

**Report of the National Reference Group (NRG) Meeting under Capacity Building on
Electricity Reforms in Bangladesh, India and Nepal
(RESA Project)
Top of the Park of Sheraton Hotel, Dhaka, Bangladesh
July 17, 2008**

Introduction

Unnayan Shamannay, a non-profit organization for research, development and cultural learning, Dhaka in Bangladesh, in association with CUTS Centre for Competition, Investment and Economic Regulation (CUTS C-CIER), Jaipur in India, organised the first meeting of the National Reference Group (NRG) under the project title “Capacity Building on Electricity Reforms in Bangladesh, India and Nepal” (RESA project) at



Top of the Park, Sheraton Hotel, Dhaka, Bangladesh, on July 17, 2008.

Background

The RESA Project is being implemented in three countries, viz. Bangladesh, India (only two states, e.g. Rajasthan and West Bengal) and Nepal. The project is supported by the Norwegian Agency for Development Cooperation (NORAD). In Bangladesh, the project is being implemented by Unnayan Shamannay, which is working in collaboration with Consumers Association of Bangladesh (CAB) and a number of its regional partner organisations in the course of project implementation. In Nepal, South Asia Watch on Trade, Economics & Environment (SAWTEE) is tasked with implementing the project, while in India, CUTS C-CIER and CUTS CRC, the programme and resource centres of CUTS International respectively are to implement the project.

NRG Meeting Objective

The first NRG meeting had the following objectives:

- To share the project objectives and activities with the members; and
- To share the findings of the Territorial Base Paper (TBP) and the draft Territorial Training Manual (TTM) with RG members in order to finalize the documents.

NGR Meeting Participant:



Out of 16 NRG Members (including the newly added 4 members in the RG) 12 participated in this first NGR meeting. The members who participated in the meeting were: Dr. Atiur Rahman, Mr. B.D. Rahmatullah, Lt. Col (ret) Muhammad Faruk Khan, Professor Shamsul Alam, Quamrul Islam Siddique, Ms. Rizwana Hasan, Mr. Quazi Faruque, Mr. Aurun Karmaker, Mollah Amzad Hossain, Professor HKS Arefeen, Professor A.K. Enamul Haque, and Professor M. Ismail Hossain.



The Chairperson of the NRG, **Dr Atiur Rahman, Chairman, Unnayan Shamannay and Professor, Department of Development Studies, Dhaka University, Dhaka** presided over the meeting.

Taifur Rahman, Chief of Program and Research of Unnayan Shamannay, Dhaka made two presentations in the meeting: (one) a brief presentation of the project objective, activities and outcomes, and (two) presentation on the findings of Territorial Base Paper (TBP). **Dr. Rajesh Kumar of CUTS C-CIER of India** presented Draft Territorial Training Manual (TTM) in the meeting.

Proceedings of the Meeting

Dr Atiur Rahman

In the introduction, **Dr. Rahman** said, in this meeting that here we have a number of researchers, academicians, civil society members, policy maker, law maker, engineers,

politicians, journalists, businessmen and NGO representative. He also added that India has been doing well because they have been working at grassroots level. He thanked CUTS International for including Bangladesh in the project. He emphasized that consumer's interest should be reflected in this project activity.

Presentation and Discussion

Two presentations were followed by discussion by the distinguished members. The first presentation was an introduction to RESA project and the second one presented the highlights of the TBP.

Rizwana Hasan, Director of BELA and Member of RG, talked on the presentation. She wanted to know the basis of selecting the local partners in Bangladesh. She also noted three important points: **First**, it is important to ensure effective involvement of the government. So it should be clear how the project plans to involve the government. **Second**, the effectiveness of the reforms so far raises a lot of questions. The impact of the reforms undertaken so far should be assessed. **Finally**, what about the process of public hearing? In her opinion, it is important to get details about the process of public hearing. In response, **Taifur Rahman** explained that the main idea is to get more from public in the process of electricity reforms. Government is being involved through higher officials of (e.g. Power Secretary, Director of the Rural Electrification Board) in the NRG.



