

## SUMMARY OF THE PROCEEDINGS

International Conference

on

**Energy Security in South Asia Plus: Relevance of Japanese Experience**

28-29 October, 2015



Against the backdrop of growing concerns in the region of South Asia over energy shortage and scarcity engendering a state of energy insecurity, the Bangladesh Institute of International and Strategic Studies (BISS) in collaboration with Japan Foundation organised a two-day International Conference on “Energy Security in South Asia Plus: Relevance of Japanese Experience” on 28-29 October 2015 at the BISS auditorium, Dhaka. The principal objective of the conference was to make an assessment of the contemporary energy situation in this region and to make appropriate policy suggestions to the respective governments of South Asia, highlighting the experiences and lessons of an energy efficient country like Japan.

**Mr. Abul Hassan Mahmood Ali, MP**, Hon’ble Minister for Foreign Affairs, Government

of the People’s Republic of Bangladesh inaugurated the Conference as the Chief Guest. Mr. Nasrul Hamid, MP, Hon’ble State Minister, Ministry of Power, Energy and Mineral Resources, Government of the People’s Republic of Bangladesh was present at the inaugural session as the Special Guest. H.E. Mr. Masato Watanabe, Ambassador of Japan to Bangladesh was



also present as the Special Guest in the inaugural session. Major General A K M Abdur Rahman, ndc, psc, Director General, BISS delivered the Address of Welcome. Ambassador Munshi Faiz Ahmad, Chairman, Board of Governors of BISS presided over the inaugural session.

**Dr. Tawfiq-e-Elahi Chowdhury, BB**, Advisor to the Hon'ble Prime Minister on Power, Energy and Mineral Resources Affairs, Government of the People's Republic of Bangladesh concluded the Conference as the Chief Guest. H.E. Mr. Masato Watanabe, Ambassador of Japan to Bangladesh was present at the concluding session as the Special Guest. Mr. Md. Shahriar Alam, MP, Hon'ble State Minister for Foreign Affairs, Government of the People's Republic of Bangladesh was also present as the Special Guest. Ambassador Munshi Faiz Ahmed, Chairman, Board of Governors of BISS chaired the concluding session.



In his welcome address, **Major General A K M Abdur Rahman, ndc, psc**, Director General of BISS, mentioned that in the modernized world, the use of energy has been increasing rapidly and in South Asian region with its huge population and fast growing economy, the demand for energy has also become a critical issue for the functioning of its economies. He pointed out that even though each of the countries of South Asia is trying to formulate its own strategy to address the issue of energy



security, there is a growing realisation of the need to address the issue from a regional and sub-regional perspective. He, however, stressed on the importance of regional cooperation both within the subcontinent as well as with regional neighbours i.e., the Middle East, Central Asia and the Southeast Asia.

In his inaugural address, Foreign Minister **Abul Hassan Mahmood Ali, MP**, highlighted that since, South Asian countries' energy resources are scattered in the border areas, regional cooperation in energy is the utmost essential policy option for the countries of the region. He mentioned about Bangladesh government's various initiatives in strengthening the energy infrastructure as well as diversifying our energy resource base to achieve the target for energy production of 24,000 MW by the year 2021. Japan's



experiences of energy governance and Japan's contribution and assistance in our energy sector could be our inspiration for moving towards a more efficient use of energy resources, the honourable Minister expressed.

In his address, Special Guest, **Mr. Nasrul Hamid, MP**, State Minister for Power, Energy and Mineral Resources, also highlighted various long-term measures of the Government of Bangladesh such as, atomic power plant in Rooppur, the deep-sea coal-based Matarbari project, Rampal coal fired power plant, offshore exploration and planning for environment-friendly clean energy by exploring all the potentials of renewable energy to successfully achieve the target of 2021.



**H. E. Mr. Masato Watanabe**, Ambassador of Japan to Bangladesh, in his address, mentioned that in spite of Japan's various success in its energy sector, after the devastating Fukushima power plant incident, Japan has now a plan in effect to transform its energy mix by 2030. The target is to reduce oil's share from 43 to 3 per cent and increasing renewables' and nuclear energy's share from 4 per cent to 23 per cent and 0.4 per cent to 20 per cent respectively. He expressed that the



experience of Japan in maintaining high standards of clean technology thereby ensuring energy efficiency can be a tremendous lesson for the countries of this region.

The Chair of the inaugural session, **Ambassador Munshi Faiz Ahmed**, Chairman, Board of Governors of BIIS, highlighted the fact that since the previous century, global consumption



of primary energy has doubled and in future, the consumption is projected to rise even more rapidly. He also stressed on the importance of sharing energy resources of the regional countries for mutual benefits and pointed out that this would involve accessing sources, ensuring easy and cheap transportation, employing the most environment friendly technology,

ensuring dependable and cheap transmission of power, and building connectivity infrastructures including physical connectivity as well as grid and pipeline connectivity.

The Chief Guest of the concluding session, **Dr. Tawfiq-e-Elahi Chowdhury, BB**, Advisor



to the Hon'ble Prime Minister on Power, Energy and Mineral Resources Affairs, reiterated the significance of regional cooperation, however, he stressed on the need for leadership in achieving the cooperation. He also

emphasised on the need for regional energy grid and regional energy market. He noted that the countries of the region can cooperate and trade not only in fossil fuels but also in renewable energy. He mentioned about various ongoing energy-trade projects between Bangladesh and India as well as informed about various future plans for energy trade between Bangladesh and other regional countries.

