



TERMS OF REFERENCE

Scaling-up Renewable Energy Program (SREP)

Joint Mission

July 27-30, 2015

Bangladesh



CONTEXT OF THE MISSION

1. The Climate Investment Funds (CIF) was established in 2008 with the goal of promoting international cooperation on climate change issues, and supporting the mitigation and adaptation efforts of low income countries. SREP was developed under the CIF umbrella that was approved in 2009 to demonstrate the social, economic, and environmental viability of low carbon development pathways in the energy sector. It seeks to create new economic opportunities and increase energy access through the production and use of renewable energy.

2. In June 2014, the SREP Sub-Committee approved the selection of 14 new SREP pilot countries, including Bangladesh, expanding to 27 the number of countries participating in the SREP program. Bangladesh was selected primarily due to the past efforts made by the Government to promote renewable energy projects and a low carbon economy, vulnerability of the country to the effects of climate change, the scale of impact achievable by moderate funding, and strong private sector participation in the energy sector among others. In September 2014, the Government of Bangladesh was invited to take a leadership role in working with the Multilateral Development Banks (MDBs) to develop a full SREP Investment Plan (IP). In January 2015, the SREP sub-committee agreed on an indicative allocation of up to \$75 million for Bangladesh, of which up to 45 percent can be provided as grant resources considering Bangladesh's low risk of debt distress. The advanced preparation grant of US\$ 300,000 was requested and approved in March 2015.

3. SREP will support investments to scale-up renewable energy generation in Bangladesh, and facilitate the development of the country's sustainable energy agenda. Bangladesh engagement in SREP activities is expected to result in:

- Development of a clean energy IP for the first five years that would help Bangladesh to scale up renewable energy and move towards low carbon development;
- Improved investment climate for private sector participation in the renewable energy sector;
- Enhanced legal and regulatory frameworks in the renewable energy sector.

4. During Phase I of the implementation of the SREP, the Asian Development Bank (ADB) and the World Bank Group (WBG), including the International Finance Corporation (IFC), have been supporting the Government of Bangladesh in developing the SREP IP in consultation with all relevant stakeholders. It was agreed that the World Bank would be the "lead MDB" and therefore coordinate the joint effort of the MDBs in the country. The finalization and endorsement of the IP by the SREP Sub-Committee will mark the beginning of implementation (Phase II).

PREPARATORY ACTIVITIES

5. Since Bangladesh was selected as a pilot country for the SREP, the Government of Bangladesh, supported by the MDBs has undertaken a number of preparatory activities including: (i) a Scoping Mission including consultations with various national stakeholders; (ii) a request for the advanced preparation grant of US\$ 300,000 which was approved by the MDB Committee; and (iii) Appointing a consultant firm, DHI Infrastructure, in association with Black and Veatch and Prokaushali Sangsad Ltd, to support the Sustainable and Renewable Energy Development Agency (SREDA) with the preparation of the SREP IP.

6. During January 26-28, 2015 the ADB and the World Bank Group participated in a Scoping Mission led by the Government. The objectives of the Scoping Mission were to:

- Identify relevant government counterparts, development partners and stakeholders for SREP activities;
- Formalize the establishment of a multi-stakeholder SREP Technical Team responsible for the preparation of the SREP IP ;
- Hold initial consultations to discuss the objectives of the SREP program, its benefits and the modalities of its implementation in Bangladesh to ensure a common understanding by all stakeholders;
- Consider the performance of a stocktaking of existing activities and documentation available on a range of analytical, strategic and programming activities related to renewable energy, which are considered important aspects of preparing the investment plan;
- Agree on the scope and outline of the investment plan;
- Agree on the scope of work, consulting services requirements and other supports required for preparing the SREP IP on a timely manner;
- Agree on the indicative level of financial support required from SREP for the Government of Bangladesh and the MDBs to prepare the SREP IP;
- Finalize the TOR for the selection of the consultant to support the Government with the preparation of the SREP IP; and
- Agree on the terms of reference for the next MDB Joint Mission.

7. During the Scoping Mission, preliminary consultations were held with government agencies, development partners, private sector, and local lending institutions to undertake stock taking of existing activities and documentation available on a range of analytical, strategic and programming activities related to renewable energy in Bangladesh and to explore the barriers to renewable energy development in Bangladesh and approaches for leveraging SREP funds to address these barriers.

8. Following the completion of the Scoping mission, the Government and the MDBs agreed on the following key activities to proceed with preparation and approval of the investment plan for Bangladesh:

- The IP and the prioritization of investments proposed in the IP to be aligned with the current national policy and strategy, including the National Renewable Energy Policy 2008 and the 500MW Solar Power Programme;
- Preliminary identification and characterization of a set of priority investments and technical assistance to be considered in the IP by the Government;
- The IP to include a broader set of renewable energy priorities to help the Government access not only SREP resources but also other sources of climate finance such as the Green Climate Fund (GCF);
- Initiate selection of the Consultant to assist the Government with development of the SREP IP;
- Submission of a preparatory grant request for SREP Phase I activities. It was agreed that the funds will be executed by the World Bank on behalf of the Government.