Quazi Faruque, General Secretary of CAB



Mr. Faruque said, that we have big network all over the country. We have representatives in every District of Bangladesh. We have conducted the baseline survey with support from local CSOs. These organizations are under the CAB network to work with regard to consumer rights.

Quamrul Islam Siddique, President BWP of LGED

Mr. Siddique emphasized on involvement of more CSOs at the local level can be thought about. He added that there are consumer service center at local levels but this is fully one sided service; people come but don't get anything. There are so called dealers but they don't have even any license. There can be local level dialogue in Dhaka, Rajshahi and other places around the country. Dhaka is an over loaded city. This is not like that board will do meeting and problem will be solved. Bangladesh



Telecommunication Regulatory Commission (BTRC) has been doing well for public but the Bangladesh Energy Regulatory Commission (BERC) is not doing much. He put emphasis on the need to work with India, Nepal and other country's civil societies beside the governments. On this point, **Rizwana Hasan** added that SAARC should allow NGOs to work on different issues and take it (electricity) up as a regional issue. **Rajesh Kumar** informed that the RESA project is trying to create a regional network on electricity reforms.



Mollah Amzad Hossain, Editor, Energy and Power

We are looking forward to all to participate in every stage of reforming process. However, in most of the cases they are not even users. All the reforms happened in Bangladesh so far according to donor expectation. Therefore, we can only say this is restructuring, not reform. We want to confirm electricity for all by 2020. However, is it possible at all? Is the government working with the process? Here people's pressure is needed.

Dr AK Enamul Haque, Professor of Economics, School of Business, United international University, Dhaka

Dr. Haque is a new member of NRG. His first question was "What is the objective of this 2 year's project?" What are the expected objectives through this process? There are lots of reform issues but careful handling of these is needed. He called upon to have a look in the history. We see that historically, donors want to reform. Here donors have been working with a specific target to fulfill their interests. There are not enough power stations in the country. Government should found power stations by own capacity, not donor. We have to understand our objectives. Our objective should be that electricity will be cheaper. If we produce power station then the rate will come down. In Bangalore one cannot construct any building without solar energy by own initiative. We are wasting energy without awareness of public. Our objectives should be (a) investment, (b) cheaper electricity, and (c) small plants. He said that he is not very happy with the survey because of the methodology. Without following a random sampling approach, the survey cannot be scientific. He thinks that more agency group is important rather than public hearing. Donor agency has been doing well with their specific target. But we have to work for ours. Why don't we think for individual power station in pick-hour? Government should be able to buy electricity from solar stations.



Professor Shamsul Alam, Chittagong University of Engineering and Technology (CUET)

Professor Alam expressed his disappointment about the electricity reforms so far in the country. He emphasized on greater role of NRG members beyond attending meetings and discussing issues. He suggested that all the presentations and other documents produced under the project should be made in Bangla as well. He argued that government whatever is doing through bodies like DESA (Dhaka Electricity Supply Authority), people do not obtain benefit from this. For this reason we need clear consensus about our project objective and NRG's role, if it is unresolved, people will imagine that civil society is at risk. So he thinks it should be comprehensible of them. He added that NRG will be a pressure group; they will uphold people's interest. This group will help entrepreneurship. Consumers, government officials, academician and NRG will make a platform. This platform can influence the government in policy reforms. BEREC is encouraging privatization of electricity with the assistance of donors. REB provides services to people, which is now commercially provided,

but people could not understand earlier that it would be commercialized. Professor Alam suggested that we need meaningful reforms. We want to help people.



Dr. HKS Arefeen, Professor, Anthropology Department, Dhaka University

At first I congratulate Taifur Rahman and Monowar Hossein for this research report. I have learned more from this report. In this project, people's participation is very much important. I do not like donor, I have a dream that after 50 years, people will do better; their livelihood will be enhanced. My country's ownership will really in the hands of people; it is my dream. If they are responsive, they will think about their country and properties. We should know what our people are thinking. I think, if we go to the village, we will see villagers' livelihood, how they are thinking and how they are doing in a day, it is imperative for this project. Dr. Arefeen does believe there are many practices in Bangladesh, but there is no public hearing system. We need to raise people's voices. He hopes they will get together to go ahead.