**H. E. Mr. Masato Watanabe**, Ambassador of Japan to Bangladesh, in his address in the concluding session stressed on the importance of technological advancement thereby enhancing energy efficiency for ensuring energy security in the countries of the region. He also emphasised on energy saving and energy conservation. He suggested that people should be educated in their childhood so that they became aware of the necessity of energy saving and energy efficiency.



In his address in the concluding session, **Mr. Md. Shahriar Alam, MP**, Hon'ble State Minister for Foreign Affairs, highlighted the slow progress in energy cooperation under the South Asian regional framework like SAARC and expressed his optimism that the current initiatives viz., BCIM, BBIN and BIMSTEC will break that barrier and move fast in achieving regional connectivity in the energy sector. He also emphasised on

technological innovation and noted that in this regard, assistance and cooperation of a technologically advanced country like Japan with the regional countries of South Asia is absolutely essential.

**Ambassador Munshi Faiz Ahmed**, Chairman, Board of Governors of BISS, in his remarks in the concluding session emphasised on the importance of adjusting and readjusting the fuel mix of the regional countries and in this respect undertaking serious initiatives to increase the share of renewable energy resources to the national energy mix of respective countries. He also stressed on the need for investment, innovation, technology transfer, enhancing awareness and energy education for ensuring energy security in the regional countries.

The two-day Conference was attended by hundreds of participants that include



scholars, renowned members of academia, government officials, Excellencies and delegations from foreign missions in Bangladesh, representatives of professional institutions, as well as policy makers from Bangladesh, India, Nepal, Pakistan, Sri Lanka, Bhutan, Myanmar, and Japan participated in the conference. The two-day conference was divided into four working sessions over which eleven papers were presented.

Many substantive issues of energy security in South Asia and the relevance of Japanese experience have been debated and deliberated upon over the two days of the conference.

The speakers of the conference were in accord that while some countries of the region are energy deficient, the region as a whole holds tremendous energy potential. Many countries of the region have enormous energy potential that remains so far untapped.

Hence, the participants all agreed that regional and sub-regional cooperation among the countries of South Asia is the most viable option for the regional countries to fulfil their growing energy needs and achieve energy security. Many new ideas like South Asian Energy Market following the European model have been proposed as well as reinvigorating and re-energising the already suggested frameworks like South Asian energy grid and Regional Energy Ring have been suggested.

Bilateral, regional and sub-regional Power Trade has been debated and discussed in lengths by the participants of the conference. The geographical proximity and scattered nature of the energy resources in the border areas dictate that the countries of the region must engage in power trade at all levels. In this regard, the house has agreed upon to operationalise and implement immediately all regional and sub-regional initiatives that have been undertaken such as SAARC energy ring, BCIM, BBIN, BMI, BIMSTEC etc. It was mentioned that, in recent times, the old and parochial mindset has changed creating a favourable environment for regional power trade.



The participants suggested that the countries of the region must reduce their dependency on imported hydrocarbon and make every effort to utilise their domestic and regional resources. In this



regard, the house noted with concern that manpower shortage, technological know-how and the scarcity of experts have been a major hindrance in developing and exploiting domestic and regional resources by the respective governments. Japan as a technologically advanced country with high level of clean energy expertise can make great contribution by providing technological education to the regional countries.

The participants recommended that Hydropower potential of the regional countries should be materialised as soon as possible and need to be shared by the regional countries through regional and sub-regional cooperation.



The house stressed on the importance of utilising the domestic



coal resources to produce electricity using clean technology. Rather than depending on imported coal, the house observed, the regional countries should focus more on their domestic deposit and how best to harness them.

Moreover, following are some of the suggestions proposed during the deliberation of the conference over two days.



- Connectivity and cooperation between the neighbouring countries of the region should be given utmost priority to enhance energy security. As



bilateral energy trade has already been achieved in cases of Bangladesh-India, and India-Nepal, sub-regional trade initiatives such as BMI, BBIN also need to be materialised immediately.

- The private sector needs to be engaged in the energy sector. Not only that, private sector should participate in various energy projects at national level, bilateral energy trade should also occur between the private sectors of the neighbouring countries. Given the context of South Asia, in case of deterioration of relations at the governmental level, private sector trade following international rules and regulations will ensure uninterrupted supply of energy from neighbouring countries.



- A critical and comprehensive assessment is required to measure the feasibility of nuclear power plant in the countries of the region. A cautious move in this regard is also suggested as there are significant risks involved in harnessing nuclear power.
  - For sustainable energy development as well as ensuring optimum use of energy resources in the regional countries, environmental considerations should also be prioritised while conceiving and undertaking various energy projects.
- The electricity generation in the regional countries is heavily dependent on one or two energy resources. Therefore, regional countries should adopt measures for diversification of their energy resource base.



- Regional countries must start thinking of utilising renewable energy resources and increase its share in their national energy mix. In the near future, due to technological advancement, it is possible that, the renewable energies like solar and wind powers may emerge as the most cost efficient energy resources.
- Governments of South Asia need to devise appropriate policies to create a community of energy experts and skilled manpower in the energy sector to harness and develop their own resource base.



- Domestic and regional energy sources exploitation will require massive capital investment in the energy sector. Countries of the region are heavily deficient in this respect. FDI in energy sector can provide the necessary funding for the large energy projects. Therefore, the development partners of the region including Japan needs to come forward.

- Moreover, Japan's experience of energy governance and energy efficiency should be the inspiration for the countries of the region for moving towards a more efficient use of energy resources and reducing system loss due to various management shortcomings.
- Finally, South Asia has been a regional of conflict for long and mutual suspicion and mistrust between the countries have hindered many bilateral and regional initiatives. Although the regional countries have made tremendous progress in removing some of those suspicions, some of them are still there. Therefore, initiatives for trust building have also been emphasised.