

Write an essay on  
Green Banking in Bangladesh  
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# Ask some questions?

- What is green banking?
- What are the ways of doing green banking?
- What are the areas of doing green financing?
- Current trend in green banking ?

**Green finance:** approach to incorporate the financial sector in the process towards low – carbon and resource efficient economies in order to adapt with climate change

**Green banking:**

**Green business:** that does not harm the environment

# What are the ways of doing green banking

## 1. Sustainable operations

- Reducing usage of paper
- Purchasing and using green power
- Reducing usage of energy
- Carbon neutral operation

## 2. Sustainable lending

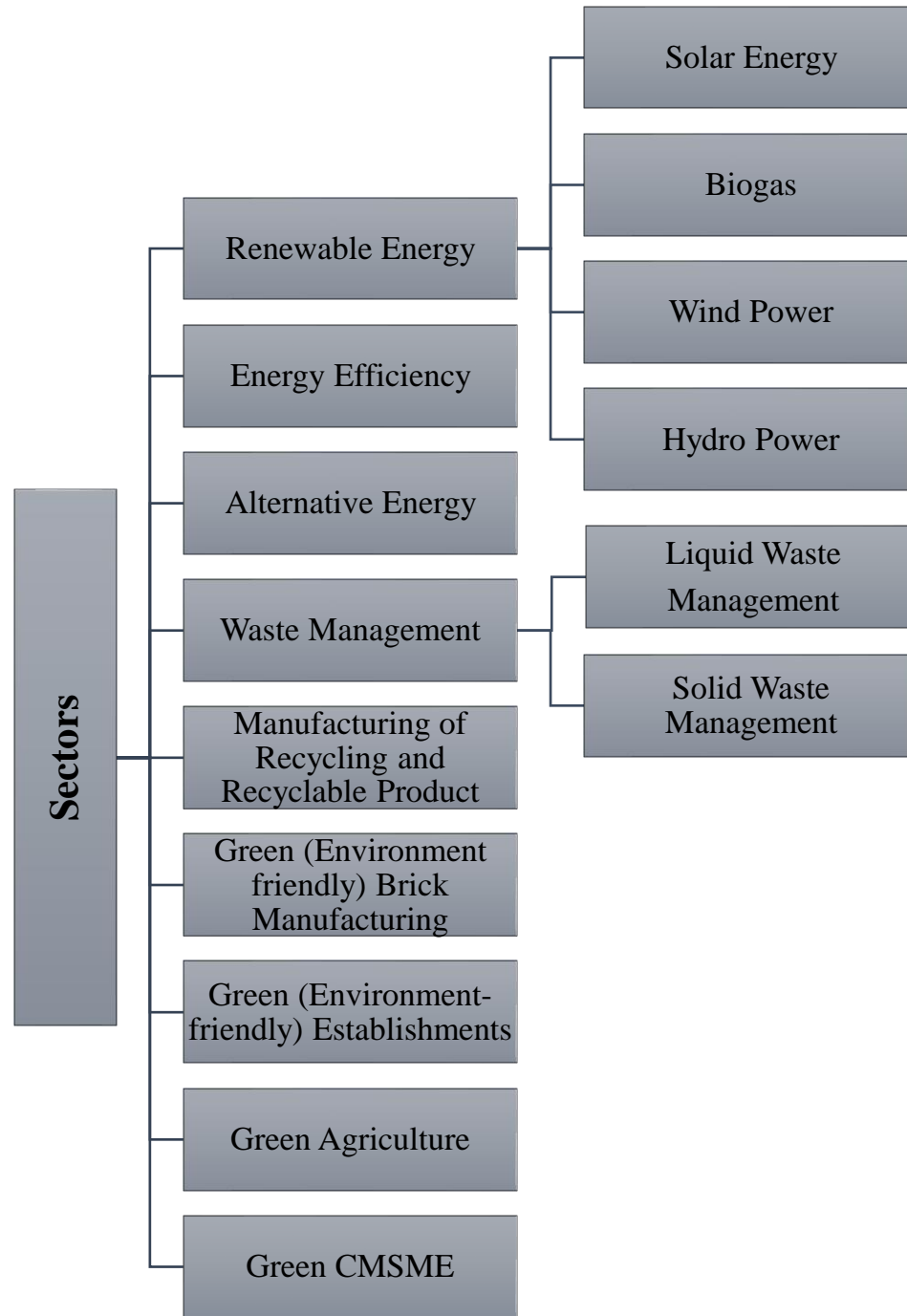
- Providing loans to those sectors that are environment friendly and recommended by BB
- Not investing in those sectors which are harmful for environment

