



Food Value Chain Improvement Project (FVCIP)

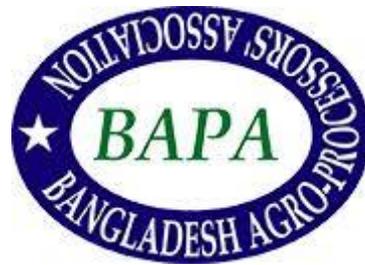


Sponsoring Ministry



শিক্ষা মন্ত্রণালয়

Executing Partners



Eligibility of End-Borrowers

Presented By:

Amir Hossain Nadim

MTO, Credit Risk Management, BIFFL

Eligible End-Borrowers

- Types of Business
- Business Sectors
- Raw Materials Processed
- Products or Output
- Investment Areas
- Environmental Category



Business Type of Eligible End-Borrowers

The business types of eligible End-Borrowers are:

- 1) Public limited company
- 2) Private limited company
- 3) Partnership
- 4) Sole proprietorship; and
- 5) Cooperative.

Eligible End-Borrowers must be duly registered under the Company Act 1994 or the Cooperative Society Act 2001, or have appropriate licenses or registrations issued by competent authorities. State-owned companies and public corporations are not eligible.



Eligible Geographical Location

Throughout Bangladesh



Eligible Business Sectors for Investment

Business sectors eligible for financing under the Project are as follows:

- 1) Fruit processing industry;
- 2) Vegetable processing industry;
- 3) Spice processing industry;
- 4) Rice, wheat and bean processing industry;
- 5) Edible oil producing industry;
- 6) Seed Processing industry;
- 7) Organic fertilizer producers / biological pesticide producers;
- 8) Wholesalers and logistics industries, including warehouse and transport industries; and
- 9) Retail industries (including supermarkets).



Fruit processing industry

	Eligible	Ineligible
Eligible raw materials to be processed	<ul style="list-style-type: none">- Mangoes, pineapples and other fruits	
Eligible products	<ul style="list-style-type: none">- Processed fruits, including fruit juice, jam and jelly, dried fruits, frozen fruits, canned fruits and fruit pickles	<ul style="list-style-type: none">- Fruit flavored candies- Fruit flavored drink (proportion of fruits is smaller than 10%)- Alcoholic products

Vegetable processing industry

	Eligible	Ineligible
Eligible raw materials to be processed	<ul style="list-style-type: none">- Tomatoes, potatoes, and other vegetables	
Eligible products	<ul style="list-style-type: none">- Processed vegetables, including ketchup, frozen vegetables, frozen samosa, frozen French fries, dried vegetables, vegetable juice, pickles, starch and sauce	<ul style="list-style-type: none">- Any products which are not mainly produced from vegetables, such as mayonnaise and oyster sauce- Alcoholic products

Spice processing industry

	Eligible	Ineligible
Eligible raw materials to be processed	- Spices, including peppers, chili peppers, corianders, turmeric, onions and other spices	-
Eligible products	- Processed spices, including dried powdered spices	-

Rice, wheat and bean processing industry

	Eligible	Ineligible
Eligible raw materials to be processed	- Rice, wheat, and beans	
Eligible products	- Rice snacks (including puffed rice), biscuits, cookies, breads, chanachur and processed beans (including fried dal), frozen beans	- Milled and powdered rice - Wheat flour - Snacks which are not mainly produced from rice, wheat and beans, such as chocolate, gum and candies - Alcoholic products

Edible oil producing industry

	Eligible	Ineligible
Eligible raw materials to be processed	- Mustard, rice bran and sesame	
Eligible products	- Mustard oil, rice bran oil, sesame oil	- Edible oil other than mustard oil, rice bran oil and sesame oil - Refined oil produced from imported crude oil

Seed Processing industry

	Eligible
Eligible raw materials to be processed	- Seeds
Eligible products	<ul style="list-style-type: none">- Fixed asset such as equipment, machineries and structures for:<ol style="list-style-type: none">1. the improvement of the quality of seeds (including laboratories and inspection equipment) and.2. seed production (including drying, coloring and storage)- Technical know-how, consulting services and training

Organic fertilizer producers / biological pesticide producers

	Eligible	Ineligible
Eligible products	- Organic fertilizers and biological pesticide	- Chemical fertilizer and chemical pesticide

