

IDCOL financed 1.1 MWp Rooftop Solar Power project at Habiganj

As part of its response to the UN's Millennium Development Goals (MDGs), the Government of Bangladesh set a target of providing electricity to all its citizens by 2020, and of generating 10% of the country's total power demand from RE by then. GoB is also trying to encourage industries to install solar panels to offset a portion of their energy demand from RE sources. Realizing its importance, the GoB published a net metering guidelines in July 2018 to establish a mechanism for distributed RE integration to the grid.

IDCOL with the support of KfW Development Bank, recently organized an inauguration ceremony of the IDCOL financed 1.1 MWp rooftop solar project, located at Habiganj. Total cost of the project is Tk8.90 crore of which 20% was invested as equity, while the remaining 80% was financed by IDCOL.

IDCOL is focused to promote and support grid connected solar

roof-top through its several attractive financial products. Attractive financing is being offered by IDCOL at interest rates of 6% for a credit period of 10 years with up to 1-year grace. IDCOL has set a target to finance 300 MWp rooftop solar projects by 2021. So far IDCOL has financed 7 rooftop solar projects with a combined capacity of 4.7 MWp.



IDCOL to organise Bangladesh's largest Clean Energy Summit

IDCOL is organizing the "Bangladesh Clean Energy Summit" on 10th & 11th March 2019 at 'Bangabandhu International Conference Centre' in Dhaka. This Summit is a one-stop technology and business marketplace to facilitate match-making among industry and solutions providers. The Summit will be a global platform for domestic and international players to showcase clean and environment friendly technologies and solutions. The summit will enable the participants and stakeholders to exchange knowledge, cutting edge ideas, insights and international best practices.



IDCOL extends Tk 694 million term loan facility to set up 8 MW (AC) utility scale grid tied Solar Power Plant

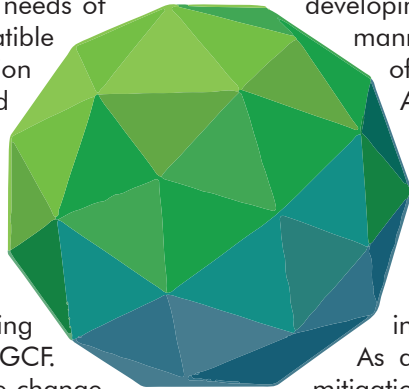
Sympa Solar Power Ltd (SSPL), will set up a solar power park investing Tk 95 crore to supply electricity to the national grid. The SSPL is setting up the plant on 42 acres of land. IDCOL will provide the fund at an interest rate of 7 percent for 15 years with a two-year grace period.



A term loan facility agreement for BDT 694 million was signed between Sympa Solar Power Limited (SSPL) and Infrastructure Development Company Limited (IDCOL) on 15 October 2018 to set up a MW (AC) Utility Scale Solar Power Plant at Tetulia, Panchagar. SSPL has signed a Power Purchase Agreement (PPA) with BPDB to sell generated electricity for a term of 20 years to BPDB. The tariff of the Project will be USD 0.13 per kWh. This is the first grid-connected solar power plant financed by IDCOL.

IDCOL GETS GREEN CLIMATE FUND ACCREDITATION

At the 2009 UN Climate Change Conference in Copenhagen, the developed countries committed to jointly mobilize 100 billion USD a year by 2020 to address the needs of developing countries and to help them adapt to climate change and grow in a climate-compatible manner. The new Green Climate Fund will play a key role in the process and a significant portion of this commitment will flow through the GCF. To access GCF, the National Designated Authority (NDA) of Bangladesh that is the Ministry of Finance, nominated IDCOL to go through the accreditation process to become a National Implementing Entity (NIE), to administer the GCF funds and manage the process of twenty-two (22) months, IDCOL was approved to become a National Implementing Entity (NIE) in the 17th Board meeting of GCF held on 6th July 2017.



