



Press Release

## **Experts deliberate on the roadmap to an interconnected region-wide electricity grid in South and Southeast Asia**

An interconnected grid is key for increasing energy trade, helping to bring 24x7 electricity access in Asia

**Tuesday, February 25, 2020; Dhaka/ New Delhi:** Harmonizing the Operational, Legal and Regulatory frameworks of the BIMSTEC countries is a key prerequisite for implementing an interconnected regional electricity grid and commencing multilateral energy trade among the region's member countries, concurred energy experts at the BIMSTEC conference on Enhancing Energy Cooperation, held in Dhaka on 25-26 February.

Representatives from power ministries, regulators, diplomats, industry, think tanks and academia from BIMSTEC countries (Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka, and Thailand), converged at the two-day conference, jointly convened by the U.S. Agency for International Development (USAID) and Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC).

The conference was inaugurated by Dr. Tawfiq-e-Elahi Chowdhury, Adviser to the Prime Minister (Power, Energy and Mineral Resources), Ambassador M Shahidul Islam, Secretary General of BIMSTEC and Derrick S. Brown, Mission Director of USAID/Bangladesh. Inaugurating the conference, Dr. Chowdhury, Energy Adviser to the Prime Minister, emphasized that “We at Bangladesh have made substantial investments in creating infrastructure for power trade with India and are in discussions with Nepal and Bhutan for trilateral power trade”. He also suggested a transactional based roadmap for grid integration which is flexible and can be adapted with emerging technological changes. He further emphasized the role of developmental partners to mobilize investments and create an enabling environment for power trade.

Speaking at the launch of the conference, Derrick S. Brown, USAID Mission Director to Bangladesh, said: “USAID is fortunate to partner with BIMSTEC, to address some of the common critical issues, such as to create an enabling environment that supports cross-border power trade, establishment of a power market, and create consensus and support from the key decision-makers and stakeholders”.

Increased access to and availability of electricity is of particular relevance to the BIMSTEC region, as some of its member countries are still in the process of providing 100% energy access to their people.

The region is also home to a population of 1.65 billion and is among the fastest growing regions in the world, with a combined GDP of US\$ 3.75 trillion. In 2018, five out of the seven member countries of BIMSTEC grew at a faster rate than the global economy rate of 3.6 percent.

Emphasizing the importance of increased regional cooperation in the energy sector in the region, Ambassador M Shahidul Islam, Secretary General of BIMSTEC said: “The region is one of the fastest growing economies in the world and it is heavily dependent on energy imports. BIMSTEC wants to promote energy security in the region by promoting power trade and development of clean energy resources such as hydropower and renewable energy”.

In 2018, BIMSTEC signed a Memorandum of Understanding (MOU) with member countries for establishment of the BIMSTEC Grid Interconnection to facilitate electricity trade among member countries through a region-wide grid, in an effort to reduce import dependency and move towards energy sufficiency.

Studies indicate that most of the BIMSTEC countries, including Bangladesh are about 15-20% dependent on imported energy dependent on import of fossil fuels for their energy and transportation needs. India witnessed its fuel imports as percentage of merchandise imports escalate from 26.8% in 2016 to 35.5% in 2018. Regional energy cooperation will allow BIMSTEC countries to replace fossil fuel imports by switching to non-fossil fuel generation such as wind, solar and hydropower.

Being geographically interconnected, the region allows rerouting of new high capacity transmission lines through another country, such as the ‘India – Bangladesh power corridor’, with reported transportation capacity of 6000 MW of power from India’s North East through Bangladesh to Indian load centers.

The opening day of the conference covered deliberations on the challenges and strategies to achieve policy and regulatory frameworks and transmission interconnections for enhancing cross-border energy trade in the region. Participants included representatives from the Ministry of Power, Energy and Mineral Resources, Government of Bangladesh, Ministry of Energy, Water Resources and Irrigation, Nepal; Ministry of External Affairs, India; Ministry of Power and Energy, Sri Lanka and respective Governments of Myanmar and Thailand.

The concluding day had top officials from the member countries’ Electricity Commissions brainstorm on the strategy and approach for achieving harmonized institutional, operational, legal and regulatory frameworks in the region. There was also a session with key developmental partners’ role in BIMSTEC grid interconnection. A Report on “*Prospects of Regional Energy Cooperation and Cross Border Energy Trade in the BIMSTEC Region*” was released at the conference.

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