Exclusive Launch of The 3E Program
Keynote Address by Dr. Atiur Rahman, Governor, Bangladesh Bank

Venue: The Amari Hotel, House-47, Road No-41, Gulshan-2, Dhaka
Date: March 05, 2015
Time: 11.00-13.30
Speech: 12.35-12.45

Her Excellency Ms. Hanne Fugl Eskjaer, Honorable Ambassador, Embassy of Denmark, Dhaka; Deputy Head of Mission of Sweden Embassy, Ms. Karin McDonald; Dr. Mohammad Tamim, Head of the Department of Petroleum and Mineral Resources Engineering, BUET; Ms. Rajarshi Banerjee, Country Manager, ABB Bangladesh; Mr. Siddique Zobair, Member, Sustainable and Renewable Energy Development Authority (SREDA); Mr. Stephan Skare Enevoldsen, Danida Senior Advisor; Mr. Shamim Ul Huq, President, NCCI; distinguished guests of today’s august event, good morning.

Let me first congratulate the Nordic Chamber of Commerce and Industry (NCCI) in Bangladesh and the Danish International Development Agency (DANIDA) for establishing much awaited Energy Efficiency secretariat in Bangladesh reflecting a clear commitment of DANIDA and NCCI activities towards green transformation and green growth of Bangladesh. I am aware of Danish focus on green growth as I have been regularly participating in 3g conferences in Copenhagen.

I am happy to see the environmental activists, and the financial and real sector corporates engaged with DANIDA and NCCI and congratulate them for successfully embracing such diverse array of key players in major dimensions of socially and environmentally responsible business.

At this stage of green banking, we are well aware that green transformation at large scale is indispensible for ensuring environmentally sustainable economic growth. No doubt, green financing is a catalyst for green growth. Taking this into account, Bangladesh Bank (BB) has been providing a range of policy and financing support to banks and FIs for mainstreaming green banking into the core banking practices. These endeavors have been enhanced in last couple of years. A separate department has been established to address the green issues in a broader manner. Further, we are committed to implement a full scale IT based paperless banking operation in due course.

47 green products have been included in the BB refinance scheme of which 23 are green energy. If any bank or FI comes up with innovative green products that contribute to environmental conservation, BB will look into the issue to identify the product as a green one. Banks and financial institutions have been directed to allocate at least 5 percent of their loan portfolio to green finance. Shifting the investment from fossil-fuel to green energy is the only way for transforming economic growth paths. Assessment of environmental risks above the threshold limit is a must. We would like to see a green revolution through a proactive and an effective engagement between green industry and financial sector for attaining sustained inclusive growth.
Bangladesh has maintained more than 6% real GDP growth over the last 10 years, which is poised to increase in the years ahead. To continue this growth momentum, it has been estimated that energy consumption should grow at the rate of at least 10%. Bangladesh faces some challenges such as cross subsidized and subsidized energy prices; standards and labeling, weak contract enforcement; differential energy (gas and electricity) prices; inadequate investments in supporting institutional mechanisms and human resources; high transaction costs from legal, technical and transactional complexities etc. We see most of the lenders are not familiar with Energy Efficiency Technology and approaches and require technical support to appraise and manage loans for Energy Efficiency projects. In this scenario, we do expect the Energy Efficiency secretariat will look into these challenges for converting them into opportunities which will indeed give impetus to the green transformation, green growth of Bangladesh economy.

We are very happy to see both of the NCCI and the DANIDA to support the green growth of Bangladesh economy by addressing the priorities in climate change adaptation and mitigation. I look forward to the best success of enduring liaisons and meaningful cooperation among diverse participating actors towards further promotion and deepening of socially responsible business ethos and green business conduct in Bangladesh. I strongly believe that the Energy Efficient Engagement under CCAMP will definitely promote energy efficient practices in the business community and the establishment of green energy secretariat will assist the local industries in development of green growth strategies.

Distinguished participants, let me now take the privilege to inaugurate the Energy Efficiency Engagement Event formally.

Thank you all for your participation and co-operation.