## 3. Green product and services

- Electronic and mobile banking services
- Paperless bills and statements

## 4. Community activities

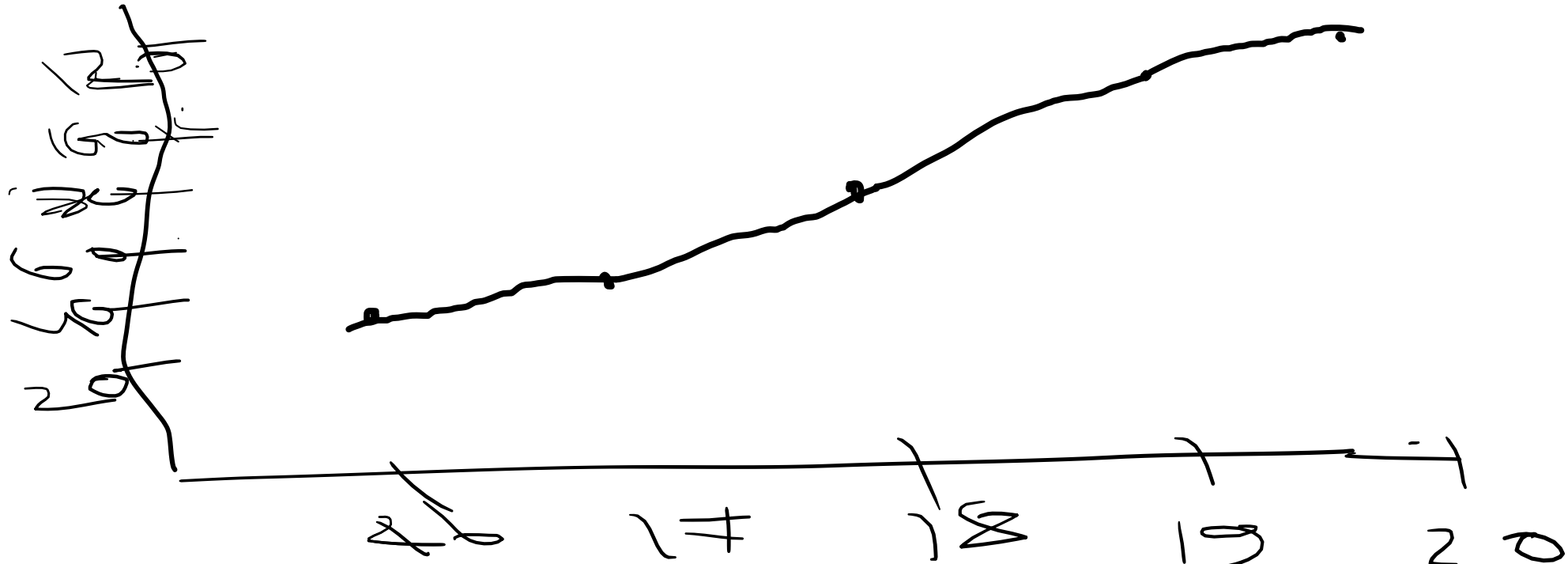
- Awareness creation
- CSR activities



2016	2017	2018	2019	2020
33,327.0 million	38,646.20 mn	71,301.7 mn	105,249.40 mn	111,205.55 mn

33K                      38K                      71K                      105K                      111K

Source: Sustainable Finance Department, Bangladesh Bank (2020)



- Three – phase policy execution
- Making banks report Green Banking Practices on Quarterly basis
- Providing beneficial treatments to the Banks and Fis who practice green banking
  
- Top 10 green banks in BD – Al-Arafah islami bank, brac bank, bank asia, DBBL, exim bank, IBBL, MTB etc.
- Top 5 green FI in BD – IDLC, Hajj Finance, IPDC, United finance.

