



# Investment Opportunity in Power Sector of Bangladesh

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# Bangladesh at a glance



- **Official Name** : **People's Republic of Bangladesh**
- **Political System:** Parliamentary Democracy
- **Area** : 147,570 Skm
- **Population** : 156 million
- **Total Exports** : USD 31 billon (FY 2014 -15)
- **Total Imports** : USD 38 billon (FY2014 -15)
- **Remittance** : USD 7487.19 mil (FY 2015)
- **Forex Reserve** : USD 26 billion
- **Per Capita income** : USD 1,316 (FY 2016)
- **Power Capacity** : **14,271 MW**

# Vision



**Providing reliable Electricity to all in a  
cost-effective and affordable manner**

# Mission



**Ensuring reliable electricity for all by  
2021 through integrated development of  
generation, transmission and distribution  
system**

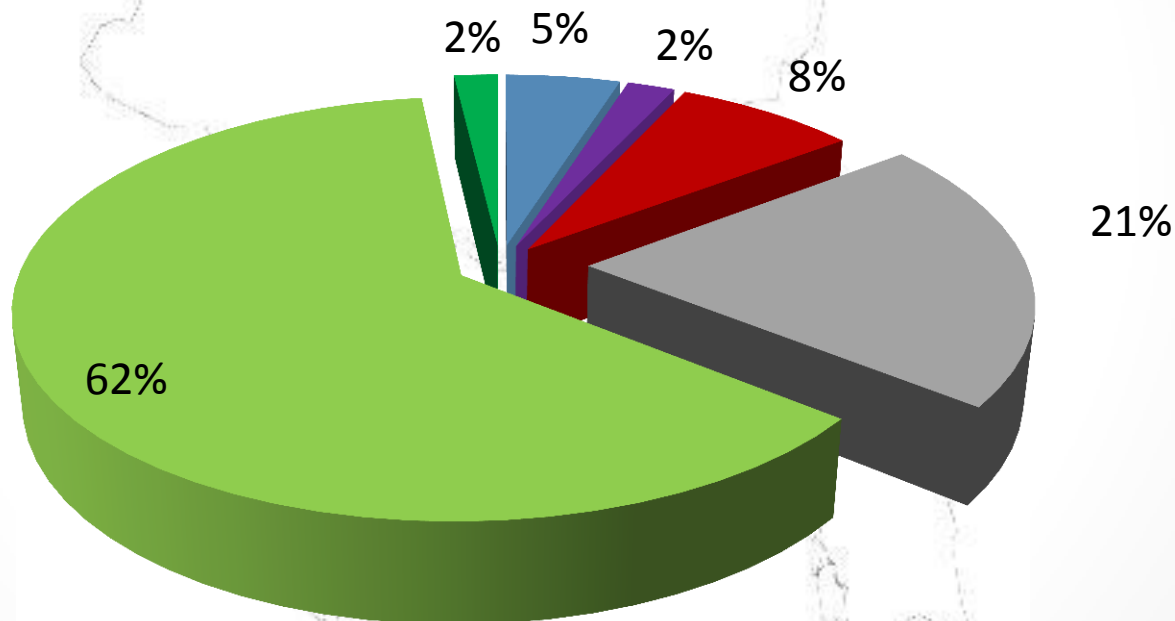


# Present Energy Scenario

# Present Energy-mix Scenario

**Installed Capacity by Fuel Type as on March 2016**  
**(Total Installed Capacity 12,229 MW)**

■ Imported Power ■ Coal ■ Diesel ■ Furnace Oil ■ Natural Gas ■ Renewable

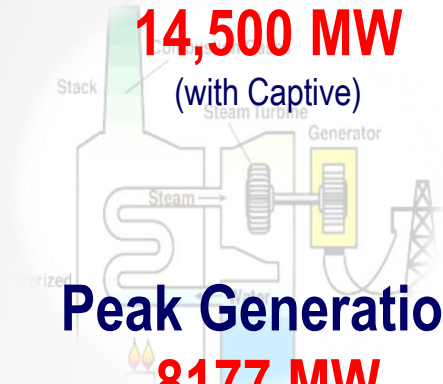


# Summary: Energy Scenario

## Generation Capacity

**14,500 MW**

(with Captive)