IDCOL has been accredited for the funding instrument of Senior Loan and can receive financing of up to 250 million dollars from GCF. As an accredited entity, IDCOL will be able to access the GCF fund directly for any climate change mitigation/adaptation project to be implemented in Bangladesh. IDCOL will be able to channel the fund directly to private/public sector entity or through private sector banks and financial institutions. IDCOL will shortly execute Accreditation Master Agreement (AMA) with GCF. Subsequently, project specific Funded Activity Agreement (FAA) will be executed for each approved project proposal of IDCOL.

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IDCOL successfully financed Tk 4.8 billion for Energy Efficient equipment



The industry and residential sectors together accounts for 78% of the commercial energy consumption. A dominant portion of this commercial energy is ineffectively consumed and utilised for economic and household activities. Boosting private sector investment towards energy saving technologies and equipment is one of the key strategies envisaged to realise a self-reliant ecosystem that can help the country race towards its climate change mitigation and adaptaion objectives. One of the important bottle-necks for achieving this is the lack of access to attractive financing resources.

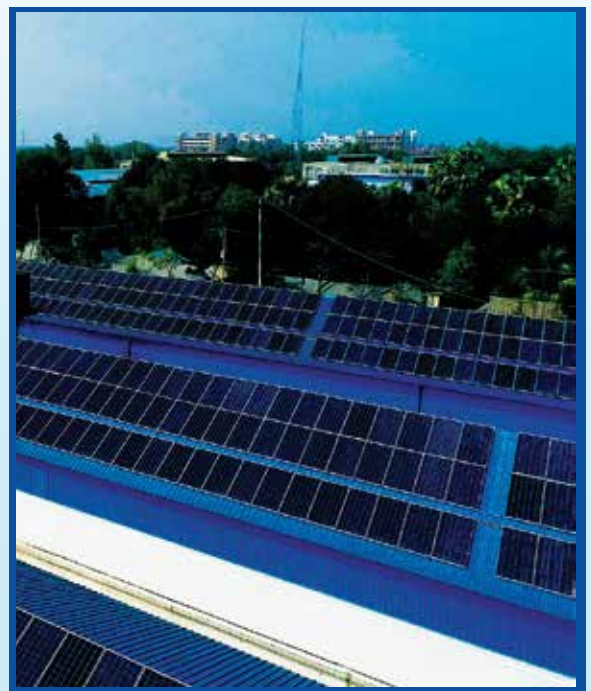
IDCOL has so far financed BDT 6.16 billion for setting up energy efficient equipment for the cement, RMG and textile sector. Beside its own fund to promote and finance energy efficiency in the country, IDCOL finances energy efficient equipment under JICA funded Energy Efficiency & Conservation Promotion Financing Project. EECPPF Project utilises a two-step loan instrument for policy financing. IDCOL extends low interest loan, using this fund, for those who are introducing energy efficient equipment, which are generally more expensive than the conventional type equipment. By offering the benefit of lower financial cost, IDCOL is encouraging the investors to select energy efficient equipment as compared with conventional equipment.



KfW supports Bangladesh's first grid-connected solar rooftop programme

Economic Relations Division, Ministry of Finance of the GoB and KfW Development Bank acting on behalf of the German Federal Government signed an agreement to support Bangladesh's first grid-connected solar rooftop programme and promote other renewable energy projects. The Financing Package consists of a concessional loan of EUR 60 million and a grant of EUR 10 million.

The Project aims at improving the access to energy from clean and renewable sources, focusing especially on income-generating activities. IDCOL is the Project- Executing Agency for the project. Under the Project IDCOL will extend financing to private sector organizations to implement both grid-connected PV plants on commercial and industrial roof tops as well as other off-grid renewable energy technologies, for example solar mini-grids and solar irrigation pumps. Therefore, the Project will play an important role in scaling up contributions of environment-friendly generation of electricity and successfully reducing the carbon emissions of the country.



