

অন্তর্ভুক্তিমূলক উন্নয়ন ও ন্যায্যতার লক্ষ্যে নাগরিক এজেন্ডা

Ensuring Affordable and Clean Energy for All

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Citizen's Platform for SDGs, Bangladesh

এসডিজি বাস্তবায়নে নাগরিক প্ল্যাটফর্ম, বাংলাদেশ



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Policy Briefs: Origin of the Initiative & Process of Preparation

The initiative of the Citizen’s Platform for SDGs, Bangladesh, to prepare a set of Policy Briefs builds on a wide range of activities undertaken over the past two years (2022-2023). These activities sought to capture the views of the country’s left-behind stakeholders at the subnational level regarding Bangladesh’s dominant development narrative.

The Citizen’s Platform’s engagements in this connection included stakeholder dialogues, citizen’s consultations, focus group discussions, perception surveys and consultations with media. Further, Public Hearing was organised at the national level to create opportunities for disadvantaged people to voice their concerns and aspirations in the presence of policy elites.

It emerged from this exercise that a significantly large number of citizens and certain communities have continued to remain vulnerable to various risks, which relegated them to the “left behind” position in the revealed process of economic development.

However, the Leave No One Behind spirit of the Sustainable Development Goals (SDG) requires that all citizens are ensured an equitable share in the country’s development outcomes. Arguably, appropriate actions are needed to address these overarching national concerns to advance the interests of the country’s vulnerable citizens and communities.

Accordingly, through a country-wide interaction with the spokespersons of the stakeholders, Citizen’s Platform has identified 11 themes requiring urgent attention for immediate action.



Policy Briefs: Origin of the Initiative & Process of Preparation

Now a series of Policy Briefs has been prepared with a set of recommendations in each of the identified areas underpinned by the context and contestation concerning the articulated theme. In each of these cases, the concerns and interests of the vulnerable groups informed the suggestions for reforms.

Each of the Policy Briefs of the series has been prepared by a dedicated team of experts of high national and international repute. Each Policy Brief Team had an eminent personality as the Chair to lead the process recognised professional as a Penholder to prepare the successive drafts. Each team got together several times, reviewed the notes of the sub-national discussions and FGDs, and consulted relevant resource materials. A 19-member Advisory Committee, which included eminent professionals and leading personalities, provided guidance to the Policy Brief initiative.

The Centre for Policy Dialogue (CPD), as the Secretariat of the *Citizen's Platform*, provided all necessary support for the smooth functioning of the initiative.

The Policy Briefs will be brought out as a collected volume. To follow up on the recommendations, the *Citizen's Platform* will hold media briefings under three clusters of issues, viz Economic, Social and Governance. The recommendations will be shared continuously through various media to inject them into the electoral debates. Efforts will be made for the inclusion of the issues in the election manifestos.

The *Citizen's Platform* plans to hold dissemination meetings across the country and a National Public hearing subsequently.



Policy Briefs: Origin of the Initiative & Process of Preparation

Issues for 11 Policy Briefs

Economic

- Transforming agriculture for an inclusive and diversified economy
- Providing decent employment for youth in view of domestic and overseas market
- Providing public utilities and services in the backdrop of unplanned urbanisation
- Affordable and clean energy for all

Social

- Reducing out-of-pocket expenditure to improve universal access to quality health care
- Triggers to ensuring quality primary education
- Dealing with the manifestation of localised vulnerabilities of climate change
- Promoting universal social protection system and the need for targeting disadvantaged groups

Governance

- Effective implementation of laws and judicial process for eradicating gender-based violence and discrimination
- Access and justice for ethnic and religious minorities
- Giving voice to the 'silent' and establishing democratic accountability



□ Context

- Energy is the life blood of any economy. Not surprisingly, energy has emerged as a key driver of productivity enhancement, increasing competitive strength and raising quality of life and well-being of citizens in Bangladesh.
- Ensuring affordable and clean energy for all is both a demand of the present times and a key challenge in going forward, especially for developing countries such as Bangladesh.
- Developing a sound strategic framework for energy transition and ensuring energy security will assure long-term sustainability of Bangladesh's development.



□ Challenges and Reform Initiatives: Bangladesh Scenario

- Historically, Bangladesh faced significant challenges in providing adequate electricity to a substantial part of its population.
 - *Demand-Supply mismatch*
 - *Extreme monofuel dependency*
 - *Rural-Urban Inequality*
- Core reform initiatives for the development of energy sector.
 - *Restructuring of the public utilities, encouraging private investments in the generation sector, creation of BERC, adoption of numerous policy initiatives, etc.*
- **However**, there exists a number of concerns and controversies surrounding these reform agendas.
- Some of the persisting major concerns are:
 - *Low preferences for the development of natural gas sector*
 - *Slow progress of renewable energy development*
 - *The debate surrounding overcapacity and various charges*
 - *Policy inconsistency and lack of integration with national policies*
- **Questions** have been raised as regards government's reforms and policies being pursued for future energy security and energy transition.



□ Recent Energy Crisis

- The pandemic interrupted most of the energy transition initiatives of the country.
 - *A diversion of resources from energy-centric activities to rolling out stimulus packages*
- The ongoing energy crisis brought on by geopolitical circumstances.
 - *Prices of different key energy commodities increased sharply.*
 - *Supply channel disrupted.*
- The price hikes in the international energy market.
 - *The high primary energy prices have fuelled inflation, raised production cost and contributed to depletion of Bangladesh's forex reserves and the ongoing balance of payments difficulties.*
- Against the aforementioned backdrop, it is time to critically analyse the current state and existing policies for ensuring energy security and smooth energy transition so that no one is left behind.