## Peak Generation

**8177 MW**

**9800 km**

## Transmission Lines



## Distribution Lines

**341000 km**

## Electricity Growth

**9.5%**



## Electricity Access

**75%**



## Consumer

**20 Million**

## Per Capita Generation

**371 Kwhr**



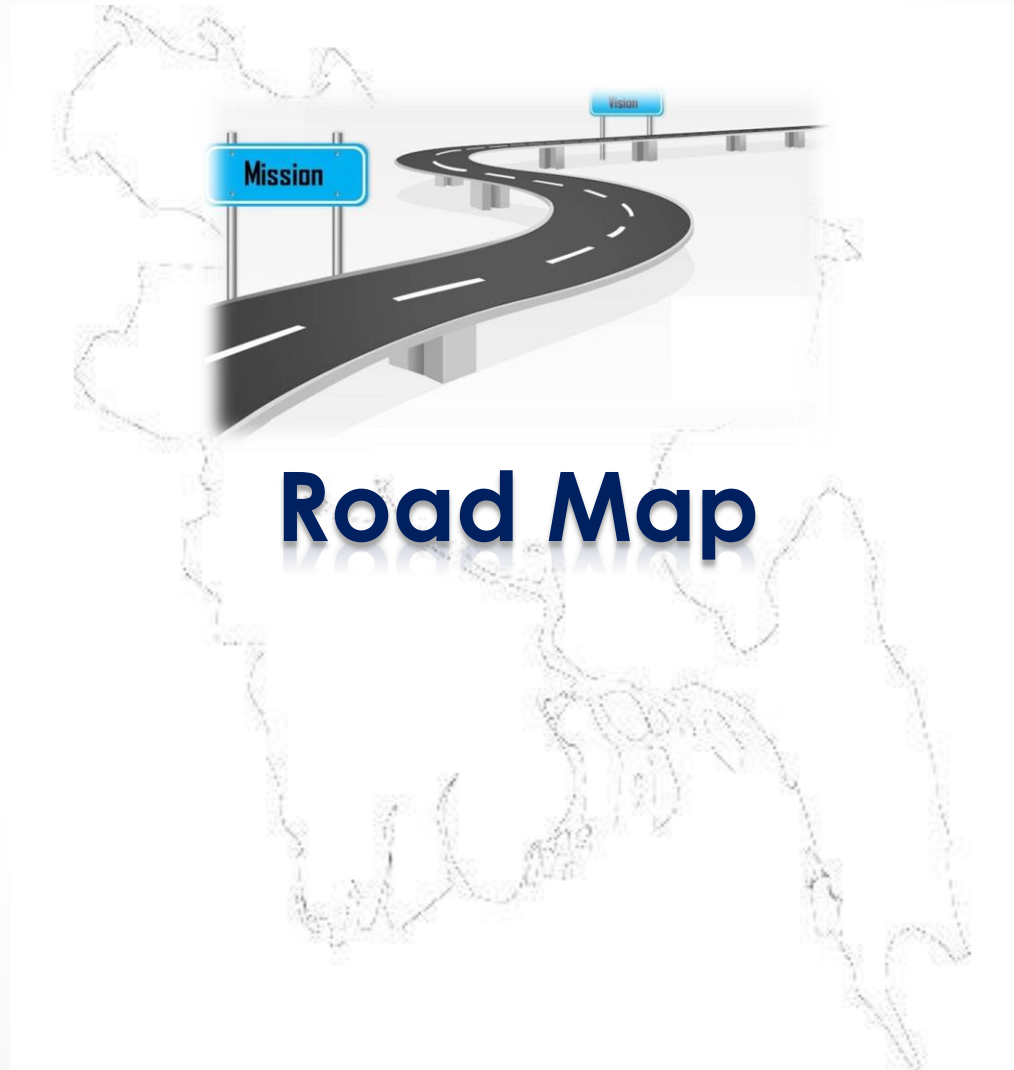
## Retail Tariff

**4.14~11.85 Cents/Unit**

# Year-wise Generation

Year	Electricity Generation	Growth Rate (%)
2008-2009	26,533	
2009-2010	29,247	10%
2010-2011	31,355	7%
2011-2012	35,118	12%
2012-2013	38,229	9%
2013-2014	42,195	10%
2014-2015	45,836	9%
Average Growth Rate		9.5%





