



Activities of Project Development Programme (PDP) in Bangladesh

Shuvajit Mandal

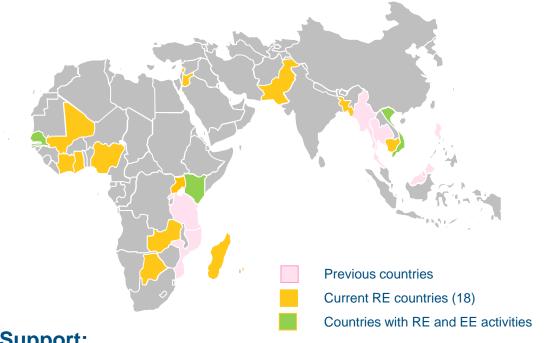
Advisor and Country Representative Project Development Programme (PDP) Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH Bangladesh

Facilitator



Project Development Programme (PDP)

Implemented by GIZ, a public company owned by German Government



Support:

- Local industries to gain knowledge on renewable energy
- Rooftop solar feasibility study (project development)
- Selecting suitable contractors (project realization)







18 countries

Sub-Saharan Africa

- Kenya
- Ghana
- Nigeria
- Mali
- Senegal
- Côte d'Ivoire
- Botswana
- Zambia
- **Mauritius**
- Madagascar
- Uganda
- Rwanda

