

**Green Banking Policy Implementation Unit**

GBPIU Circular Letter No. 04

Dated: October 4, 2012

To: All Branches and Divisions of BASIC Bank Limited.

Subject: Quarterly reporting on Green Banking and assessment of Environmental Risk in addition to Credit Risk for all existing/prospective Borrowers.

Please be informed that as per Bangladesh Banks directives, Bank has to report quarterly on Green Banking according to supplied format of Bangladesh Bank. As per ERM guidelines, Branch Relationship Management has to assess Environmental risk in addition to existing Credit Risk Grading for any existing/proposed/prospective industrial unit/ project having finance over Tk. 25 Lac in case of SME financing, over Tk. 100.00 Lac for corporate & real estate financing. Both these assessment (Environmental Risk & Credit Risk) are integral part of Credit decision making process.

Our Head Office with the assistance from external experts organized several training program/workshop to raise awareness on Green Banking and Environmental Risk Rating (EnvRR) related issue.

However it is observed that, most of the Branches are not completing Due Diligence Checklist with respect to Environmental Risk Rating (EnvRR) of the projects. This may be regarded as non-compliance of instruction of Bangladesh Bank.

As such, all of the Branches are requested to go through the Bangladesh Bank BRPD circular No. 01 dated January 30, 2011 regarding ERM guidelines & BRPD circular No. 02 dated February 27, 2011 and to assess the Environmental Risks of all industrial units/projects and send the assessment to GBPIU at the earliest convenience.

It is also noted that recently Bangladesh Bank supplied revised format for reporting on Green Banking through BRPD Circular Letter No. 07 dated July 22, 2012. As such to facilitate timely submission of the statement towards compliance of Bangladesh Bank guidelines, all Branches are advised to ensure submitting quarterly statement (as per new format) based on 30-09-2012 (Third quarter) under Phase II to GBPIU within 09-10-2012. All concerned are also requested to send the same for each subsequent quarters within 7 days of the following month of each quarter positively.



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Enclosed herewith the relevant portion of above statement and technical annexure of ERM guidelines for Environmental Risk Rating (EnvRR) for your ready reference & compliance. If you have any query, please feel free to contact with Mr. Mohammad Mohiuddin, Deputy Manager & Assistant Coordinator of GBPIU, Contact No. 01552-556677, E-mail: mohiuddinm@basicbanklimited.com.

Please treat the matter as urgent.

Kh. Shamim Hasan
General Manager
Member, GBPIU

Fazlus Sobhan
Deputy Managing Director
& Head of GBPIU

Instruction: Check your Branch E-mail ID for attachment as stated.

Copy for information:.

1. PS to the Managing Director, BASIC Bank Limited, Head Office Dhaka.
2. PS to the Additional Managing Director, BASIC Bank Limited, Head Office, Dhaka.
3. PS to the all Deputy Managing Directors, BASIC Bank Limited, Head Office, Dhaka.
4. All General Managers, BASIC Bank Limited, Head Office, Dhaka.
5. Divisional in-charges-ICD, CCD, MCSFD, SEFD & TFD, HO for meticulous compliance.
6. The Deputy General Manager, ICTD, Head Office, Dhaka
7. All officials of GBPIU.