# Road Map

# Power Sector Road Map

1

- Develop domestic primary energy resources

2

- Establish power system portfolio by fuel diversification

3

- To introduce high efficient power supply and low carbon emission

4

- Build necessary infrastructure through joint coordination of multi sector

5

- Build an effective and efficient mechanism , organization & regulations

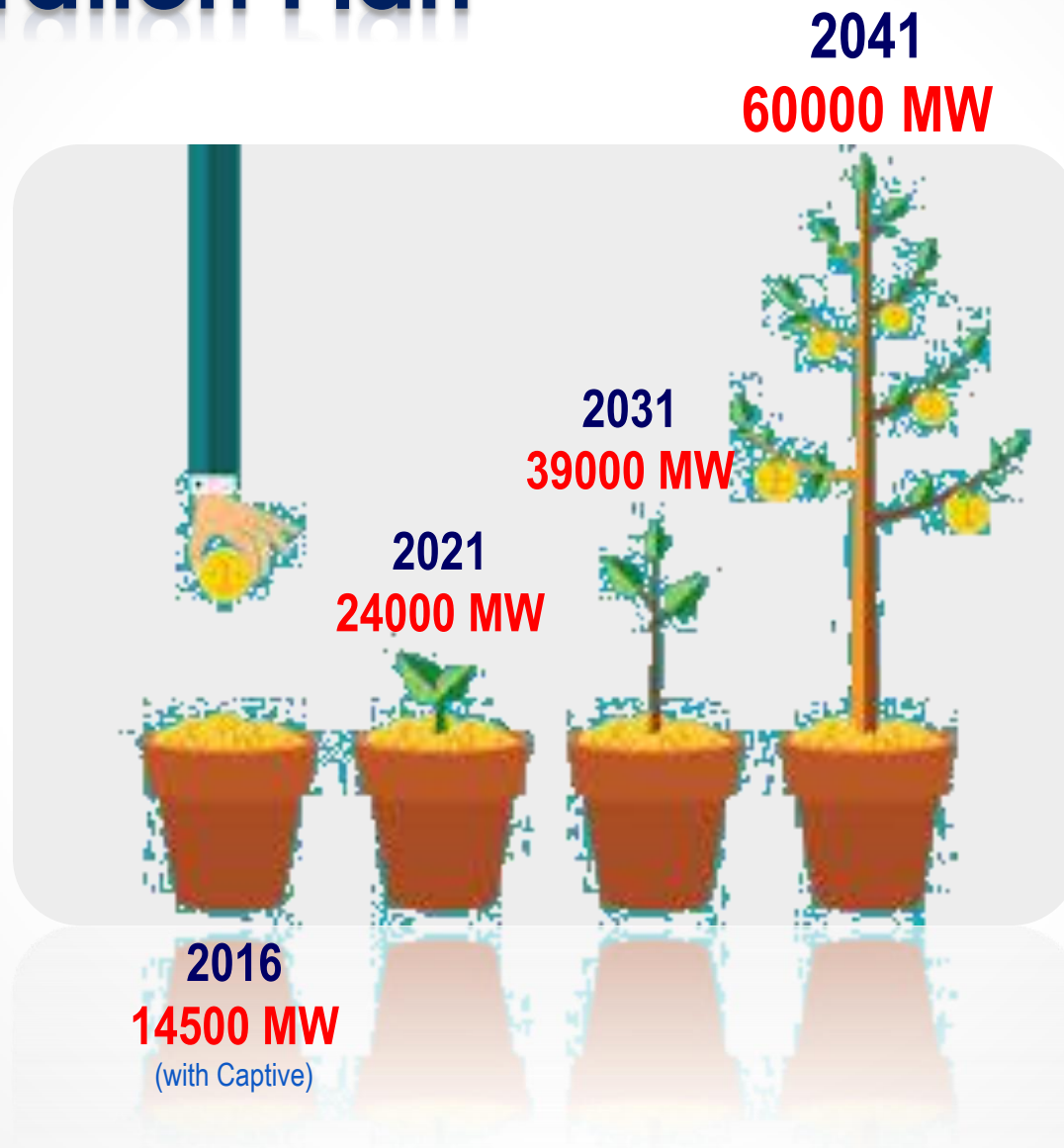
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- Reduce poverty through socio-economic growth

