



Aga Khan Fund for Economic Development

## **Aga Khan Fund for Economic Development and BRAC form strategic partnership**



**Dhaka, Bangladesh, 12 September 2015** - The Aga Khan Fund for Economic Development (AKFED) and BRAC today signed an agreement, in connection with a strategic partnership, which will allow BRAC to acquire a lead equity stake in Industrial Promotion Development Company of Bangladesh Limited (IPDC).

Under the agreement signed today, BRAC, Ayesha Abed Foundation and RSA Capital Limited will acquire an equity stake in IPDC from AKFED and assume the role of lead managers, subject to approvals from the Bangladesh Bank and from the Bangladesh Securities and Exchange Commission.

This strategic alliance is expected to enhance IPDC's capacity for growth and for its product offering in the large, medium and small-scale industrial, retail and consumer market segments in Bangladesh.

Speaking on the occasion of the signing, the Chairperson of BRAC, Sir Fazle Hasan Abed KCMG, said: "It is an exciting opportunity for BRAC to enter into a strategic partnership with AKFED in taking IPDC to new levels of growth and expansion by providing socially responsible financial services to the people of Bangladesh. This is a common goal of both BRAC and AKFED."

The Director of AKFED, Mr. Sultan Ali Allana, stated: "We greatly value our strategic alliance with BRAC and we remain committed to strengthening IPDC as it progresses and grows by increasing its product offering and its outreach to encompass a wider population base in Bangladesh. We hope that we will be able to expand our strategic alliance, in the coming years as we pursue common values and objectives."

Industrial Promotion and Development Company of Bangladesh Limited (IPDC) was the first private sector financial institution of the country. It was established in 1981 by a distinguished group of shareholders, namely International Finance Corporation (IFC), USA, German Investment and Development Company (DEG), Germany, The Aga Khan Fund for Economic Development (AKFED), Switzerland, Commonwealth Development Corporation (CDC), UK and the Government of Bangladesh.

Since its inception, IPDC has played a pivotal and pioneering role in reshaping the private sector industrialization of the country through innovative financial products and services. Today IPDC is a diversified financial institution with a wide range of products and services covering corporate finance and advisory services, middle market supply chain finance, retail wealth management and retail finances.

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**NOTES**

The *Aga Khan Fund for Economic Development* is one of the agencies of the Aga Khan Development Network (AKDN) and is dedicated to promoting entrepreneurship and to building economically sound enterprises in the developing world. AKFED focuses on supporting enterprises in parts of the world that lack sufficient foreign direct investment. It operates a network of affiliates with more than 90 project companies in 17 countries, making bold but calculated investments in situations that are fragile and complex. It employs over 48,000 people, with revenues of US\$ 3.5 billion in 2014.

**BRAC**, an international development organization based in Bangladesh, is the largest non-governmental organization in the world, in terms of number of employees as of June 2015. Established by Sir Fazle Hasan Abed in 1972 after the independence in Bangladesh, BRAC is present in all 64 districts in Bangladesh, as well as other countries in Asia, Africa, and the Caribbean. BRAC employs over 100,000 people, roughly 70 percent of whom are women, reaching more than 126 million people. The organization is 70-80% self-funded through a number of social enterprises that includes microfinance, financial services, dairy and food and a chain of retail specialty stores called Aarong. BRAC has various poverty alleviation operations in health, education and economic development activities in 10 countries globally.

**RSA Capital** is a financial boutique with a focus on Bangladesh and the region. RSA is one of Bangladesh's premier structured finance, M&A and private equity houses. RSA Capital creates financial value by providing original and inventive solutions by leveraging its extensive experience in structured finance, fixed-income and corporate advisory services.

Read online at: <http://www.akdn.org/press-release/aga-khan-fund-economic-development-and-brac-form-strategic-partnership>