□ Policy Recommendations

• **Prioritise Development of Domestic Natural Gas**

- *Put emphasis on Natural Gas Exploration: Renewed efforts at exploration of gas on an urgent basis. Strengthen national exploration capacities through human resource and institutional capacity building. Bapex must be provided with adequate support towards this.*
- *Create a Pathway for Future Energy Investment: The government should develop a framework to set up a dedicated fund for use for development and investment in energy sector.*
- *Develop the Needed Human Resources: Priority must be given to develop the required human resources for the country's energy sector.*
- *Take Steps to Reduce System Loss: State of governance and management quality must be improved to enhance efficiency in the energy sector and reduce corruption.*
- *Ensure domestic use of own natural resources: Exploration of domestic mineral resources such as natural gas should be sequenced in such a way that these may be fully used for domestic production and consumption purposes.*



□ Policy Recommendations

• Strengthen Renewable Energy Development Initiatives

- Undertake Mandatory Regular Revision of Policy Frameworks: *A specifically designated entity may be setup to revise the energy policies on a regular basis.*
- Promote Local Renewable Energy Equipment Manufacturing: *Government should promote local entrepreneurs by putting in place appropriate policies and fiscal and financial incentives, with proper institutional support.*
- Enhance Budgetary Support: *Fiscal-budgetary policies will need to be appropriately calibrated with a view to achieving Government's emphasis on low-carbon growth.*
- Revive Rooftop Solar Programme: *Rectify the attendant weaknesses and take renewed efforts to expand rooftop solar augmentation.*
- Explore Wind Power Potentials: *Government needs to undertake a comprehensive study to assess feasibility, investment required, resource availability and financing options in connection with setting up wind energy projects.*



□ Policy Recommendations

- Prioritise Grid Infrastructure Development for Renewable-based Electricity: Introduce innovative financing schemes for accessing grant funding and low-interest financing in support of interventions targeted at making the country's current grid infrastructure more smart.
- Continue Exploring Opportunities of Cross-Border Electricity Trading (CEBT): Potentials of cross-border electricity trading should be further explored through bilateral and multilateral initiatives. National interests must be safeguarded in signing any cross border deal.
- Make Use of Abandoned Power Plants for Renewable Electricity Generation: The government should actively consider retrofitting decommissioned coal power plants (such as in Moheshkhali) into solar-powered electricity production sites.
- Put Emphasis on Improving Biomass Technology: Installing household digesters on a large scale in rural areas will improve the energy status of particularly the rural marginalised population .



□ Policy Recommendations

• Reduce Fiscal Burden

- *Design Exit Strategies for QR and Rental Power Plants on An Urgent Basis: It is high time that the government should shutdown these power plants. If not possible, a time-bound exit plan must be put in place.*
- *Ensure Energy Justice: The government must ensure energy justice for consumers by enacting appropriate legislation.*
- *Reduce Reliance on Foreign Companies: government must not approve energy sector master plans which rely heavily on foreign consultants, foreign borrowings and foreign companies.*



□ Policy Recommendations

• **Formulate Well Defined and Transparently Designed Policies That Meet the Demands of National Interest**

- *Design Transparent and Accountable Policies: All concerned decisions must be made through wide consultations, in a transparent manner.*
- *Formulate Guidelines for Private Sector Investment in Energy: The government will need to come up with proper guidelines to regulate the involvement of private business, investors and entrepreneurs in the energy sector while securing the broader interests of the country.*
- *Ensure Efficient Energy Data Management and Reporting: make necessary investment to create a national energy sector data bank in a way that ensures transparency and accountability in data collection, dissemination and use.*



□ Policy Recommendations

• Introduce Energy Efficiency Programmes and Ensure Efficient Demand Side Management (DSM)

- Promote Energy Efficiency: *The government must promote energy efficiency initiatives which are important from the perspective of ensuring energy security (e.g., offer tax rebate incentives for energy-saving technologies, Peak demand can be reduced by deploying peak and off-peak tariff regimes).*
- Strengthening DSM Initiatives: *Optimizing load usage pattern to fill the gap between energy supply and demand and reduce the peak load demand*
- Undertake Regional and Sector-Specific Demand Projections: *There is a need for undertaking region-wise forecast for electricity market and demand to rationalise expenditure and also reduce environmental risks.*



❑ Policy Recommendations

- Strengthen BERC's Capabilities and Establish an Independent Energy Commission: *Capacity of the BERC to undertake its mandated tasks in areas of determining cost and tariffs will need to be strengthened.*
- Strengthen Cyber Security Measures: *The government must collaborate with various concerned entities along the energy sector supply chain to strengthen cyber resilience at every stage, and for staying ahead of the threat actors.*
- Ensure Quality and Continuity of Electricity Supply: *Maintaining steady supply of electricity should be given highest priority by the government.*
- Strengthen Transmission and Distribution Systems: *Due attention should be given to installation of high-power transmission lines to meet growing demand and for evacuating the additional electricity produced by the new power plants.*



❑ Policy Recommendations

- LNG as an Alternative Transitional Fuel: *The government should revisit the LNG expansion plan and study its fiscal-financial and macro-economic implications, before allowing for large-scale investment in electricity generation based on imported LNG.*
- Promote Research and Development (R&D) in the Energy Sector: *the government may think of establishing an Energy Storage Lab to explore technologies and solutions*
- Formulate an Integrated Power Plan to Drive the Energy Transition Process: *The government must prepare a roadmap for implementing an integrated plan encompassing generation, transmission and distribution for green transition*
- Reduce Dependence on Coal and Nuclear Based Power Generation: *environmental risks and risks to people associated with coal and nuclear power generation should be recognized by the government*

Thank You



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