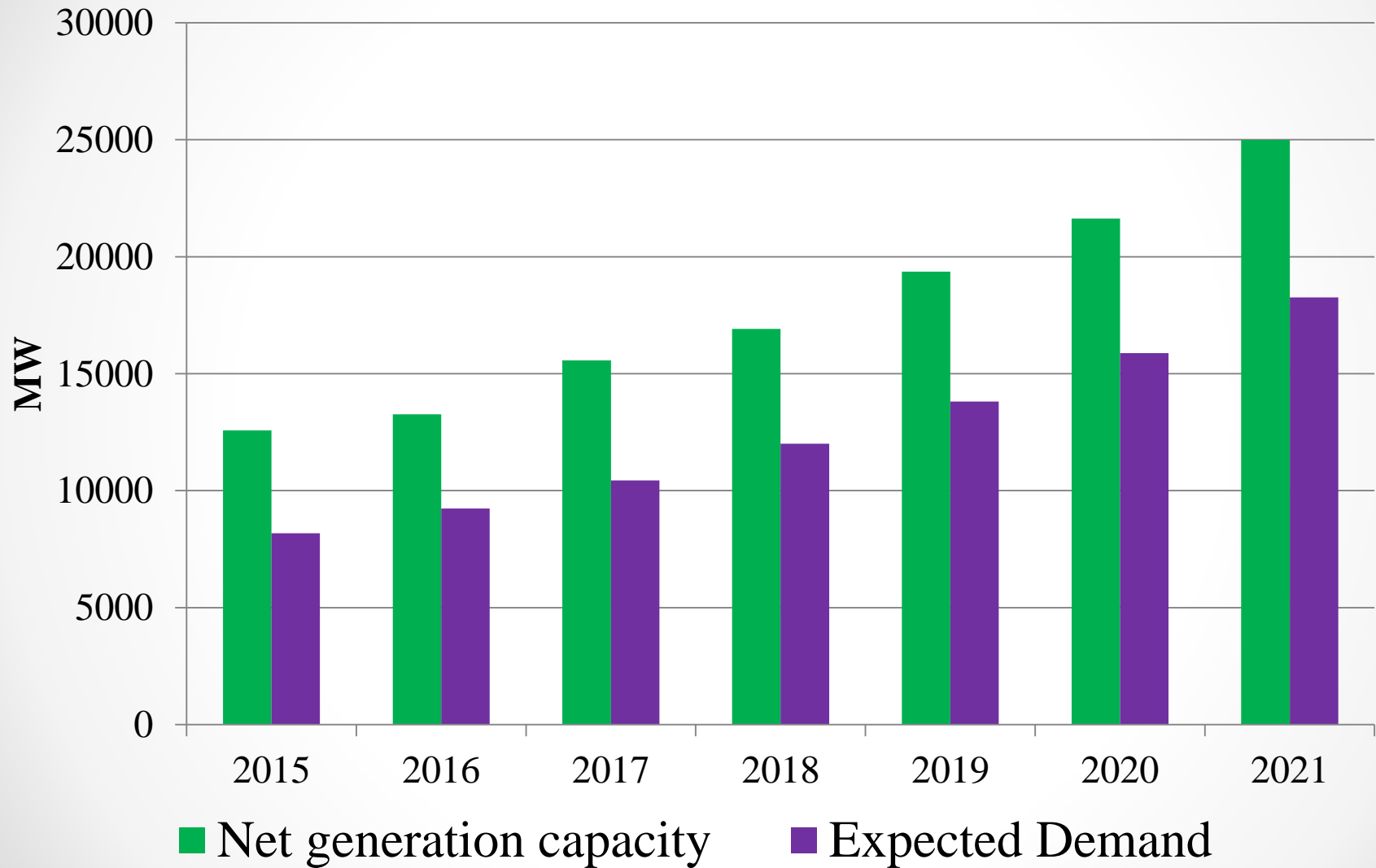


# **Generation, Transmission, Distribution and EE&C Plan**

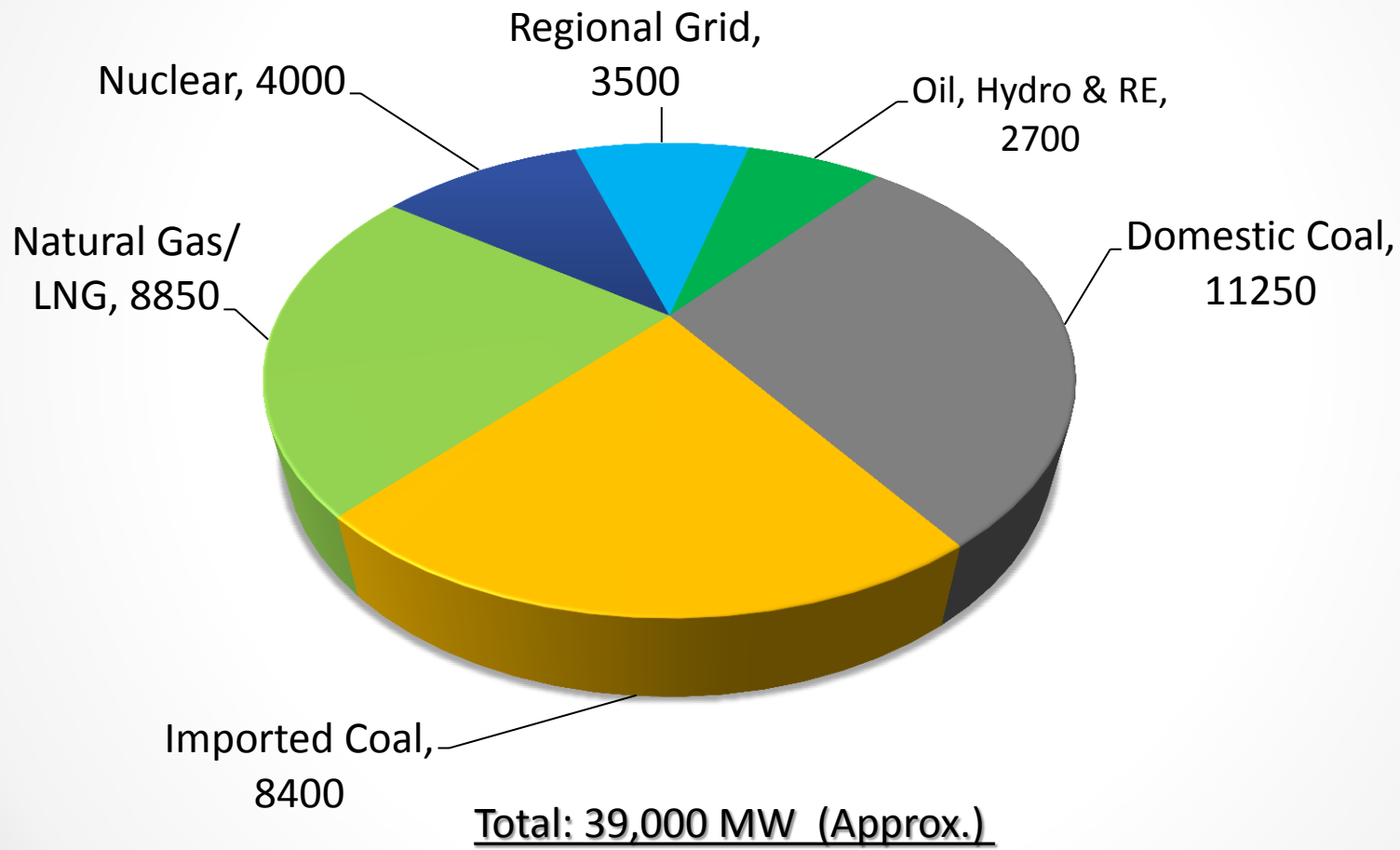
# Generation Plan



# Generation Plan (2021)



# Generation Plan (2030)



# Transmission Plan (2021)



Voltage (kV)	Length (km)
132	10,297
230	5,081
400	3,711

# Distribution Plan (2021)

Distribution Line (km)	4,80,000
Sub-station (MVA)	35,700
Prepaid Meter	100%
Consumers (Million)	24
Access to Electricity	100%
Grid	90%
Off-grid (RE)	10%



# EE&C Plan

"..the greenest power is the power  
you don't have to produce.."