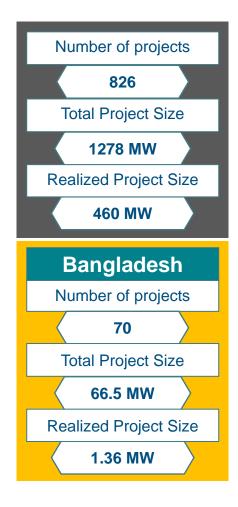
Middle-East

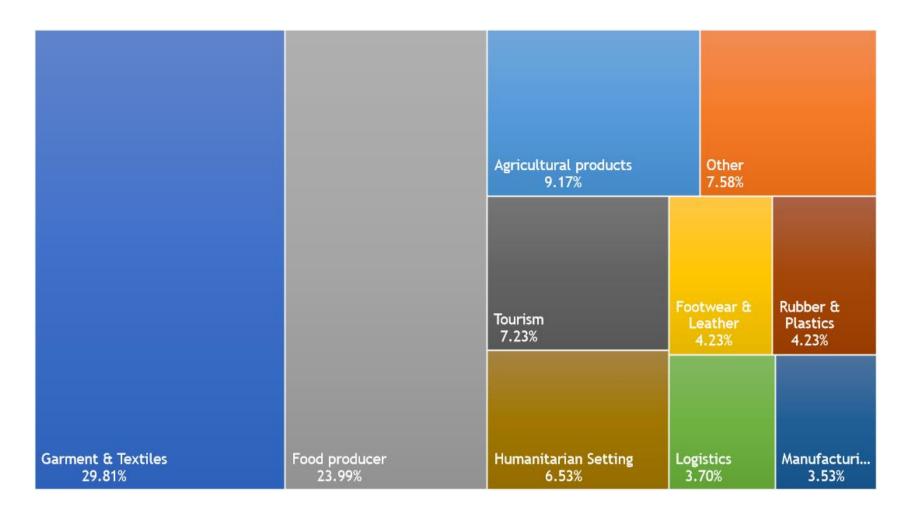
- Lebanon
- Jordan

Asia

- Pakistan
- Bangladesh
- Vietnam
- Cambodia

PDP experience supporting industries in rooftop solar application



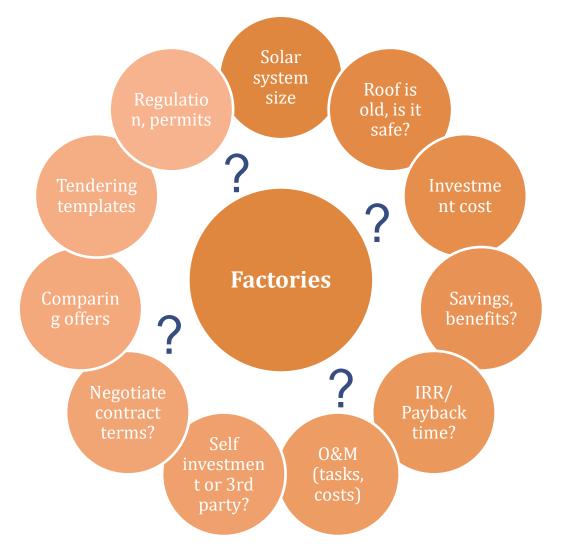








Where to start? Where to find reliable information?



PDP

Funded by the German Government → neutral and transparent!

Ask us any question any time!

More than 10+ years experience with in-house capacity!

PDP accompany the progress at your pace!

Reliable and reputable contacts!
We have strong network in the energy sector.





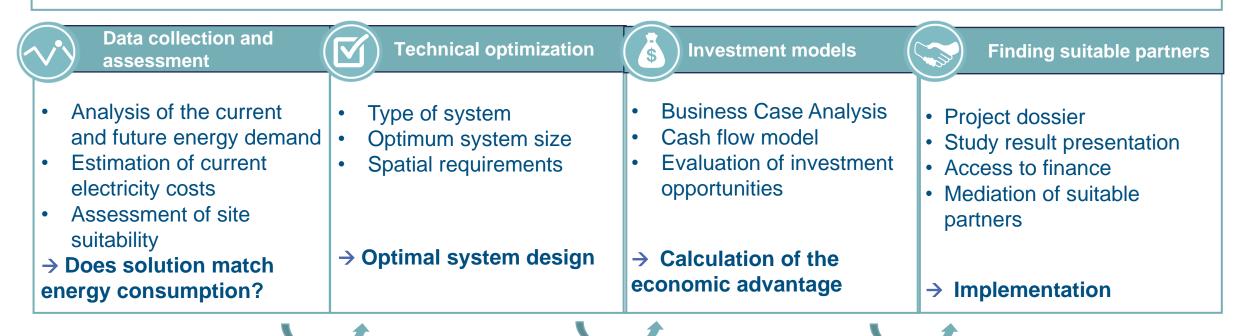


Project Development Process for C&I off-takers



PDP's offer

We help C&I off-takers to assess financial and technical feasibility for RE/EE solution at zero cost





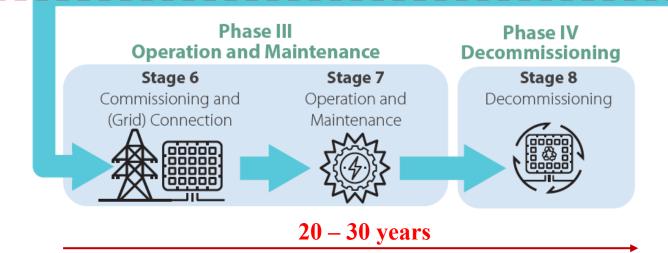




Life-cycle of a rooftop solar project

PDP assists factories along the process until finding suitable contractors











Feasibility study

Input from factories

Stage 1
Feasibility Study

Month				GenSe	et 1	GenSet 2	GenSet 3				
	V	montl	Information from the GenSet Name Plate								
	Year		Type of generator (SEG a catalogue purchase)	Er		rav	Shifts per day	select No.	Shift 1:	Shift 2:	Shift 3:
Jan	2020				nergy		-	starts at			
Feb	2020		Rated capacity [kW]	ty [kW]				ends at			*******************
Mar	2020		data			\					
Apr	2020				official breaks		Break 1:	Break 2:	Break 3:		
May	2020		Manufacturing Year [YYYY]					starts at			
Building / Building complex								ends at			
							staff usin	g the break [%]			
available Area											
le which year the buildings were											







