

Press release

Signing of a Credit Facility Agreement on 'Energy efficiency, renewable energy and Women Entrepreneurship linked projects through Bangladesh Infrastructure Finance Fund Limited (BIFFL);

A Credit Facility Agreement (CFA) of 50 Million EURO has been signed on 12 August 2021, in Dhaka between the Government of the People's Republic of Bangladesh and the Agence Française de Développement (AFD), France to finance the energy efficiency, renewable energy and Women Entrepreneurship linked projects through BIFFL. Ms. Fatima Yasmin Secretary, Economic Relations Division, Ministry of Finance and Mr. Benoit CHASSATTE, AFD Country Director for Bangladesh signed the loan agreement on behalf of the Government of Bangladesh and AFD respectively.

It is a loan to the Government of Bangladesh, with a maturity period of fifteen years including grace period of three years. The interest rate is Euribor 6 months+35 bp.

The project will contribute to the process of economic transition of Bangladesh towards a greener economy. More specifically, it aims to increase the volume of investments in Energy Efficiency and Renewable Energy production in Bangladesh and the dissemination of such investments in those areas within the private sectors (SMEs in industrial sector, cooperatives in rural areas and so on). The project will help to promote female entrepreneurship as well.

The credit line will be on-lent by the Government of the People's Republic of Bangladesh to the public non-banking financial institution, BIFFL to finance investments in the fields of energy efficiency, the production of renewable energies, mainly in rural areas and women's entrepreneurship.

The Agence Francaise de development (AFD) is the bilateral development agency implementing Official Development Assistance on behalf of the French Government. It has had its operation in Bangladesh since 2012. It supports development projects for urban development and infrastructures (water and sanitation, public transports, urban services), power & green energy (energy efficiency, renewable power), corporate and social responsibility (enhancement of safety standards and environmental and social performance). The agency provides concessional sovereign loans and mobilize grants under the regional blending facility of the European Union.

M. Fatima Yasmin
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Mahbuba Ireen
Deputy Secretary
Economic Relations Division
Ministry of Finance
Govt. of the People's Republic of Bangladesh