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DEUTSCHE ZUSAMMENARBEIT

Implemented by:
giz Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

In cooperation with:

Policy Advisory for Promoting Energy Efficiency and Renewable Energy (PAP)

Background

The rapid economic growth of Bangladesh (8.1 % GDP growth in the FY 2019) has triggered the need for higher electricity generation capacities. Electricity generation in Bangladesh is still predominantly based on fossil fuels (gas, coal, oil and diesel), which are responsible for approximately 93 % of national CO2 emissions. Medium-term expansion plans for electricity generation have so far been dominated by conventional power plants (coal, gas, liquefied petroleum gas and nuclear power), highlighting the need for further push towards a green energy transition.

Bangladesh is one of the countries most vulnerable to climate change. To limit its impact on global climate change, Bangladesh committed to implement nationally determined contributions (NDCs) as part of the Paris Agreement. The latest NDCs, published in 2021, include projects to develop renewable energies and optimise electricity generation technologies.

Supplying electricity efficiently using renewable energy sources is essential to ensuring a successful energy transition. Despite their great potential, new technologies have yet to play a significant role in plans to develop the country's electricity system, e.g. the Integrated Energy and Power System Master Plan (IEPSMP). From a supply perspective, stakeholders must come to agreement on a common strategy for introducing renewable energies. From a demand standpoint, potential for energy efficiency needs to be identified more effectively for successful implementation of energy-saving measures.

Germany and Bangladesh have collaborated in the priority area of renewable energy and energy efficiency since 2004. On behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH is implementing the project "Policy Advisory for Promoting Energy Efficiency and Renewable Energy" to promote sustainable energy development in Bangladesh.

Objectives

Objective of this project is that "the conditions for implementing the green energy transition in Bangladesh are improved". Key outputs to achieve the objectives are:

- Further developing the policy and regulatory framework for Renewable Eenergy (RE) or Energy Efficiency (EE) in the power sector.
- Strengthening awareness of political decision-makers on the potential of renewable energies for power generation.
- Improving cooperation between public and private power sector stakeholders to enable development of the RE and EE market.
- Creating an enabling environment for the dissemination of innovative renewable energy and energy efficiency technologies in Bangladesh.

In summary, the project aims to anchor binding renewable energy and energy efficiency targets in policy documents to achieve the climate targets set in the NDCs.

Programme name	Policy Advisory for Promoting Energy Efficiency and Renewable Energy (PAP)
Commisioned by	German Federal Ministry for Economic Cooperation and Development (BMZ)
Project region	Bangladesh
Partner ministry	Ministry of Power, Energy, and Mineral Resources (MPEMR)
Implementing partner	Sustainable and Renewable Energy Development Authority (SREDA), Power Division, Ministry of Power, Energy and Mineral Resources
SDG contribution	Affordable and Clean Energy (SDG-7), Climate Action (SDG-13)
Duration	2021-2024

PAP will support the National Solar Help Desk within the SREDA office to propel solar PV developments in Bangladesh (left).
Strategic meeting with Government Stakeholders to coordinate project activities (right).

Photo: ©GIZ BD/Md. Rizwanul Hasan (left) and Shipon Kar (right)

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Approach

PAP aims to work with Government of Bangladesh to anchor sustainable development in the energy system planning process. The project contributes directly to the national implementation of the Sustainable Development Goals (SDG) under the 2030 Agenda, specifically to SDG 7 (access to affordable, reliable, sustainable, and modern energy for all) and to SDG 13 (combating climate change).Potential economic impacts include increased investments in climate-friendly technologies by improving the conditions for RE and EE. This can boost the economy and create jobs in the medium to long term, thus contributing to the achievement of SDG 8 (promote sustainable and inclusive economic growth).

Furthermore, PAP directly contributes to achievement of the goals set under the Nationally Determined Contributions (NDC) by saving tonnes of oil equivalent, hence reducing greenhouse gas (GHG) emissions.

The project presents application scenarios, including the potential and limits of eco-friendly technologies. In doing so, it aims to create a conducive political, regulatory, and economic environment and thus accelerate development of these fields. This will be achieved through expansion of the political and legal framework in the energy sector and by raising awareness among policy and decision-makers on various aspects of the energy transition.

To stimulate development in the energy market, the project uses formats such as dialogue platforms to support cooperation between state and private sector institutions involved in the energy sector.

It also lays the foundations for facilitating the expansion of renewable energies and energy-efficient technologies, including in the context of demonstrations.

Component 1 Aims to improve the policy and regulatory framework to increase the share of renewable energy and energy efficiency in the power sector. The impact hypothesis is that existing market barriers for RE/EE technologies will be recognised and gradually reduced. This increases their competitiveness as a basis for a successful energy transition.

Component 2 Focuses on raising awareness among policy makers on the potentials of RE for power generation. The impact hypothesis assumes that this greater awareness will increase the willingness to diversify electricity generation through the use of renewable energy.

Component 3 Strives to improve cooperation between public and private institutions in the power sector for sustainable energy market development. The impact hypothesis assumes that intensifying sectoral dialogue and involving the private sector in the policy-making process will improve national and international investment readiness and thus promote RE/EE market growth.

Component 4 Aims to improve the conditions for the dissemination of innovative RE and EE technologies in Bangladesh. The impact hypothesis is that the successful piloting of innovative technical solutions will favour policy decisions regarding the dissemination of innovative sustainable energy technologies.

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