



Energy Efficiency: Prevalent Practices & Policy Perspectives



The Institute for Policy, Advocacy, and Governance

Energy Efficiency: Prevalent Practices & Policy Perspectives

March 2017

Edited by

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Chairman

The Institute for Policy, Advocacy, and Governance (IPAG)

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First Published: March 2017

ISBN 978-984-34-2446-4

This book should be cited as:

Khasru, Syed Munir, ed. *Energy Efficiency: Prevalent Practices & Policy Perspectives*. 1st ed. Vol. 1. Dhaka: IPAG, 2017. Print.

Price: BDT 1,150/USD 22.00

Published by:

The Institute for Policy, Advocacy, and Governance (IPAG)

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Table of Contents

<i>Foreword</i>	1
<i>Felicitations from the State Minister of Power, Energy & Mineral Resources, Government of Bangladesh</i>	3
<i>Felicitations from the Secretary, Energy and Mineral Resources Division, Government of Bangladesh</i>	5
1 From 'Invisible' to 'First' Energy: Policy Changes for Catalyzing Transformation towards Energy Efficiency	7
2 Creating Effective Policy Environment for Improved Energy Performance in Industries	17
3 Sustainability, Energy and Development, Does Energy Efficiency and Conservation Matter?	27
4 Smart Cities in Developing Countries: Pathway to Energy Efficiency	39
5 Top 1000 Energy Efficiency Program in China	47
6 Energy Efficiency: A Cross-Country Perspective	59
7 Sustenance of Industrial Energy Efficiency: The Case of Bangladesh	71
8 Energy Efficiency Policy for Sustainable Economic Growth in Singapore	89
9 Women in Energy Efficiency: An Ideological Shift through Alternative Gender Promotion	103
10 Implementing Energy Efficient Behavior among Residential Consumers: Lessons for Bangladesh	109
11 Modelling the Energy Efficiency Market for Bangladesh	121

Foreword



Prof. Syed Munir Khasru

Chairman
The Institute for Policy, Advocacy, and
Governance (IPAG)

Bangladesh has made remarkable achievements in major socio-economic indicators. From poverty alleviation, women's education, to access to basic healthcare, Bangladesh has made significant progress in the last three decades. The 'Sustainable Development Vision 2021' aims to elevate the country to a Middle-Income Country by 2021 where sustainable and environment-friendly infrastructure development, particularly expanding renewable sources of energy and application of low carbon strategies, would play a critical role.

Bangladesh, with its steady economic growth, faces an escalation in its energy demands to effectively respond to the growing needs. However, due to inadequate infrastructure, weak regulations, poor coordination mechanisms among counterparts, the renewable energy market is yet to fully exploit its potential and the country is largely dependent on fossil fuels. Bangladesh aims to maintain the successes achieved in Millennium Development Goals (MDGs) and replicate the same for the Sustainable Development Goals (SDGs) by 2030. To achieve these targets, comprehensive and synchronized strategies and action plans are needed to promote cost effective, green, and sustainable energy.

Access to reliable and reasonably priced energy, particularly by industry, agriculture, and the commercial sector is an vital prerequisite for any type of

investment, domestic or foreign. There is a need to develop extensive knowledge about scopes of expanding energy efficiency in large scale commercial and industrial sectors. Knowledge and skills need to be shared, leveraged, and disseminated among experts, policymakers, and industrial stakeholders. It is crucial to identify prospects and overcome challenges to ensure greater cooperation and finding suitable methods for expanding energy efficiency in Bangladesh.

IPAG is delighted to bring about the publication titled, '**Energy Efficiency: Prevalent Practices & Policy Perspectives**', which provides key benchmarks, pertinent case studies, and reflects the thoughts, ideas, and intellectual prowess of international and national experts and researchers. This publication will benefit a broad spectrum of stakeholders which among others include high-level government officials & senior policymakers, experts & practitioners, and other important international stakeholders in the energy & power sector. The initiative is part of IPAG's strong commitment to promote highest standards of professional excellence and performance standards in accomplishing the goal of energy efficiency in Bangladesh. In that journey, we welcome comments and feedback from the readers so that we may continue serving the power & energy sector well with our intellectual output. Our sincere gratitude to all the contributors of the book without whose support and cooperation, we could not have done it.