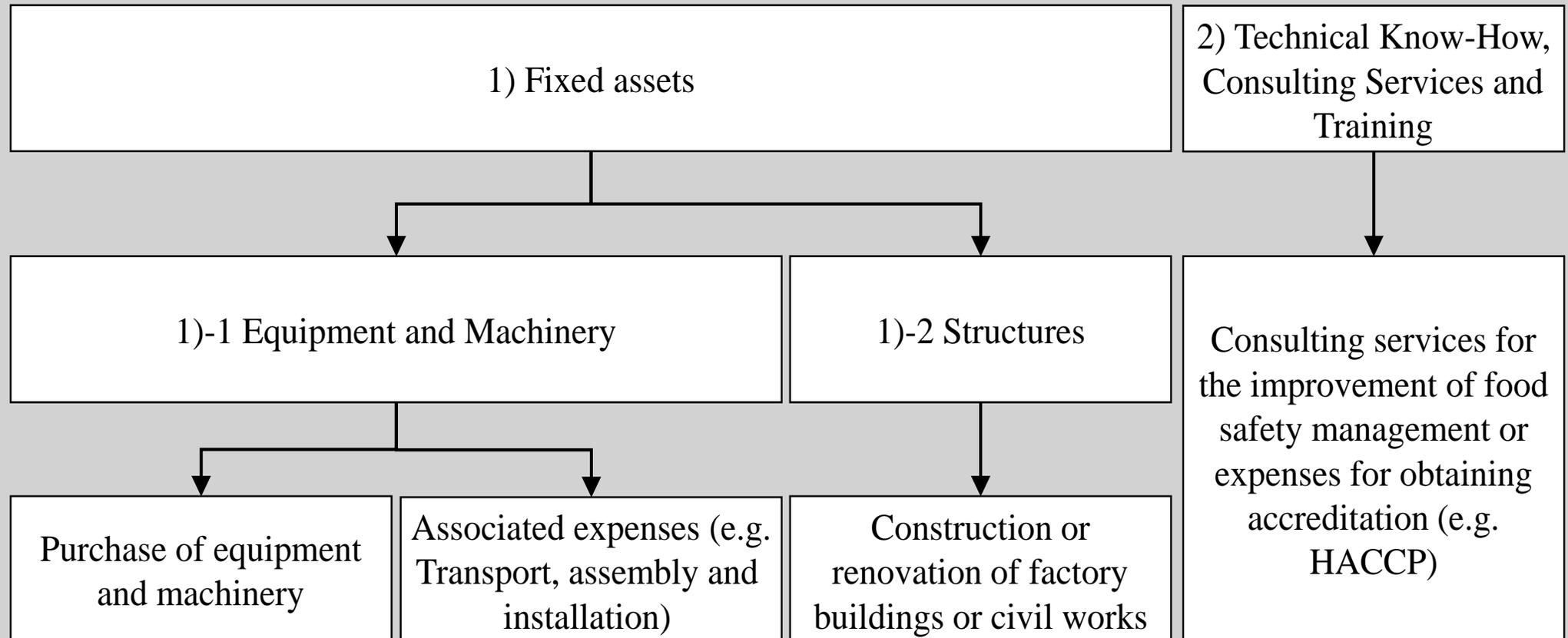
Logistic industries, wholesalers and transport industries

	Eligible	Ineligible
Eligible investment items	<ul style="list-style-type: none"> - Fixed asset for the cold chain of food products, such as vehicles and warehouses with freezing, refrigerating or humidity or temperature controlling equipment - Technical know-how, consulting services and training 	<ul style="list-style-type: none"> - Purchase of land /land use rights and payment of taxes - Vehicles and warehouses without freezing, refrigerating or humidity or temperature controlling equipment - Vehicles, warehouses and other facilities not used for food products

Retail industries (including supermarkets)

	Eligible	Ineligible
Eligible investment items	<ul style="list-style-type: none">- Fixed asset for the cold chain of food products<ol style="list-style-type: none">1. freezing and refrigerating or humidity and temperature controlling equipment and2. vehicles and warehouses with freezing, refrigerating or humidity or temperature controlling equipment- Technical know-how, consulting services and training	<ul style="list-style-type: none">- Purchase of land /land use rights and payment of taxes- Vehicles and warehouses without freezing, refrigerating or humidity or temperature controlling equipment- Equipment, vehicles, warehouses and other facilities not used for food products

Eligible Investments



Ineligible Investments

- Working Capital financing
- Purchase of land /land use rights and payment of taxes
- Vehicles and warehouses without freezing, refrigerating or humidity or temperature controlling equipment
- Any machineries which are movable and usable for other purposes
- Any production processes which do not include foreign object detection system, such as doors and curtains at the entrance of production lines
- Structures which can be used for other purposes than the eligible business sectors

Environmental Eligibility

Under the Environment Conservation Rules (ECR), industries or businesses are classified into four categories, namely Green, Orange-A, Orange-B, and Red.

- ❖ Industries or businesses classified as Red are not eligible for financing.
- ❖ Industries or businesses classified as Green, Orange-A and Orange-B are eligible for financing.

Categories of Sub-Projects	Eligibility in the Project
Red	Ineligible
Orange-B	Eligible
Orange-A	Eligible
Green	Eligible

Thank you!!!

