



Action Guide for BIDA, BPDB, and SREDA to Improve Renewable Energy Investment Facilitation: Based on CPD Study Recommendations

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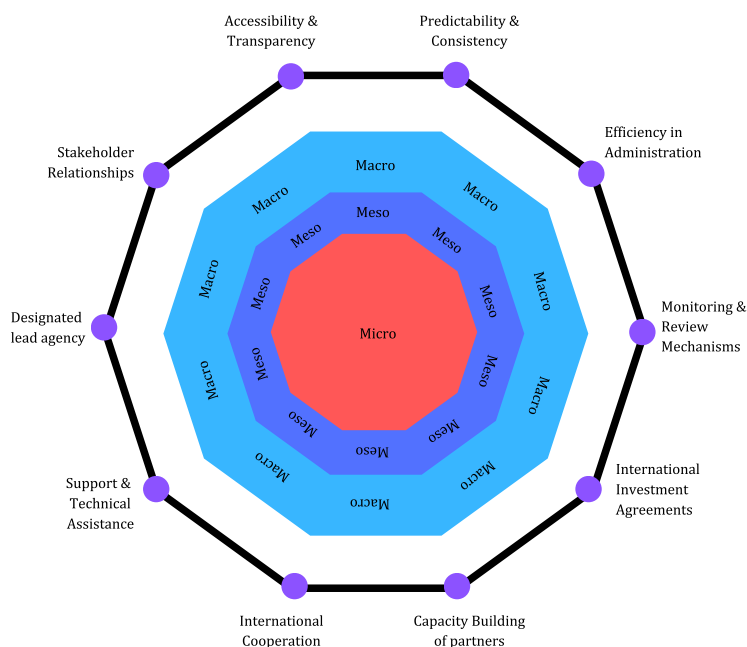
1. Introduction: Exploring A Model for Investment Facilitation

Bangladesh needs large-scale foreign investment to shift towards a renewable energy-based system and achieve its national targets for renewables. Despite its open investment policy, it has not achieved the expected growth in foreign investment. In reality, less than one-third of submitted foreign investment proposals become operational, mainly due to legal, institutional, and operational challenges.

Foreign investment has been playing a key role in Bangladesh's renewable energy sector. Yet, investors face difficulties at different stages of the investment cycle. From time to time, different government agencies have taken steps to encourage foreign investment, but most of these focus on **investment promotion**. For countries like Bangladesh, these efforts will not be enough unless they are matched with strong **investment facilitation** measures. This action guide is based on a study by the Centre for Policy Dialogue (CPD), looks at the investment facilitation situation in Bangladesh's renewable energy sector, focusing on the challenges faced by Chinese investors. The study reviewed institutional and operational practices in different phases, identified bottlenecks that cause delays, studied global best practices, and proposed reforms to improve the investment environment.

The study used a multi-aspect framework for assessing Bangladesh's investment facilitation, based on the UNCTAD Action Menu for Investment Facilitation. Investment facilitation refers to steps that make the investment process more efficient, transparent, and predictable for both domestic and foreign investors. To understand the real situation, a detailed questionnaire was prepared, covering: regulatory transparency and predictability, electronic governance, focal points, application process, cooperation between agencies, responsible business conduct, and anti-corruption.

Figure 1: UNCTAD's Global Action Menu for Investment Facilitation in Multiple Levels



Source: Author's Illustration

Instead of calling for a full structural overhaul, the study suggests a retrofitting approach, making targeted improvements to existing systems to remove inefficiencies without disturbing the core framework. This can bring faster results, strengthen investor confidence, and encourage growth in renewable energy investment. The study gathered field data using the questionnaire, along with interviews with experts, investors, company officials (local and foreign), government representatives, and desk research. Overall the study found that the facilitation performance is mixed and uneven, showing an inefficient system. Targeted reforms in digitalization, institutional capacity, and transparency will be essential to effectively facilitate foreign investment in the renewable energy sector.

It is important that the main agencies in the renewable energy investment ecosystem, which have the power to improve the process, have clear guidelines to find and solve problems. Keeping this in mind, CPD has prepared this document to give specific action guidelines to Bangladesh Investment Development Authority (BIDA), Bangladesh Power Development Board (BPDB), and Sustainable and Renewable Energy Development Authority (SREDA).

2. Role of BIDA in Improving Investment Facilitation for Renewable Energy Sector

The Bangladesh Investment Development Authority (BIDA) holds a central and strategic position among the various government agencies and ministries involved in the investment ecosystem of Bangladesh. As the lead agency mandated to promote and facilitate investment, BIDA's role extends beyond foreign investors, it is equally critical for supporting domestic investors. It is widely acknowledged that a system designed to be efficient and investor-friendly for local investors will inherently become more accessible and reliable for foreign investors as well.

