

	digital connectivity energy transport health education and research	YES <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	NO <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	
	Migration @ (methodology for tagging under development)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities @ (methodology for marker and tagging under development)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Covid-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>BUDGET INFORMATION</b>				
<b>12. Amounts concerned</b>	Budget line(s) (article, item): BGUE-B2022-14.020131-C1-INTPA Total estimated cost: EUR 8 000 000 Total amount of EU budget contribution EUR 5 000 000 This action is co-financed in joint co-financing by GIZ for EUR 3 000 000 Germany (through GIZ) as part of the Team Europe Initiative on Green Energy Transition (TEI GET) will support this Action.			
<b>MANAGEMENT AND IMPLEMENTATION</b>				
<b>13. Type of financing<sup>1</sup></b>	<b>Indirect management</b> with the entity(ies) to be selected in accordance with the criteria set out in section 4.3.1			

## 1.2 Summary of the Action

Bangladesh's economic growth and the reduction of the socio-economic inequalities cannot be achieved without affordable, reliable, sustainable and modern energy for all, reduced greenhouse gas (GHG) emissions, and reduction of the economic cost of pollution<sup>2</sup>. The country's GDP growth requires a higher energy demand, leading to increased ecological degradation alongside. At the same time, energy production and utilisation is the single biggest contributor to global warming. Worldwide, to reach the objectives of the Paris Agreement on Climate Change, the EU Green Deal and the Agenda 2030 for Sustainable Development, a significant effort is needed to decarbonize the energy sector through increasing the share of renewable energy and enhance energy efficiency.

In view of the country's graduation from least developed countries (LDC) list (2026), energy, is widely seen as a strategic sector in boosting economic growth. Demand for electricity is projected to reach 50,000 megawatts (MW) by 2041<sup>3</sup>. The country's current energy generation mix is dominated by fossil fuels, with a renewable energy (RE) share of only 3%, despite the Government's initial target of 10% by end of 2020. In terms of energy efficiency and affordability, transmission and distribution losses remain a critical issue, higher than the regional average, with social, economic and environmental consequences. Also, the grid infrastructure and its ancillary services need increased flexibility and control, as well as resilience, in view of integrating the planned growing share of variable and intermittent renewable energy sources. This requires targeted policies (and their implementation) to advance the integration of variable renewable energy sources focused on market design, improving electricity transmission and distribution system infrastructure.

<sup>1</sup> Art. 27 NDICI

<sup>2</sup> <https://www.tbsnews.net/environment/bangladesh-loses-14bn-year-air-pollution-44359>

<sup>3</sup> Power System Master Plan (PSMP), 2016 and BPDB, 2019-20 annual report