

**Special Remarks by the Secretary General of BIMSTEC at the Fifth Meeting of the
BIMSTEC Senior Officials on Energy
19 April 2022, Kathmandu, Nepal [Virtual]**

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- H.E Mr. Devendra Karki, Secretary, Ministry of Energy, Water Resources & Irrigation of the Government of Nepal;
- Excellencies, Distinguished Delegates; Ladies and Gentlemen;

Greetings from Dhaka and a very *Good Morning!*

Firstly, I would like to express my gratitude to the Government of Nepal for hosting the 5th Meeting of the BIMSTEC Senior Officials on Energy. The 5th BIMSTEC Senior Officials Meeting of Energy, was much awaited, as the Senior Officials of Energy had stopped meeting for more than 5 years. With today's meeting, we hope the vigor and importance of energy cooperation in the BIMSTEC region, as envisioned by our Leaders and emphasized repeatedly in all Summits, will be renewed.

For this, the Secretariat would like to extend our deep appreciation, to the Ministry of Energy, Water Resources and Irrigation of the Government of Nepal, for taking the lead in organizing today's Meeting. Our sincere gratitude, also goes to all the distinguished delegates from other Member States, for extending their kind cooperation.

Excellences, Distinguished Delegates,

Right from the early years of the establishment of BIMSTEC, the Leaders recognized the enormous potential, in the hydropower and renewable energy area that the region has, which can be harnessed from its abundant natural resources. With one of the fastest growing economies, the energy needs of the BIMSTEC Member States, is immense and continuous to increase rapidly. Therefore, realizing the importance of benefits from harnessing this potential, energy sector was identified, as one of the core areas of BIMSTEC cooperation, as early as 1998.

The First BIMSTEC Energy Ministers conference was held in New Delhi on 4th Oct 2005, during which, the Ministers agreed on the BIMSTEC trans-power exchange, and Grid Interconnections amongst the BIMSTEC Member Countries, to enable flow of electricity across the BIMSTEC region. **A Plan of Action** for Energy Cooperation in BIMSTEC was also adopted, with the setting up of Institutional Mechanisms and Task Forces, to coordinate Energy Cooperation in the region.

The Second BIMSTEC Energy Ministers Meeting was held in March 2010 in Thailand, during which, they agreed to have a Memorandum of Understanding (MoU) of Trade in Electricity, a BIMSTEC Master Plan to provide technical and economic viability, and to establish a BIMSTEC Energy Centre in India. The Second BIMSTEC Energy Ministers Meeting, also agreed that, the Senior Officials of Energy will meet annually, and the Energy Ministers Meeting will be held every two years to follow up and monitor the progress in energy cooperation.

Excellencies,

Although we have a well – structured institutional mechanism, and clear directives provided by the Leaders, I must report, that the progress in the energy sector is rather very slow and nominal.

The BIMSTEC Energy Senior Officials Meeting has so far met only 4 times, with the 5th Meeting taking place today after a gap of 5 years. The Second BIMSTEC Energy Ministers Meeting was held in 2010, and the third Meeting that will take place tomorrow, will be after a gap of 12 years.

Similarly, the Energy Expert Group Meetings and BIMSTEC Grid Interconnection Committee Meetings, have also been slow and irregular.

Excellencies, Distinguished Delegates,

On 22nd January 2011, the Member States signed the Memorandum of Association to set up a BIMSTEC Energy Centre (BEC). The Secretariat would like to report that currently, the establishment of the Centre is at a very initial stage.

The Governing Board of the BIMSTEC Energy Centre, with the nominations from Member States, have been formed only recently, and the First Governing Board Meeting that was scheduled on 6th April 2022 has been further postponed due to inconveniences of some Member States. Therefore, the First Meeting of the Governing Board of the BIMSTEC Energy Centre is yet to be held although the Memorandum of Association was signed in 2011.

The Memorandum of Understanding for Establishment of the BIMSTEC Grid Interconnection, was signed in 2018 during the Fourth BIMSTEC Summit held in Kathmandu. As per the Article 3 of the MOU, a BIMSTEC Grid Interconnection Coordination Committee was formed to coordinate the implementation of grid interconnection and trade in electricity, and its First Meeting was held in June 2021.

As recommended by the Meeting, the Government of Bangladesh had expressed its willingness to develop the BIMSTEC Policy for Transmission of Electricity and BIMSTEC Policy for trade, exchange of electricity and Tariff Mechanism.

Meanwhile, the Secretariat has also received a proposal from CUTS International, expressing their interest to conduct a study on transmission of electricity and policy for trade. I hope their proposal will be discussed in the Meeting today, and if approved, one of the studies can be taken up immediately.

In accordance with the directives, received from the Second BIMSTEC Energy Ministers Meeting to develop a BIMSTEC Grid Interconnection Master Plan Study, the Secretariat has initiated a Concept Paper for BIMSTEC Grid Interconnection Master Plan study and its Terms of Reference, in partnership with the ADB, which has been circulated to all Member States. The Secretariat and ADB are currently waiting for comments and concurrence to go ahead.

Excellencies,

The importance of coordinating energy in the seven Member States has been emphasized during the previous Summits, by the previous BIMSTEC Energy Ministerial Meetings, and recently, re-emphasized, by the Leaders during the 5th BIMSTEC Summit. Therefore, I hope that all the BIMSTEC Energy Sector Mechanisms give utmost importance in establishing the BIMSTEC Energy Centre, finalize the BIMSTEC Master Plan, and hold the Senior Officials and Ministers Meetings at regular intervals.

In conclusion, I would like to once again commend the Government of Nepal for hosting the long awaited BIMSTEC Energy Senior Officials Meeting. I hope that this Meeting will revitalize the BIMSTEC Energy Sector.

And, as India takes over as the Lead Country of Energy sector after the reconstitution of sectors in the 5th BIMSTEC Summit held recently, I would like to take this opportunity to assure India of the Secretariat's commitment to work closely together. We look forward to India's leadership to further advance the BIMSTEC Energy Cooperation.

Thank you.