Throughout the establishment and implementation phases of renewable energy business projects, BIDA remains engaged at multiple touchpoints: from company registration, project registration, and industrial approvals to facilitating tax and VAT incentives. As the custodian of the One Stop Service (OSS) platform, BIDA is uniquely placed to lead systemic reforms, streamline inter-agency coordination, and ensure that investment-related services are delivered in a transparent and timely manner. In the context of renewable energy, BIDA can play a pivotal role in removing administrative bottlenecks, enabling effective stakeholder cooperation, and ensuring investor aftercare. Strengthening BIDA's facilitative and coordinating capacities will be essential for accelerating private sector participation in Bangladesh's energy transition.

The following tables outlines specific recommended actions for BIDA aimed at enhancing investment facilitation in Bangladesh's renewable energy sector. Please note that due to **limited available information** on all operational aspects, some actions may not fully reflect initiatives currently undertaken by the agency.



Table 1: Actions for BIDA to Improve Regulatory Transparency & Predictability

What is happening	What should be done	What will be the effect	Agencies to be involved
Partial enquiry points established to assist foreign investors, but no full A-Z support	Establish a dedicated, well-publicized enquiry/help desk at BIDA specifically for renewable energy investors including Chinese investors	Improved investor access to clear, timely information and support, reducing confusion and delays	SREDA, Ministry of Power, Bangladesh Foreign Missions
Facilities provided by BIDA in Export Processing Zones (EPZs) lack publicly accessible details on investment incentives or subsidies	Publish and regularly update detailed information on all investment incentives and subsidies available through BIDA, including those for EPZs	Increased transparency and investor confidence leading to higher application rates	National Board of Revenue (NBR), Ministry of Commerce
Investment-related laws, regulations, and documents are mostly in English; no availability in Chinese or other languages used by key foreign investors	Translate key regulatory documents, guidelines, and procedures into Chinese and other relevant languages	Better understanding and smoother navigation of regulatory environment by Chinese investors	Ministry of Foreign Affairs, SREDA
Contact details of competent authorities for renewable energy investments exist but are not readily accessible or centralized	Create and maintain an easily accessible centralized contact directory on BIDA's website and investor portals	Faster communication, easier problem resolution, and better investor facilitation	SREDA, BPDB
Information on fees, charges, and financial obligations is not organized or disclosed clearly	Organize and disclose all fee structures related to renewable energy investment processes on official platforms	Reduced uncertainty and planning risks for investors	Ministry of Finance, NBR

Source: CPD's Study on investment facilitation in RE sector (2025)

Table 2: Actions for BIDA to Improve Electronic Governance

What is happening	What should be done	What will be the effect	Agencies to be involved
National investment website exists. Though improving, it provides insufficient	Upgrade and expand BIDA's investment portal to include comprehensive, sector-specific details and user-friendly	Improved access to relevant information, enabling better informed investment decisions	Ministry of ICT, SREDA, BPDB



information for investors	navigation for renewable energy investors		
Electronic payment systems for fees and taxes mostly require in-person bank transactions	Develop and implement fully functional e-payment systems integrated with BIDA's portal for all investment-related fees and charges	Faster, more convenient transactions reducing delays and errors	Bangladesh Bank, NBR
Online business registration system is not available	Launch an online business registration and application submission system at BIDA connected with other agencies for renewable energy projects	Streamlined registration process, reduced processing time, and better tracking	Registrar of Joint Stock Companies and Firms (RJSC), Ministry of Commerce
Electronic document submission is only partially accepted	Enable full acceptance of electronic document submissions and digital signatures for all BIDA procedures	Reduced paperwork, faster processing, and more efficient communication	Ministry of Law, Ministry of ICT
Investors cannot track the status of their applications online	Implement an online application tracking system within BIDA's portal for transparency and timely updates	Increased investor confidence and reduced uncertainty	Ministry of ICT, BPDB
Single window system for submitting and processing investment applications online is not fully functional	Develop a fully integrated and functional single window system linking BIDA with relevant agencies for renewable energy investments	Simplified procedures, reduced duplication, and faster approvals	SREDA, BPDB, Ministry of Finance

Source: CPD's Study on investment facilitation in RE sector (2025)