Year	EE&C Target	Baseline
By 2021	-15% of primary energy consumption per GDP	Primary energy consumption per GDP in FY 2013-2014
By 2030	-20% of primary energy consumption per GDP	



# **Policy, Incentives and Security Mechanism for Investment in Power Sector**

# Private Sector Power Generation Policy

- **Investment friendly**
- **Tariff based bidding**

Capacity Charge: ensures reasonable ROI

Energy Charge:

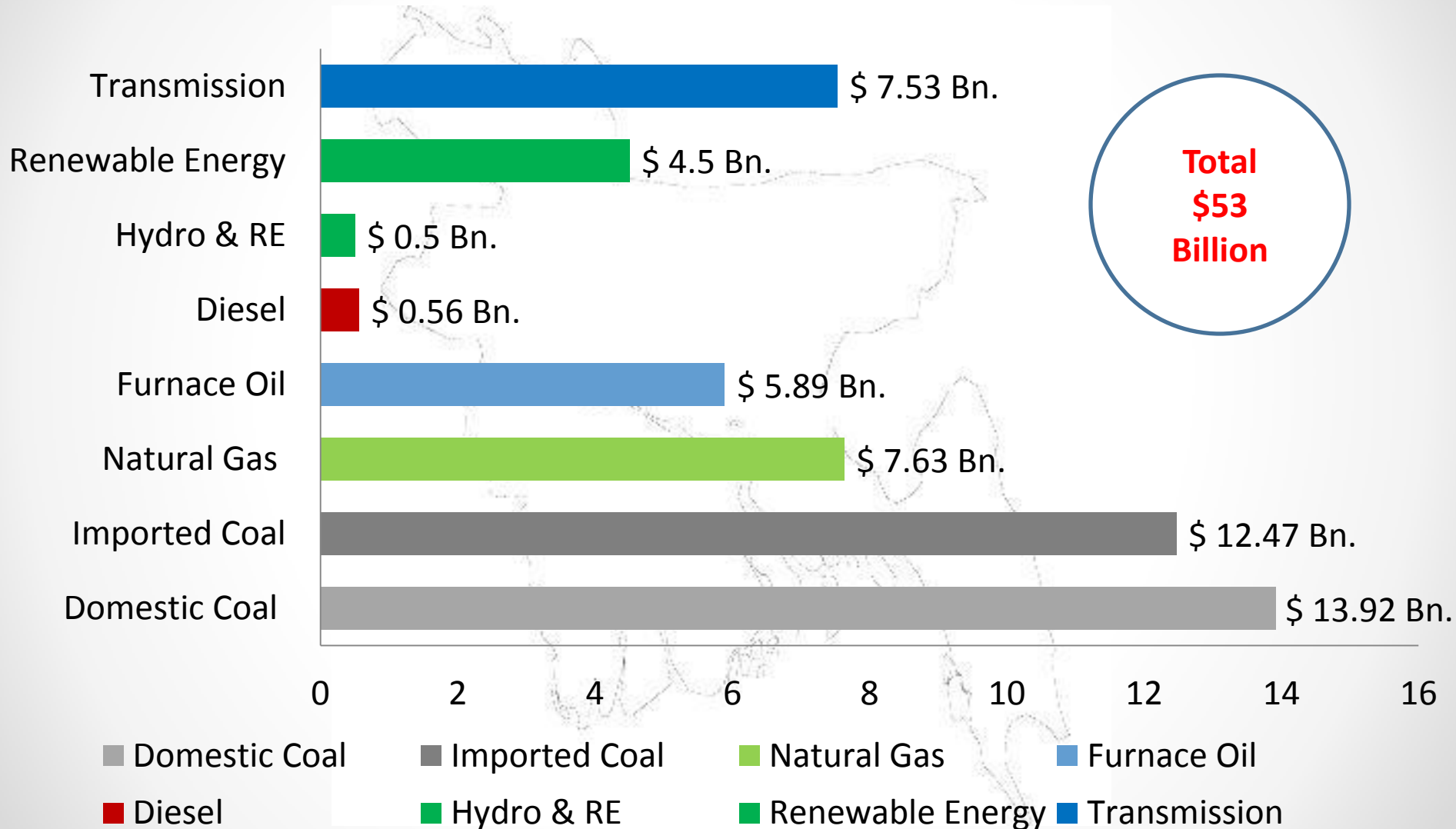
Renewable projects payment on net energy output basis

- **Entertain Unsolicited proposal**
- **Sovereign guarantee through Implementation Agreement**
- **Attractive incentive packages**