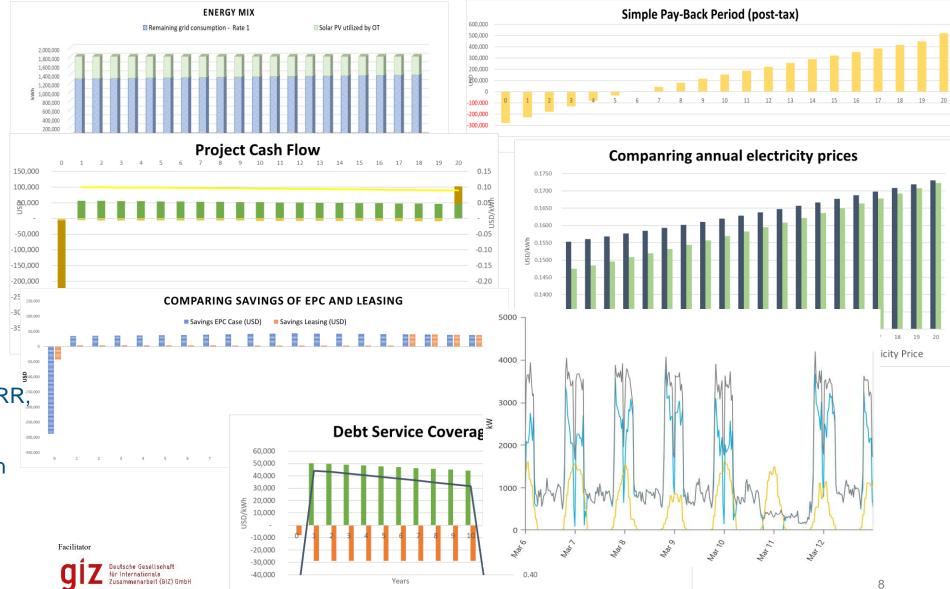




Feasibility study

Outputs





Solar system: size, generation

 CAPEX, O&M, payback time, IRR, cashflows, etc.

• Benefit: savings, CO2 reduction







Advice on tendering/ contracting process



- Quotation request, tendering
- Evaluating & comparing offers
- Recommendations for solar companies



- Crucial terms
- Contract templates
- Liability & Penalty





- → There is no unique solution
- → Understanding details of each offer to find the right solution
- → Compare all costs and benefits over 20 years









Advice on regulations & permitting

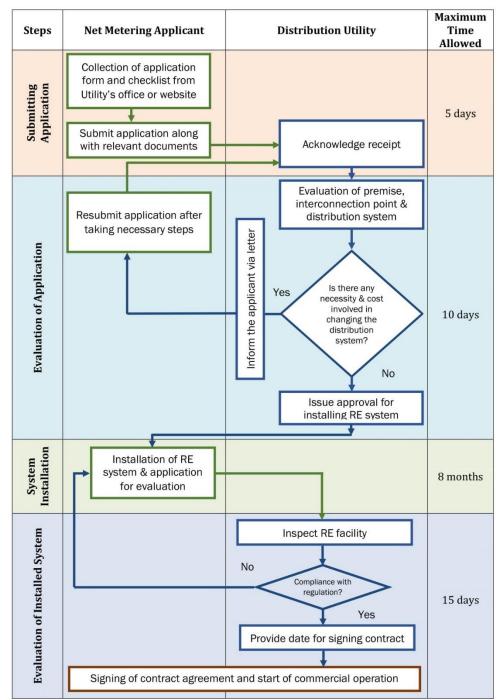


	Net-metering regulation
Size limit	 10 MW or 70% of contract load can be connected to the grid
Net-metering	 0.045 - 0.06 USD/kWh for net surplus at year-end









Quality issues: solar PV is not a consumer product but an infrastructure

Equipment quality

















- Any component failure results in financial loss
- Every detail counts for the project sustainability