Felicitations

Nasrul Hamid MP

State Minister

Ministry of Power, Energy & Mineral Resources

Government of Bangladesh



Bangladesh, with its steady progress has a great need for reliable and stable supply of power and energy. The Government of Bangladesh has embarked on numerous positive initiatives and achieved significant progress in promoting renewable sources of energy and ensuring energy security for a larger segment of the population.

On the other hand, climate change is now affecting every country of the world, especially ones in precarious geographical locations like Bangladesh. Climate change is disrupting national economies and affecting lives, costing people, communities and countries dearly. Therefore, affordable, scalable solutions need to be expanded to enable countries to advance towards cleaner, more resilient economies paired with sustainable growth.

I am pleased that during the ‘International Energy Efficiency Day 2017’, the Institute for Policy, Advocacy, and Governance (IPAG) has taken the initiative to organize a Seminar enabling the meeting of global experts in Dhaka to deliberate on key issues related to international best practices, national energy policies from which participants can benefit. The event also will provide opportunities for in-depth discussion and deliberation among policymakers, experts, and professionals on different issues pertaining to sustainable development of the energy sector.

The publication titled “Energy Efficiency: Prevalent Practices & Policy Perspectives” that is being released on this occasion is quite praiseworthy as it would help the stakeholders with access to specific policy initiatives, proposals as well as to learn from the international best practices in this sector. The stimulating commentaries from some of the academics and strategists of the sustainable energy sector from home and abroad would help all concerned in enriching their knowledge and strengthening their understanding of the underlying forces of this segment. I commend IPAG for successfully organizing the seminar and publishing the book on this occasion.

Felicitations



Nazimuddin Chowdhury

Secretary
Energy and Mineral Resources Division
Government of Bangladesh

Congratulations to the Institute for Policy, Advocacy, and Governance (IPAG) on successfully publishing the book “Energy Efficiency: Prevalent Practices & Policy Perspectives”. I hope the book will provide new and innovative ideas to improve the scenario of Energy Efficiency (EE) in Bangladesh. It is very encouraging to see all levels of stakeholders engage in discussions, share technical knowledge, and provide avenues regarding the goal of ensuring energy security through EE.

IPAG, joining hands with the Ministry of Power, Energy and Mineral Resources, Government of Bangladesh (MoPEMR), has also organized a seminar to observe the ‘International Energy Efficiency Day 2017’. I hope the seminar will offer prospects to widen professional expertise, exchange ideas, share knowledge, and discuss means to consolidate the approaches to ensure energy efficiency in Bangladesh.

In order to maintain a sustainable GDP growth of 7% and above up to 2020 and beyond, the Government of Bangladesh (GOB) needs to meet the essential energy needs of the people and industries. For this purpose, demand-side energy management is just as important as supply-side infrastructure development. The Government of Bangladesh aims to support private and non-governmental sector driven development and dissemination of renewable energy by 2021. Solar energy is being used in many countries as an alternative to hydro and other sources of power. As

part of a Master Plan for Power Development to efficiently use our existing limited energy supply, the government intends to adopt policies in the short term to promote the use of solar power for household uses in urban areas in order to release additional power for industrial uses.

The longer term strategy of this Plan will be to provide guidelines for other economic sectors that are involved to increase both the investment and the operation of small and medium size hydro power stations, to classify areas to be supplied with electricity from the national grid or by local sources. The aim is to expand the use and technology to make renewable energy more cost-effective and reduce dependence and pressure on biomass fuels. The Government plans to also take advantage of Clean Development Mechanism (CDM) policies to secure external funding in the areas of energy efficiency, development of alternative sources of energy, and enhancing carbon storage capacity in the country.

EE is about national energy security; the Government can reduce import of expensive fuels, which is expected to increase in early 2020's, and improve the international balance of payments. Since, energy efficiency and conservation is a crucial issue the Government of Bangladesh has issued the Energy Efficiency and Conservation Master Plan 2015, and declared our unyielding commitment towards its implementation. We strongly believe that our success will largely depend on learning from international success stories, adhering to best practices, and collaborating with all the contributors in the sector.