## Green Banking in Bangladesh

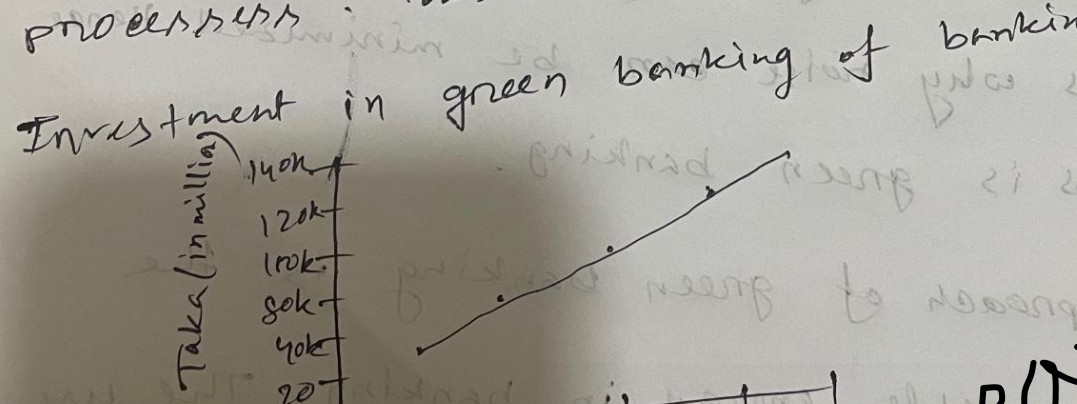
People all over the world in every sector are concerned about the climate change of the earth. Banking sector is also aware of this matter. So, Green Banking is the new term in Banking sector which defined Banking in a way that reduces carbon emission and this is environment friendly.

There are different approach taken by banking sector to utilize green banking. At first, we can say about paperless banking where banking can be incorporated through digital devices e.g., mobile banking. E-banking is the way of green banking where people need not to be present physically in the bank. So, gathering can be reduced and that's why wise can be minimized. Hence, the process is green banking.

Investment in green banking is the

as an example. Sustainable lending is another way of banking. [It can be incorporated by providing loans to those sectors that are environment friendly and recommended by Bangladesh and [not investing those sectors which are not for environment.]

There are some banks which are following green banking according to Bangladesh. Those are Al-Arafah Islami Bank, DBBL, Bank Asia etc. There are also some institutions which are following applying processes. Those are IDLC, Hajj Finance



Green Banking in Bangladesh

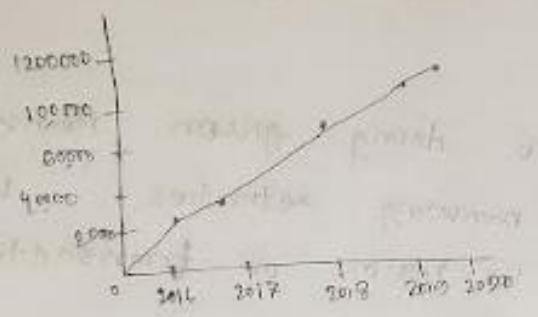
one vital in banking sector of green banking concerns with env. of environment. All activities that are not does harm the environment is in banking.

of doing green banking: - banking activities, less use in term of transaction.

any scope has the power can't be sustained. providing loan to those institutions that are friendly. Increasing the rate those who does not

As following, a chart has been given about total bank and non bank financial institution in Bangladesh.

2016	2017	2018	2019	2020
33,000 (m)	38,000 (m)	71,000 (m)	105,000 (m)	111,000 (m)



From the graph we can know that investment of bank and non-bank financial institution is increasing.

Source: Sustainable Finance Department, Bangladesh

So, we should we should be that will our environment

## Green Banking in Bangladesh

Green Banking refers to the banking business conducted in such areas and in such a manner that help the overall reduction of external carbon emission and internal carbon footprint. It is basically the paperless banking which does not harm the environment at all. It is also the finance ~~of~~ the banking project, service or trade is a firm or individual which does not pollute the environment in any way or causes any harmful elements or waste to the atmosphere. Green banking mainly focuses on it puts emphasis on green revolution of internal operations of all banks, meaning all banks should adopt proper ways of conserving renewable energy, digitalization and other measures to minimize carbon mark from banking sectors. All banks should adopt financing in an environment friendly way. The broad objective of green banks is avoiding waste and giving priority to environment and society. Focusing on environment-friendly initiatives by providing

### Green Banking

'You can not do business in a dead planet' Green banking has become a demand for the present time being. By ignoring this context can nothing can be done. Banking sector is also in a alarming position if the climate are endangered.

Green banking is a banking system where the path of providing services to the people by thinking of the natural environment and through the best use of information technology. It can be called an ethical banking which is favorable for environment.

The ways of Green Banking are listed - Through green banking, banks can reduce paper waste as much as possible. In this case banks may reduce paper waste through online or electronic banking.

The use of electricity, gas and fuel in banks can be reduced. On the other hand, banks can increase the use of solar energy and biogas.

Banks can give part of loan in environment friendly industries and business at a low interest rate. On the other side of the investment of non environment industries that banks can provide terms and conditions as well.

Finally it can be said that Green Banking is conducting banking activities considering the balance of environment. It is essential to introduce eco friendly banking system.