9. The Government indicated its intention to formally submit its SREP IP for approval at the SREP sub-committee meeting in November 2015.

JOINT MISSION

10. The MDBs are organizing this Joint Mission to assist the Government of Bangladesh with final planning and preparing the SREP IP for submission to the SREP sub-committee approval.
11. The proposed dates for the Joint Mission are July 27-30, 2015.
12. The objectives of the Joint Mission are outlined below:
- jointly with the Government and the main stakeholders discuss the progress with preparation of the Bangladesh SREP IP;
 - discuss with the Government and agree on the specific priority renewable energy projects to be supported under the SREP, taking into account SREP investment criteria and readiness for implementation, if the IP is approved;
 - agreeing on the next steps and the timetable to finalize the investment plan and to submit to SREP Sub-Committee for approval in November, 2015
13. The expected outputs of the Joint Mission are:
- completion of a consultation process engaging the Government and relevant stakeholders in the design of SREP support to Bangladesh;
 - identification of specific renewable energy priority projects that would be ready for implementation and be supported by the Government, if the investment plan is approved;
 - agreed timetable for the next steps of preparation of the Bangladesh SREP IP;
 - an Aide Memoire describing the process, key findings and recommendations of the Joint Mission

COMPOSITION OF THE MISSION

14. The Scoping Mission will be coordinated by the Government of Bangladesh.
15. The SREP mission team will include Gevorg Sargsyan (Program Manager, World Bank), Zubair Sadeque (Senior Energy Specialist, World Bank), Joonkyung Seong (Energy Specialist, World Bank), Joyita Mukherjee (Senior Operations Officer, IFC), Chandrasekhar Govindarajalu (Senior Energy Specialist, IFC), Kamal Dorabawila (Principal Investment Officer, IFC), Jiwan Acharya (Senior Climate Change Specialist, Clean Energy, ADB), Priyantha Wijayatunga (Principal Energy Specialist, ADB), Hongwei Zhang (Finance Specialist, ADB), Paul Stefan Hattle (Senior Climate Change Specialist, ADB), and Md. Saidur Rahman (Project Officer, ADB).
16. The MDBs focal points for SREP in Bangladesh are:
- WB: Gevorg Sargsyan (gsargsyan@worldbank.org)
 - IFC: Joyita M. Mukherjee (jmukherjee1@ifc.org)
 - ADB: Jiwan Acharya (jacharya@adb.org)

17. The Government focal point for SREP is: Mr. Tapos Kumar Roy, Chairman, Sustainable and Renewable Energy Development Authority (SREDA) (taposk_roy@yahoo.com)

18. Table I presents a tentative agenda and timetable for the activities for the Joint Mission.

Table I: Tentative Agenda and Timetable

<i>Time</i>	<i>Meeting</i>	<i>Participants</i>	<i>Venue</i>
<i>Monday, July 27, 2015</i>			
AM	Internal kick-off meeting	Mission members	SREDA
PM	Kick-off meeting with SREDA	Mission members	TBC
<i>Tuesday, July 28, 2015</i>			
AM	Secretary, Power Division	SREDA, mission members	TBC
PM	Secretary, ERD, Ministry of Finance	SREDA, mission members	TBC
<i>Wednesday, July 29, 2015</i>			
AM	Executive Director and CEO, IDCOL	Mission members	TBC
PM	Bangladesh Energy Regulatory Commission (BERC)	Mission members	TBC
<i>Thursday, July 30, 2015</i>			
AM	Chairman, Bangladesh Power Development Board	Mission members	TBC
PM	Bangladesh Renewable Energy Association	Mission members	TBC

ANNEX 1: LIST OF STAKEHOLDERS

Government		
Mohammad Mejbahuddin	ERD, Ministry of Finance	Senior Secretary
Monowar Islam	Power Division	Secretary
Kazi Shofiquil Azam	ERD, Ministry of Finance	Additional Secretary
Tapos Kumar Roy	SREDA	Chairman
Siddique Zobair	SREDA	Member
Mahmood Malik	Infrastructure Development Company Limited (IDCOL)	Executive Director and CEO
Engr. Md. Shahinul Islam Khan	Bangladesh Power Development Board	Chairman
Multilateral Development Banks (MDBs)		
Zubair Sadeque	World Bank	Senior Energy Specialist
Gevorg Sargsyan	World Bank	Program Manager
Joonkyung Seong	World Bank	Energy Specialist
Joyita Mukherjee	IFC	Senior Operations Officer
Chandrasekhar Govindarajalu	IFC	Senior Energy Specialist
Kamal Dorabawila	IFC	Principal Investment Officer
Jiwan Acharya	ADB	Senior Climate Change Specialist, Clean Energy
Priyantha Wijayatunga	ADB	Principal Energy Specialist
Hongwei Zhang	ADB	Finance Specialist
Paul Stefan Hattle	ADB	Senior Climate Change Specialist
Md. Saidur Rahman	ADB	Project Officer