Sustainable and Renewable Energy Development Authority (SREDA) of Bangladesh Role and Responsibility



Welcome to

SREDA

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Energy Scenario of Bangladesh 13265 MW (with Captive) **Generation Capacity Peak Generation** 7787 MW 9200 km Transmission Lines

Distribution Lines 332000 km PROGRESS 10 % Electricity Growth



372 kWh Per Capita Generation **70%** Access to Electricity SREDA

3.74 ~ 11.85 Cents/ kWhr



Retail Tariff





Renewable Energy Policy

SREDA

Policy envisions:

- 5% of total power from renewable sources by 2015
- 10% of total power from renewable sources by 2020

Policy demands:

- 800 MW power from renewable by 2015
- 2000 MW power from renewable by 2020



Source: Power Sector Master Plan 2010



SREDA Act passed by the Parliament in December 2012

SREDA Act come into force from May 14, 2014

SREDA formally constituted on 22 May 2014



Vision & Mission of

S R E D A

SREDA promotes sustainable energy and builds an energy conscious nation to ensure energy security and to reduce carbon emission.

Coordinate and facilitate the development of renewable energy and energy efficiency

- □ Increase the share of renewable energy in the energy mix for reducing dependency on fossil fuel
- **Take appropriate measures for energy saving**
- **D**Exploit possibility of any other form of new sustainable energy solutions
- □ Explore feasible financing for RE and EE project
- **Build Capacity**

Mission

Activities of SREDA on Renewable Energy Promotion



Collect Data And Assess the Renewable Energy Resource Base, Especially in the Context of Rural Energy Master Plan

Support Demonstration of New Technologies and New Business Models for Renewable Energy Technologies Develop Legal, Regulatory and Policy Framework

Dissemination of RE Technology, Awareness Building Through Organizing Workshop, Seminar Etc. Fund Raising and Channeling for RE Projects Development

Giving Logistic & Technical Supports to Interested Groups for Private Sector Investment



500 MW Solar Development Program

• Government initiated 500 MW solar program to achieve government target in 2013.

Category	Status			
Commercial Solar Power Projects	340 MW			
Social Solar Power Projects	160 MW			
Total	500 MW			

Future Program of

SREDA



Renewable Energy Target (MW)

Technology	2015	2016	2017	2018	2019	2020	2021	Total
Solar	222	253	421.75	237	195	203	208	1739.8
Wind	0	20	250	350	350	200	200	1370
Biomass	1	16	6	6	6	6	6	47
Biogas (Biogas to electricity)	1	1	1	1	1	1	1	7
Hydro (mini/micro)		2	2					4
Total	224	292	680.75	594	552	410	415	3167.8

Challenges/ Barriers

Policy Barriers

- •Inadequate financial incentive
- •Lack of regulatory support for market oriented renewable energy programs
- Absent of feed-in tariff structure

Technical Barriers

- •Lack of standards and quality control for renewable energy equipment.
- Difficulties of firm dispatch in utility grid operations.
- Limited procurement of renewable energy technologies is due to the current small market
- Limited local manufacturing facility
- Limited technical capacity to design, install, operate, manage and maintain renewable energy based modern energy services.
- Lack of reliable and comprehensive wind mapping

Challenges/ Barriers

Economic Barriers

- High initial capital costs and lengthy rate of return.
- •Higher perceived risks of the renewable energy technology.
- Financial institutions biases and unfamiliarity with financing renewable energy projects.
- Lack of access to credit.
- Lack of appropriate financing mechanisms for renewable energy.
- Lack of investment incentives.

Challenges/ Barriers

- **Human Resource Barriers**
- Limited expertise in business management and marketing skills
- Limited in-country capacity for renewable energy data collection and analysis.
- Lack of expertise and services in system design, installation, operation and maintenance of renewable energy technologies.
- Limited in-country capacity for renewable energy project development.

Existing Incentives from Government

- Electricity from Renewable Energy Projects (less than 5 MW) Purchase by Utility or any Consumer
- Exempted from Corporate Income Tax for 10 years.
- RE Equipment/Raw Materials Exempted 5% VAT
- An Incentive Tariff
- Duty exemption: Solar, LED, Wind Power Plant
- Foreign Co's are allowed to repatriates equity and profit
- Spare parts up to an amount of 10% of total plant cost are allowed to import without tax and vet within 12 years.
- All other benefits of IPP

Existing Incentives from Government

- Promotional Funds for RE & EE Projects:
 - Government of Bangladesh create Climate Change Trust Fund
 - Bangladesh Bank create Green Fund
 - IDCOL providing technical support and concessional loan to RE and EE projects
 - Commercial Banks
 - Donors and Development Partners

