesh Climate Change Strategy and Action Plan (BCCSAP) reflecting its changing development priorities and creation of Climate Change Trust Fund (CCTF) from its own resources to finance projects for implementation of BCCSAP represent the Government's pledge and readiness to reduce climate vulnerabilities. In addition, adoption of a Climate Fiscal Framework (CFF) for Bangladesh in 2014 to provide a roadmap for climate finance in the country's public financial management systems is yet another significant step towards linking climate policies and strategies with the resource allocation process. Apart from that, Bangladesh has also developed 'National Adaptation Programme of Action (NAPA)' and 'Nationally Determined Contributions (NDC)' as part of its engagement with United Nations Framework Convention on Climate Change (UNFCCC). To put climate expenditure at of highest priority, Bangladesh already prepared 'Bangladesh Country Investment Plan for Environment, Forestry and Climate Change' to recognize the sources and areas of climate investment in Bangladesh. To make this delta resilient and sustainably developed, Bangladesh Government has recently released 'Bangladesh Delta Plan 2100' which encompasses the country commitment to address the climate change impact and environmental conservation.

Bangladesh Bank (BB), the monetary and financial sector regulator in Bangladesh, recognized early on that conventional monetary and financial policy approaches focused on short term stabilization over business cycles are failing to address the longer-term needs of inclusivity and environmental sustainability in growth pursuits.

The policy dimension of Bangladesh Bank on green banking including green finance is structured with the umbrella policy titled 'Policy Guidelines for Green Banking'. With a view to integrating sustainability into overall credit management of banks and FIs, BB has 'Guidelines on Environmental & Social Risk Management (ESRM) for Banks and FIs.

To enhance the Green Finance landscape upon the experience of Green Banking Policy Guidelines, the banks and FIs were given regulatory target on annual disbursement of green finance. To promote green finance, product/initiative enlistment for banks and FIs from BB has been the optimal option. Following that, BB provided an exhaustive list of 52 products/ initiatives under 8 categories for green financing by banks and FIs. That list was supplemented by a product innovation/development methodology for banks and FIs on green finance. BB instructed banks and FIs to form 'Climate Risk Fund' for spending 10 percent of their annual Corporate Social Responsibility (CSR) expenditure for Environmental Conservation and Pollution Control, Climate Mitigation and Adaptation, Disaster Management related activities. To promote green finance and sustainability through banks and FIs, BB has always been operating support funding windows for channelizing low cost financing to the targeted beneficiaries.

Title	Size	Eligible Business Sectors	Eligible Green Products/Initiatives*
Refinance Scheme for Green Products/Initiatives	200 billion BDT	All sectors	52 Products/Initiatives under 8 categories.
Refinance Scheme for Islamic Banks & FIs for Investment in Green Products/Initiatives)	100 billion BDT		
Green Transformation Fund	200 million USD	All export-oriented textile, leather and jute Manufacturers	9 types of initiatives.
Financing Brick Kiln Efficiency Improvement Project (December 2019)	50 million USD	Green Brick Kiln	Vertical Shaft Brick Kiln (VSBK), Hybrid Hoffman Kiln (HHK), Tunnel Kiln, Improved Zigzag Kiln

The economic consequences of climate change along with losses in Gross Domestic Product (GDP) for almost all region sand other numerous significant consequences imply a strong call for policy action, implementing ambitious mitigating policies to reduce the emission sources of climate change, and adaptation policies to best deal with the remaining consequences, the worst impacts and risks may be avoided, and the economic consequences from climate change substantially reduced. The impact of climate change if not checked, will unleash most substantial negative consequences that will result in huge loss of annual global GDP. Rigorous action plans of coordinated endeavors from all concerned stakeholders will make Bangladesh more capable combating against climate change and hold a sustainable economy.

brought 1.06 crore new people under financial services. Chart 6.12 shows the picture of MFS activities in Bangladesh.