Table 3: Actions for BIDA to Improve on Focal Point & Review Procedure

What is happening	What should be done	What will be the effect	Agencies to be involved
No specific focal point or ombudsman dedicated solely to foreign investment complaints; BIDA operates in a limited capacity	Establish a dedicated, well-resourced foreign investment focal point within BIDA to coordinate complaints, provide guidance, and facilitate resolution	Improved investor grievance handling, quicker dispute resolution, and increased investor trust	Ministry of Law, Ministry of Foreign Affairs, SREDA
Focal point role fragmented with limited capacity to accept, forward, and address complaints	Build institutional capacity of BIDA focal point for complaint management and establish formal communication channels with other agencies	More effective complaint processing and inter-agency coordination	BPDB, Ministry of Power
Lack of proactive engagement with investors to address concerns and no	Organize regular investor engagement forums and feedback sessions at BIDA,	Enhanced investor-government dialogue, better understanding of	SREDA, Bangladesh Foreign Missions



regular meetings with foreign-invested companies	especially targeting renewable energy investors	issues, and tailored policy improvements	
Absence of effective monitoring and follow-up on implementation of solutions for complaints	Implement a monitoring system within BIDA to track resolution progress and enforce corrective actions	Increased accountability and improved investor satisfaction	Ministry of Law, Ministry of Finance
Single window for investment applications established but not fully effective or user-friendly	Upgrade the BIDA single window system for user friendliness, efficiency, and transparency, incorporating investor feedback	Reduced procedural delays, greater ease of doing business	Ministry of ICT, BPDB

Source: CPD's Study on investment facilitation in RE sector (2025)

Table 4: Actions for BIDA to Improve Application Process

What is happening	What should be done	What will be the effect	Agencies to be involved
Availability of multiple-entry business visas is confirmed but the visa receiving process is not smooth and prompt for investors	Facilitate frequent investor visits following the example of other countries like China	Faster, hassle-free investor entry improving ease of business. Increased ease for investor mobility and project supervision	Ministry of Foreign Affairs

Source: CPD's Study on investment facilitation in RE sector (2025)

Table 5: Actions for BIDA to Improve Inter-agency Cooperation

What is happening	What should be done	What will be the effect	Agencies to be involved
Cooperation among agencies involved in investment management is very limited	Strengthen inter-agency collaboration frameworks and formalize regular coordination meetings involving BIDA	Improved coordination reduces procedural delays and overlaps, enhancing investor experience	BPDB, SREDA, Ministry of Power, Ministry of Finance
BIDA officials participate in international training programs	Expand training programs and include knowledge sharing sessions on sector-specific investment facilitation for renewable energy	Enhanced institutional capacity to support foreign investors effectively	Ministry of ICT, International Development Partners
Information exchange between agencies on investment opportunities and domestic investors is limited	Establish a centralized and regularly updated information-sharing platform accessible by all relevant agencies	Better information flow leads to quicker decision-making and investor support	BPDB, SREDA, Ministry of Commerce



Domestic supplier database for renewable energy investments is under development by BIDA	Accelerate completion and maintenance of the supplier database and ensure it is accessible to foreign investors	Facilitates investor sourcing and supply chain integration, boosting investment attractiveness	Ministry of Commerce, Industry Associations
Limited support for accession to multilateral or regional investment facilitation conventions	Explore and support BIDA's accession to relevant international investment facilitation agreements	Aligns Bangladesh with global standards, attracting more foreign investments	Ministry of Foreign Affairs, Ministry of Commerce
Limited regular consultations with investors, including Chinese investors	Institutionalize frequent consultations and dialogue platforms for investors to voice concerns and suggestions	Enhanced investor engagement and timely problem resolution	BPDB, SREDA

Source: CPD's Study on investment facilitation in RE sector (2025)

3. Role of BPDB in Improving Investment Facilitation for RE Sector

The Bangladesh Power Development Board (BPDB) plays a crucial role within the renewable energy investment ecosystem in Bangladesh, primarily focusing on the development, operation, and management of power generation projects, including solar power plants. As the key implementing agency for utility-scale renewable energy projects, BPDB is responsible for project planning, tender administration, technical evaluation, and coordination with other government bodies throughout the project lifecycle.

BPDB's involvement spans from site selection and tender issuance to evaluation, approval, and post-award project monitoring. The agency's commitment to an open and transparent tendering process is essential for attracting both domestic and foreign investors, including Chinese companies, to participate in renewable energy projects. However, operational challenges such as the partial reliance on paper-based processes, prolonged multi-layered approvals, and coordination gaps with other agencies sometimes hinder timely project execution.