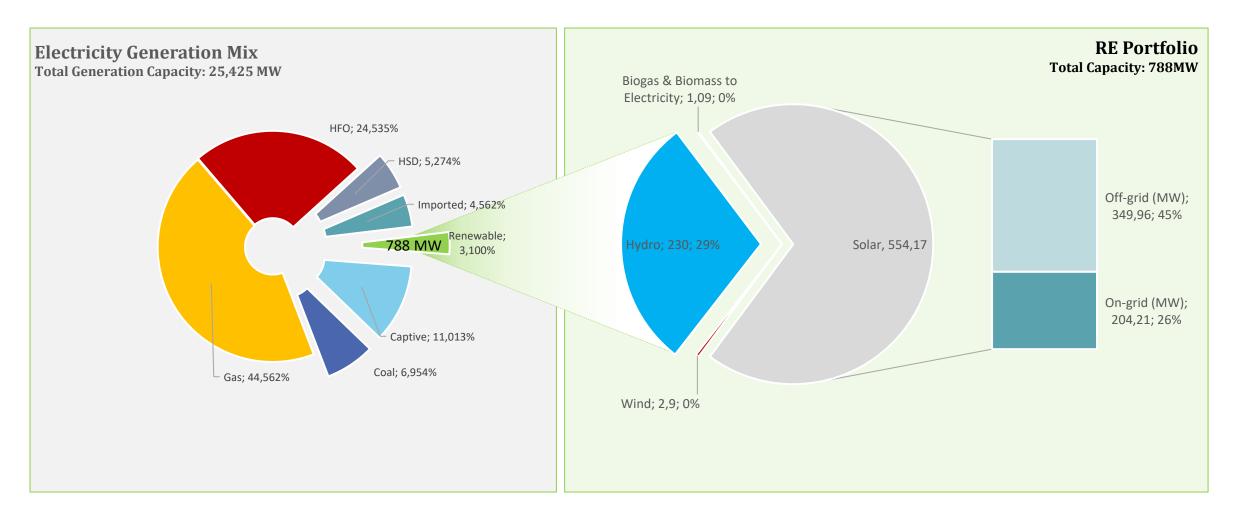








Energy mix and Renewable energy portfolio in Bangladesh









Source: SREDA

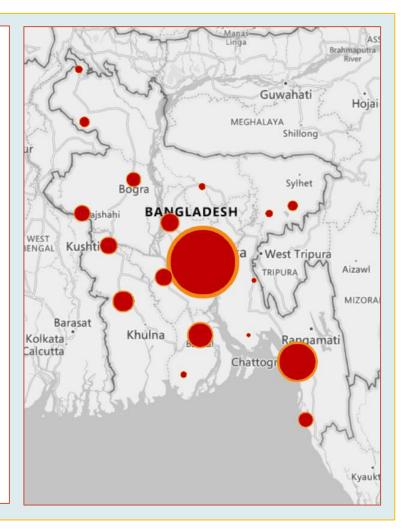
Rooftop solar status in Bangladesh

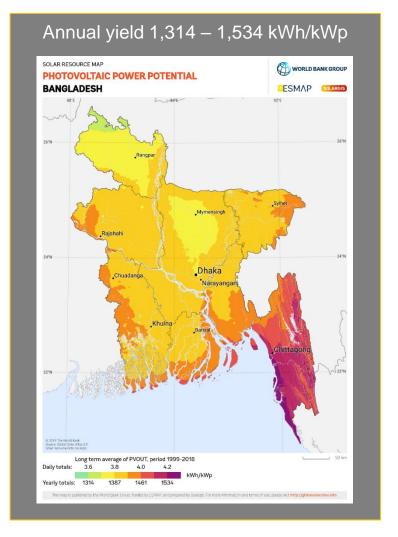
• 1,598
systems have
been installed
under NEM with