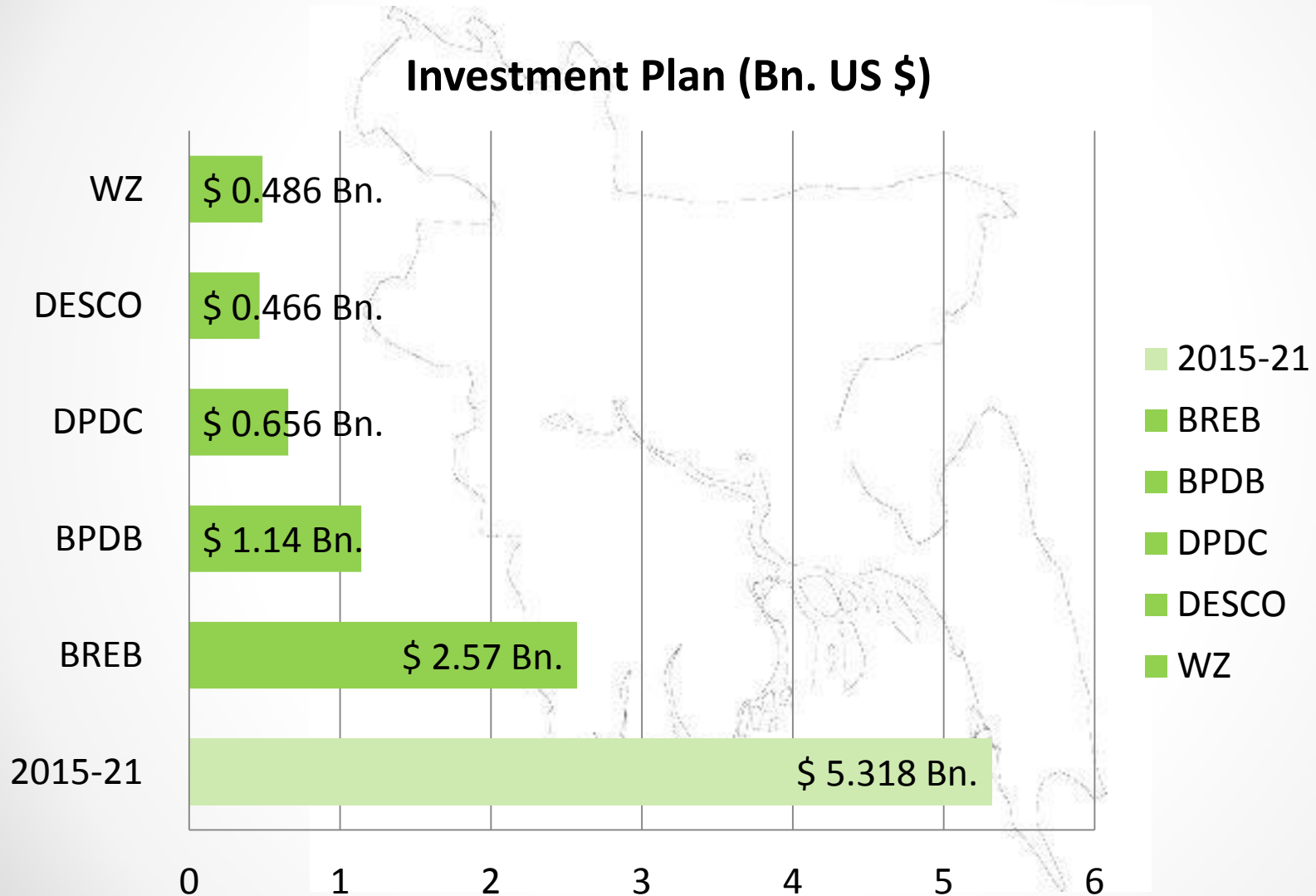
# Major Incentives for IPP's

- **Exemption of Corporate Income Tax (Period: 15yrs)**
- **Exemption of Custom Duties, VAT & other Surcharges\*\***
- **Repatriation of Equity along with Dividends**
- **Avoidance of Double Taxation through Bi-lateral Agreements**
- **BDT is freely convertible for FDI**

# Investment Requirement in Generation & Transmission



# Investment Plan in Distribution



# Conclusion

- **Government is committed to realize its 'Vision' for the power sector for sustained economic development**
- **Huge Investment is required for Infrastructure Development**
- **Govt. is establishing new E-Zone's-one of which is exclusively dedicated for Japan**
- **Keeping in mind Present Energy Mix Vs. Future Plan the LNG, Coal, Renewable & EE Sector have a very promising prospect for investment**
- **Hence through such initiative Govt. is ensuring a Golden Opportunity for Japanese Investor for uninterrupted Business Opportunity in Bangladesh**



**Thank You**