No-Frill Accounts (NFAs)

6.20 A no-frill account is a bank account that can be opened and maintained with a minimum or zero balance, levies zero or nominal charges and free of unnecessary fees or frills. A very limited or basic services are offered against those NFAs. Bangladesh Bank guided commercial banks for opening NFAs for farmers, beneficiaries of the social security programs of the government, freedom fighters, small life insurance policy holders, garment workers, cleaning workers of the city corporations, footwear and leather goods makers, small-scale factory workers, physically-challenged persons, street urchins, dwellers of the former enclaves,

flood affected marginal people, small businessmen, etc. The program is playing a significant role in ensuring financial services for the marginalized people of the country. As of June 2019, the total number of NFAs reached at 19.50 million. Chart 6.13 shows the picture of NFAs in Bangladesh as of June 2019.

School Banking

6.21 As a part of financial inclusion drive, BB instructed banks to introduce school banking in November 2010 and issued 'Guidelines for School Banking' in 2013. According to these guidelines, any student up to 18 years of age can open school banking account through parents or legal guardians. Till June 2019, number of school banking accounts reached 19.96 lac with a balance of BDT 1494 crore. Chart 6.14 shows the

picture of school banking accounts in Bangladesh.

Banking for Working Children and Street Urchin

6.22 With a view to allowing the working children in the formal banking services, Bangladesh Bank has taken special measures regarding opening accounts for the street and working children in 2014 to make them financially independent, safeguard their hard earned money, and to secure their future. Those who do not have their parents, can open an account with designated banks with the help of registered non-government organizations (NGOs). The role of concerned NGO is owning the guardianship and being fully responsible for the operation of the accounts and the well-being of the account holders. As of June 2019, 19 banks signed bi-lateral agreement with different registered NGOs for offering the services. Total 5,147 accounts have been opened with a balance of BDT 3.8 million up to June 2019. Chart 6.15 represents the trends in financial inclusion of the working / street children.

Financial Literacy Campaign

6.23 To bring the larger portion of financially excluded population under formal financial services, Bangladesh Bank has taken diverse financial literacy initiatives since 2014. Financial literacy website has been hosted, Television and Radio commercials have been prepared and initiatives have been taken to include a

chapter on Financial Literacy in the textbook of national curriculum. School Banking Conference is being arranged under the Lead-Bank system at the district level in Bangladesh. In line with Bangladesh Bank, commercial banks have also made financial literacy brochures, slogans, leaflets, pictures which are being displayed at the banking centres, ATM booths, billboards, deposit slip and various publications of the banks.

International Collaboration and Commitment for Financial Inclusion

6.24 Bangladesh Bank has built partnership with different international strategic alliances and has also become a member of international organizations to boost up financial inclusion, financial deepening and also to ensure an enabling and inclusive financial environment in Bangladesh. Governor of Bangladesh Bank assumed as the chair of the board of directors of Alliance for Financial Inclusion (AFI) from 2018 to 2019. AFI is a global knowledge exchange platform of 130 regulators from 90 countries for financial inclusion. AFI works with the ultimate goal of making financial services more accessible to the world's unbanked.

6.25 Maya Declaration, a member institution's self commitment regarding financial inclusion was introduced by AFI in September 2011 at the AFI Global Policy Forum in Riveria Maya, Mexico. BB signed the Maya Declaration and made 46 commitments of which 37 commitments have

successfully been achieved till June 2019. Bangladesh Bank has also been selected as the vice-chair of the financial inclusion working group of the Organization of Islamic Cooperation (OIC). This working group of the central banks of the Islamic countries is working for the promotion of financial inclusion as well as for improving access to finance, financial education and consumer protection.

6.26 BB became a partner of the Child and Youth Finance International (CYFI), a non-profit Dutch Foundation in 2015. A Deputy Governor of BB worked as one of the members of the supervisory Board of CYFI. It is well-mentionable that due to significant progress in financial inclusion, BB has been awarded with the AFI Policy Award in 2014, CYFI's Global Inclusion Award for 2016 and 2017, AFI Gender Inclusive Ambassador award in 2018, etc.