The following tables outlines specific recommended actions for BPDB aimed at enhancing investment facilitation in Bangladesh's renewable energy sector. Please note that due to **limited available information** on all operational aspects, some actions may not fully reflect initiatives currently undertaken by the agency.

Table 6: Actions for BPDB to Improve Regulatory Transparency & Predictability

What is happening	What should be done	What will be the effect	Agencies to be involved
No dedicated enquiry points specifically within BPDB to assist foreign investors in renewable energy	Establish a dedicated enquiry desk or help center at BPDB for foreign investors, including Chinese investors	Improved accessibility and quicker resolution of investor queries	BIDA, SREDA



Legal transparency exists but information is scattered and poorly localized	Centralize publication of BPDB's renewable energy regulations and make them accessible in multiple languages	Increased clarity and easier access for investors, especially foreign ones	Ministry of Power, BIDA
Judicial decisions on investment disputes involving BPDB projects are not publicly available	Develop a public repository or regular reports on dispute resolutions and judicial outcomes related to BPDB projects	Enhanced transparency and investor confidence in dispute resolution	Ministry of Law, Judiciary
International agreements related to power and energy investment involving BPDB are not publicly accessible	Coordinate with relevant agencies to publish key international treaties and agreements related to renewable energy projects	Better investor awareness of protections and obligations	Ministry of Foreign Affairs, BIDA

Source: CPD's Study on investment facilitation in RE sector (2025)

Table 7: Actions for BPDB to Improve Electronic Governance

What is happening	What should be done	What will be the effect	Agencies to be involved
Tender proposals for solar power projects must be submitted physically also	Develop and implement an online submission portal for tender proposals and related documents. The process should be fully digital.	Faster, more efficient submission process; reduces administrative delays and barriers for foreign investors	Ministry of ICT, BIDA
No system for applicants to track the status of their submissions online	Introduce an online tracking system for applications and tender proposals. Bangladesh passport application site can be followed	Increased transparency and reduced investor uncertainty	BIDA, Ministry of ICT
Electronic signatures are inconsistently recognized depending on context	Establish clear legal recognition and acceptance of electronic signatures in tender and investment processes.	Simplifies documentation, speeds up approvals	Ministry of Law, Ministry of ICT
No online issuance of business registration certificates or project approvals related to BPDB projects	Enable online issuance and download of registration certificates and approvals	Convenience and time savings for investors	BIDA, Ministry of ICT
Limited or no online communication channels dedicated for investor queries and complaints at BPDB	Set up dedicated electronic communication channels (email, chat, complaint portals) for investor support	Improves responsiveness and investor satisfaction	BIDA



Source: CPD's Study on investment facilitation in RE sector (2025)

Table 8: Actions for BPDB to Improve on Focal Point & Review Procedure

What is happening	What should be done	What will be the effect	Agencies to be involved
BPDB forms part of the evaluation committee for tenders but lacks a dedicated, centralized complaint focal point for investors	Establish a clear and accessible focal point within BPDB to coordinate investor complaints and inquiries	Faster resolution of issues, increased investor confidence	BIDA, Ministry of Power
Multi-layered approval process involving BPDB Board, Ministry, and Cabinet Committee causes delays	Streamline the approval process and set clear timelines for each approval stage	Reduced project delays, better investor experience	Ministry of Power, Cabinet Secretariat
No transparent communication with bidders during evaluation process	Implement a notification mechanism to keep bidders informed of proposal status	Reduces uncertainty and builds trust	BIDA
No formal mechanism for alternative dispute resolution within BPDB	Develop Alternative Dispute Resolution (ADR) mechanisms (mediation, arbitration) specifically for investment-related disputes	Quicker dispute resolution, less litigation risk	Ministry of Law, Judiciary
Limited coordination between BPDB and other government bodies in addressing investor concerns	Enhance inter-agency coordination platforms to address investment grievances effectively	Efficient problem-solving, reduced bottlenecks	BIDA, Ministry of Power, SREDA

Source: CPD's Study on investment facilitation in RE sector (2025)

Table 9: Actions for BPDB to Improve Application Process (Open Tender)

What is happening	What should be done	What will be the effect	Agencies to be involved
No clear published timeframes for processing RE investment applications under BPDB's tender process	Publish clear, standardized timelines for each stage of application processing	Greater predictability and investor confidence	BIDA, Ministry of Power
Applicants are not routinely informed about the status of their applications during the evaluation process	Implement regular communication updates to keep applicants informed	Reduces uncertainty and improves investor trust	BIDA
No official notification mechanism to alert bidders about incomplete applications or minor errors	Develop a system to promptly notify applicants of incomplete submissions or required corrections	Decreases disqualification risks and improves application quality	BIDA, Ministry of ICT



