

Concept Paper

Virtual Consultative Workshop on “Cross Border Electricity Trade in SAARC Region: Challenges and Investment Opportunities”

Background:

South Asian countries which are facing challenges in meeting growing electricity demand can benefit from increase in cross border electricity cooperation and trade by harnessing complementarities in electricity demand patterns, diversity in resource endowments for power generation and gain from larger market access. It is important for SAARC Member States to have power interconnections with neighboring countries for stable base load supply, energy diversification and climate change mitigation.

There is vast potential for regional energy cooperation which would improve the utilization of existing resources, development of future energy resources and regional energy security. Countries could benefit by developing their generation capacities in an integrated manner. Regional trade in electricity would benefit in optimal utilization of regional electricity generating resources, enhance grid security and electricity trade arising from diversity in peak demand and seasonal variations. Currently, most of the power trade between the South Asian countries are bilateral in nature however trend is shifting towards more private sectors participation. There is a need to enhance multilateral trade for sharing the benefit across the region and reap its benefits as envisioned by the SAARC leaders

Introduction:

In this context, SEC under thematic area of “Programme on Energy Trade between the SAARC Countries (PENT)”, proposes a Virtual Consultative Workshop on “Cross Border Electricity Trade in SAARC Region: Challenges and Investment Opportunities”. The proposed workshop will be a one-day activity and will consist of presentations from various experts from the SAARC region, while effort will be made to invite external experts as well to share their experience on cross border electricity trade outside SAARC region. Experts will share on current status, barriers, absence of cross border regulatory commissions, importance of SAARC power exchanges, impact of national electricity sector policies, transmission pricing, energy metering, accounting, clearing and payments, challenges and investment opportunities. In addition, there will be an interactive session with the audience.

Objectives:

The objective of the workshop is to have a consultative approach towards the Cross-Border Electricity Trade among SAARC Member States. During the event, experts will delve into various provisions of Cross Border Electricity Trade. The motive is to collectively discuss a way-forward on the Cross-Border Electricity Trade which could be recommended to appropriate SAARC forums. The interaction resulting from this workshop is expected to facilitate professional exchange and initiate cooperation between the stakeholders from public and private sectors.

Major Aspects /Topics to be Covered:

The following aspects of CBET shall be covered in the workshop:

1. Dissemination of the knowledge on cross border electricity trade.
2. Discuss the Operation of Power Exchanges and way forward for regional power exchanges
3. Energy Trade in short, medium and long term.
4. Discussion on optimal utilization of regional electricity generating resources, enhancement of grid security, and electricity trade arising from diversity in peak demand and seasonal variations.
5. Expected Challenges and their solutions.
6. Knowledge sharing and interactive discussions.

Venue of the Workshop:

This workshop shall be broadcasted from the office of SAARC Energy Centre, Pakistan.