M. Ismail Hossain, Professor of Economics, Jahangirnagar University

We should be clear on our budget. It has limitation. From academic point of view, any study should be scientific in its sampling. I am not very clear in that regard. What do you mean by electricity of quality? Since our civil society does not have any agenda regarding electricity, donors are pushing their agenda. We have to push our agenda to the government for people.



Arun Karmaker, Senior Reporter, Daily Prothem Alo

What is the government doing about electricity or energy sector? We wanted to know about it. The situation regarding demand of electricity has been presented. Activities relating that are required. Reform is an ongoing process, but the process is not right in the country anyway. People do not get any benefit from this, they are in painful situation. So, we will be aware of consumer's pains and if we can understand their real situation, we will be able to advocate properly.

Lt. Col (ret) Muhammad Faruk Khan, Ex-lawmaker (MP), Director of Summit Group of Companies

Let us talk about the role of NRG. Do we advocate at the policy level? We need efficiency, grassroots level education, awareness and affiliation. Our constitution is very clear. Government is responsible to help all sectors. Our parliament has a committee on energy. My party in June 2000, while in power, gave out a vision for the sector. We took part in debate in electricity reforms but next government did not follow the outset.





Mr. B.D Rahmatullah, Director (Training) of Rural Electrification Board (REB)

Mr. Rahmatullah said, consumer is the real owner of electricity. REB is a good institution. Collection is above 98%. We need greater awareness of the consumer groups. We need to talk about bureaucratic system of electricity. All reform should be done for the interest of public. Reform is in deep crisis for bureaucratic system.

Therefore, we want to be united within group, because it will work for people.

Taufur Rahman, in response to some of the comments explained that the baseline survey was conducted on a set of targeted consumers whose capacity will be enhanced through the project. So a purposive sampling was evident instead of a random one. This explanation of his was accepted by the discussants raising questions of the methodology of the baseline. Mr. Rahman also informed the Bangla version of all the documents produced in the project will be prepared and circulated.



Discussion on Territorial Training manual



Mr. Rajesh Kumar presented the outline of the manual and the draft manual was circulated among the members. Completing his presentation, he told that he has learnt a lot from this meeting. He further said that donor has a very clear agenda and that they follow that. He also said that we should have very clear agenda of RESA. He told that for example, if telecommunication can do for people, why not the same can be done in case of energy? He thinks that in the electricity sector reforms, people's participation is very

important. His hopes energy regulatory commission will consult public and learn from them.

Mr. Quamrul Islam said that the training manual is very specific. He cited example from the section on tariff and said that it is very specific and well articulated. He also talked about power generating system. He asked, we need fuel but how will it come? He said Farakka is one of the largest power plant projects. He mentioned in Bangladesh we always go for generating 20, 30 and 50 MW electricity but why? Why don't we go for more? He talked about inefficiency of power sector. He also mentioned we have technical loss of 10 to 12% and theft is much more. So we should have very accountable system, political blueprint, and a clear road map. **Lt. Col (ret) Muhammad Faruk Khan** said the Training Manual should be short and lucid and of course include policy discussion. He also said for a lucid booklet for politician. **Mr. B.D Rahmatullah** emphasized on public awareness about energy sector, particularly electricity. **Professor Shamsul Alam** said that the Training Manual should be operational. **Dr A.K. Enamul Haque** emphasized on developing NRG's work and creating pressure at policy level. He also said that the city authority should not allow constructing any building that stops sunlight. **Mr. Aurun Karmaker** mentioned that Air-Conditioner users consume 400 MW of electricity. Therefore, we have to think about different electricity uses. **Mr. Rajesh Kumar** said that we will make an outline after this meeting and incorporate comments in the Training Manual.

Dr Atiur Rahman concluded the meeting with a request to all to keep in touch to do something for Electricity in Bangladesh. Finally, he thanked all for attending the first National Reference Group Meeting.