42.194_{MWp}

total capacity

Most systems are smaller than 1,000 kWp



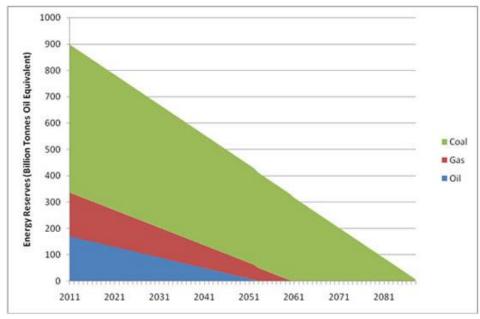






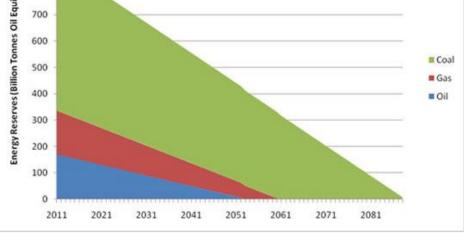


Existing conventional sources



Fossil fuels depleting and becoming expensive







Turning point of Demand and

Supply in 2019

MMcfd

■ Total Demand

■ Total Supply

7000

5000

4000

3000

2000

1000

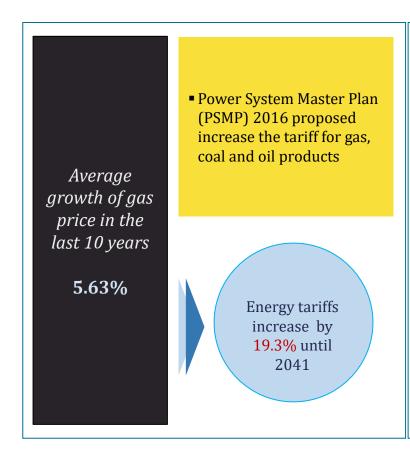
LNG price increases steeply in Bangladesh







Cost development of conventional sources



Power tariff to be raised to meet financial need for expansion infrastructure of power sector Average *growth of grid* electricity tariff in the *last 10 years* 5.01% Electricity tariff increase at by 10.3% until 2041

- ☐ In practice, LNG price increased 15% (2017) and 38% (2019)
- BERC recommends 57.83% hike in bulk electricity price
- LNG electricity price 3-6 USD
 ct/kWh → more expensive than
 solar energy in 2-3 years
- □ Solar is already cheaper than grid!
- ☐ Diesel price increased by 23% in November 2021

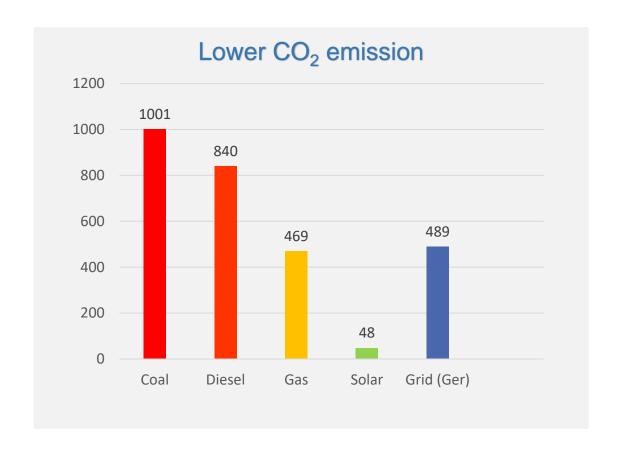






Climate action

Electricity from fossil fuel has higher CO2 emission than electricity from renewable energy









Cooperation with PDP

Value addition opportunities:

Neutral and comprehensive advice covers:

- Economic and technical perspective and approach
- Enhancing knowledge to enter contract negotiation







Thank you for your attention!

Project Development Programme (PDP)

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

Ashish Dhankhar <u>ashish.dhankhar@giz.de</u>

Shuvajit Mandal shuvajit.mandal@giz.de