Flexibility in accepting applications depends on tender calls, not continuous	Explore possibilities for rolling or continuous application windows where feasible	Provides more opportunities and convenience for investors	BIDA
Fees and charges related to BPDB tender applications are not regularly reviewed or clearly communicated	Publish and periodically review fee structures associated with BPDB tender processes	Avoids unexpected costs, improves transparency	Ministry of Finance, BIDA

Source: CPD's Study on investment facilitation in RE sector (2025)

Table 10: Actions for BPDB to Improve Inter-agency Cooperation

What is happening	What should be done	What will be the effect	Agencies to be involved
Cooperation among agencies involved in renewable energy investment, including BPDB, is very limited	Establish formal inter-agency coordination committees including BPDB, BIDA, BERC, SREDA, and others	Improved information sharing and smoother investment facilitation	BIDA, SREDA, Ministry of Power
Limited exchange of information regarding renewable energy investment opportunities and domestic supplier databases	Develop shared digital platforms for investment opportunity sharing and supplier databases accessible to all relevant agencies and investors	Better access to local suppliers and investment info, facilitating decision-making	BIDA, SREDA, Ministry of Commerce
Business-government networking events exist but are infrequent and not well-targeted	Organize regular, focused networking events specifically including BPDB and RE investors	Strengthened partnerships, better understanding of investor needs	BIDA, SREDA
Limited mechanisms to support inter-agency coordination for streamlining the investment process	Create dedicated task forces or working groups focused on renewable energy project facilitation	Faster resolution of bottlenecks and coordinated policy action	BIDA, Ministry of Power, SREDA

Source: CPD's Study on investment facilitation in RE sector (2025)



4. Role of SREDA in Improving Investment Facilitation for RE Sector

The Sustainable and Renewable Energy Development Authority (SREDA) serves as the principal regulatory and policy formulation body for renewable energy development in Bangladesh. SREDA's responsibilities include setting standards, issuing necessary approvals and clearances, and promoting sustainable energy practices across the sector. As the regulatory authority, SREDA ensures that renewable energy projects comply with environmental and technical regulations, while also facilitating coordination among various government agencies involved in energy policy and investment.

SREDA's role is pivotal in creating a supportive regulatory environment that fosters investor confidence, particularly by streamlining licensing processes such as environment clearances and technical approvals. However, gaps remain in inter-agency coordination, digitalization of regulatory processes, and investor engagement, which can slow project progress and complicate compliance.

The following tables outlines specific recommended actions for SREDA aimed at enhancing investment facilitation in Bangladesh's renewable energy sector. Please note that due to **limited available information** on all operational aspects, some actions may not fully reflect initiatives currently undertaken by the agency.

Table 11: Actions for SREDA to Improve Regulatory Transparency & Predictability

What is happening	What should be done	What will be the effect	Agencies to be involved
Laws, regulations, and procedures info related to renewable energy exist but are scattered and poorly localized	Centralize and localize regulatory information on SREDA website, including translations where needed	Enhanced accessibility and transparency	BIDA, Ministry of Power
Limited publication of investment incentives and subsidies details on SREDA platforms	Publish up-to-date investment incentives, subsidies, and tax benefits for renewables on SREDA channels	Increased investor awareness and uptake	Ministry of Finance, BIDA
No availability of renewable energy policy, guidelines, and documents in Chinese language	Provide translations of key regulatory documents to Chinese and other major languages	Better understanding and compliance by Chinese investors	Ministry of Foreign Affairs

Source: CPD's Study on investment facilitation in RE sector (2025)

Table 12: Actions for SREDA to Improve Inter-agency Cooperation

What is happening	What should be done	What will be the effect	Agencies to be involved
No structured exchange programs or international training specifically linked to SREDA for foreign investors	Organize exchange programs and targeted international training focusing on	Improved skills and knowledge, better investor support	BIDA, Ministry of Foreign Affairs



	renewable energy investment facilitation		
Limited information exchange on investment opportunities and domestic suppliers for renewables	Create and maintain an updated, accessible database of domestic suppliers and investment opportunities	Better market intelligence for investors and enhanced local sourcing	BIDA, BPDB, Local Trade Associations
Limited mechanisms for inter-agency coordination to streamline investment processes	Develop a dedicated coordination unit or mechanism linking SREDA with other key agencies	More efficient processes and fewer bottlenecks	BIDA, BPDB

Source: CPD's Study on investment facilitation in RE sector (2025)

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