IDCOL FINANCED BDT 2.24 BILLION FOR ENVIRONMENT FRIENDLY IMPROVED BRICK KILN PROJECTS



To support the government's initiative to gradually replace the country's polluting FCK based brick sector with energy efficient and environment friendly technologies, IDCOL launched its 'Green Brick Program' in 2013 with a plan to invest BDT 4 billion by 2021 for setting up modern brick kilns using latest state of the art technology. IDCOL provides long term concessionary financing to encourage potential sponsors to set up environment friendly brick kilns. In this regard, around BDT 2240 million has already been approved for 8 tunnel kilns and 1 HHK brick projects, with aggregate daily production capacity of 11,40,000 bricks. Most of the projects are expected to come into commercial operation shortly.

IDCOL is working with Frankfurt School of Finance & Management GmbH (Frankfurt School) under the project, 'Technical assistance (TA) for financing brick kilns in Bangladesh' supported by UNEP through funding from the Climate and Clean Air Coalition (CCAC).

IDCOL PROMOTING SOLAR BASED IRRIGATION PUMPS TO TAP IMMENSE POTENTIAL

Solar based irrigation systems are innovative and environment friendly solution for the agro-based economy of Bangladesh. The program intends to provide irrigation facility to rural off-grid areas. Solar irrigation systems reduce dependency on fossil fuel and demand for electricity from national grid in irrigation seasons. The program also reduces carbon emission and at the same time saves millions in foreign currency. Given the immense potential, the program aims to install solar PV-based irrigation systems in areas where there are possibilities to produce three types of crops throughout the year, all the while staying safe from flooding, arsenic contamination and saline water. To work towards this end, IDCOL has now set a target of installing 50,000 solar irrigation pumps by 2025. IDCOL has financed 1,509 solar irrigation pumps of which 1,014 are already in operation.



IDCOL to promote Improved cook stoves throughout the country

IDCOL currently plans to help develop a sustainable market for adoption of improved cooking stoves in Bangladesh after it successfully installed one million burners two years ahead of schedule. Ever since the start of this programme back in 2013, the target was to install 1 million clean cook stoves by December 2018. IDCOL achieved the same well before the targeted period and has already installed more than 1.7 million improved cook stoves so far.

The next phase of the programme is aimed at supporting a sustainable market for adoption of ICS, reducing greenhouse gas emission and indoor air pollution (IAP) by way of cutting usage of cooking fuel. This will benefit about 5 million rural households in Bangladesh by 2021. IDCOL is implementing the ICS programme in 290 upazilas through its 66 partner organisations (PO) with financial assistance from World Bank. IDCOL extends grant, capacity building and other technical assistance to the POs, which manufacture and install stoves and ensure after-sales service and promote the technology in their allocated upazilas. The Green Climate Fund Secretariat acknowledges the unique approach and business model of IDCOL for market development of, and barrier removal related to, clean cooking stoves. It is an important benchmark case study for many other countries.



Events & Achievements



Signing Ceremony of 2nd additional financing of USD 55 million under Rural Electrification and Renewable Energy Development Project II



Experience Sharing Program by IDCOL for interested parties to replicate IDCOL renewable energy model



IDCOL achieved the SAFA Best Presented Annual Report Awards and SAARC Anniversary Awards for Corporate Governance Disclosures-2016 under Public Sector Entities category



IDCOL signed Master Facility Agreements (MFA) with Bangladesh Bank on 07 August, 2018 for availing fund for Infrastructure projects under IPFF II



IDCOL will arrange finance for 5 power plants having combined capacity of 636MW



IDCOL is Bangladesh's leading diversified financial institution providing a wide range of financing products and fee-based services with private-sector infrastructure, renewable energy, energy efficient, and Public-Private Partnership (PPP) based projects as its focus areas. IDCOL's key businesses include project finance, corporate finance, debt and equity arrangement, grant & technical assistance, training & capacity building and advisory services. IDCOL also works closely with government entities and regulators in Bangladesh to advise and assist in formulating policy and regulatory frameworks that supports private investment and public-private partnerships in infrastructure development.



Infrastructure Development Company Limited