

How Bangladesh can tackle the current energy crisis

As Bangladesh makes headlines for the energy crisis from the Iran war, Dr Ijaz Hossain, former Dean of BUET, speaks to Ramisa Rob of The Daily Star about the oil, gas crisis, and energy conservation and efficiency.

Most importantly, we must have strategic reserves, which are only touched in deep crises like these. Right now, if we had strategic reserves, we would have been able to contain the chaos arising from the octane, diesel and petrol crisis. If people knew that Bangladesh has 30 days of octane, diesel and petrol, then we would not be in the current precarious state.

What is a solution for Bangladesh's oil crisis and Eastern Refinery facing a production crisis?

Diesel is 100 percent imported, so the root of the problem is our import-dependency. We only have the Eastern Refinery, which refines about 1.3 million tonnes of oil a year. From that, we get more than half a million tonnes of diesel, but the rest of it is imported from Singapore, which is also very affected, with companies having declared force majeure. India has promised to supply diesel and is trying to give us more; the government has looked into Kazakhstan and so on. We are looking into any countries that have diesel to spare.

Building another refinery is a measure the government can take. But that does not decrease our dependence, per se, as we would still have to import crude oil. It would only improve our supply situation in the long-run and save money from buying expensive refined oil — bought at a premium price during times of global crisis periods. We are currently facing both price and supply shocks. Even at high prices, there is scarcity and of course, whether the ship would safely reach the shores, is another matter to consider.

Are there any viable solutions for the issues we are facing from disruptions to LNG?

Importing LNG and creating the current dependency was a disastrous decision as we are seeing now. We should not put all our eggs in one basket. India's industries do not run on gas, and there are other examples across the world.

We also don't have enough facilities, such as regasification plants. Our demand was already higher than what we are able to import and domestically produce per day.

Bangladesh had an energy crisis even before this war. We also need the dollars to buy imported gas, adding another layer to the current disruptions from the closure of the Strait of Hormuz.

The "100 wells programme" was started by the Awami League government, due to a huge human

crisis from civilians. The same people who abandoned gas exploration began offshore bidding. The interim government gave a lot of lip service to continue this programme. Files were sitting there for funding in the planning division, they were not getting funds, but gas exploration didn't stop. Our one success story is in the Bhola region, and within a month's time, I believe we will be able to know how much gas was found. In the meantime, the government is also planning on floating the tenders for deep offshore, which is an unexplored area. A lot of us are hoping that we will find at least a bit of gas to alleviate some of the problems we are currently facing. Regarding challenges to acquiring

Other import-dependent nations, such as the Philippines, for example, may run out before us. It appears that our customers who are panic-buying, especially those on motorbikes, will not easily be convinced with the government merely saying that we have enough oil supply. The crisis at the petrol pumps could have been dealt with earlier on. The government should look seriously into how they distribute petrol and octane. Again, petrol and octane are not the

have been digital methods such as QR Codes used, so Bangladesh needs to use the full extent of digitalisation for supply chain management. The government must study the whole crisis to design systems which we are seeing in our neighbouring countries to streamline the delivery of fuel.

Overall, I am not pleased with Bangladesh's austerity measures, such as the justification to save energy by reducing office hours and shopping hours, which will not yield in saving liquid fuel. Sri Lanka's measure to completely shut down work for one day, is more productive. Road transport, liquid fuel will be used everyday

in Bangladesh, if we don't have an enforced holiday or work from home. On the other hand, all the aforementioned measures affect electricity, so they mainly affect furnace oil. If you shut down offices, and commercial establishments, the electricity savings will not be too significant. It is better to enforce load-shedding, in my opinion. Forced conservation is a guaranteed method of saving energy.

What are some policies and behavioural patterns that can lead to energy conservation?

Energy conservation and efficiency must be the cornerstone of our consumption policy. It's imperative to note the difference between the two. Conservation is what you do for yourself, and energy efficiency needs some investment, such as buying different fans, so energy efficiency always requires some sort of government sponsorship.

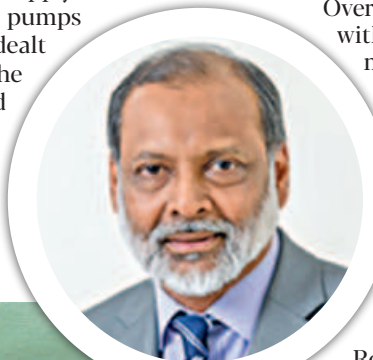
Industries can take their own austerity measures. Often we see lights on in offices and factories, and we're not sure if that's needed. AI-assisted automation would be able to handle

that more efficiently. It is possible to implement such measures at cheaper prices, cut costs and also improve productivity.

Another simple example of daily energy conservation is the usage of fans, which is the device that uses the highest concentration of electricity. Brainless-direct current (BLDC) fans consume much less energy than the fans that we are using currently. This is a doable option, but of course, people aren't going to throw their fans away. The government has to give the right incentives for this shift. Conservation is akin to preaching a religion of sorts, to people, and they have to reach people's mindsets. There are many lifestyle changes that can be encouraged by the government, and yield economic outcomes. In general, to reduce imported oil, we can take these measures: electrification, specifically EV and batteries; solar irrigation; car restrictions and traffic management to reduce congestion; less AC use in cars and regular maintenance.

Most importantly, we simply must have strategic reserves, which are only touched in deep crises like these. Right now, if we had strategic reserves, we would have been able to contain the chaos arising from the octane, diesel and petrol crisis. If people knew that Bangladesh has 30 days of octane, diesel and petrol, then we would not be in the current precarious state.

Renewable energy is cheaper, but advancements were not made during the Awami League government, the interim government, so the current government has to do something now. Pakistan reduced their LNG-imported demand with a significant consumer-driven solar energy boom in only two years. The city of Sialkot and similar industrial areas in Pakistan with high solar output can meet local demand without energy from the grid. It is a very good opportunity for the current government to implement these productive measures now.



requisite funds for gas exploration, big companies are also very much affected. But they might still be interested in Bangladesh, as they might be able to get out of the dependency in the Middle East. Companies have been successful in the Philippines, Angola and other places. India has found gas, Myanmar has also found gas.

Is Bangladesh going to be the first country to run out of oil supply, as a British paper has reported?

We will certainly be amongst the countries categorised in that bracket.

issues here — diesel is. The government should be a bit more honest about what the crisis is, as people don't completely believe the government's narrative. In order to do that, the government can take journalists to the depot, show them where the petrol is coming from, get experts to do roundtables and engage with companies facing issues.

What do you make of the austerity measures compared to other countries?

Rationing is always a good measure if done properly. In some countries, there

What concrete diplomatic steps should Bangladesh take to avoid being caught between larger powers?

We have neglected Iran, and it's time we reach out. I often see messages of solidarity being exchanged with the Arab Gulf countries which is of course, necessary too, as our people are employed there. But the Gulf

to go for a complete onslaught for every infrastructure in the Gulf states. Iran has already destroyed their tourism industry, and it will take a long time to regain that. The Gulf is acutely scarce of water, and if Iran touches the desalination plants, their population will starve and die from thirst.

The Gulf economies were diversifying and going into manufacturing and focusing on the development of science and technology to make inroads into medical science. That too, would be destroyed if the US had done what Trump said.

What would have emerged from that scenario is a battered, badly bruised Iran, but one that would still be standing. They will continue to rebuild with fervour with the new arrangements coming in place.

We used to send workers to Iran back in the day. Now, Iran will start reconstructing themselves as a modern power, they will start doing exactly what the Gulf states have done, and they will do it very fast. Bangladesh will then need to court them, and Iranians have long memories of their own civilisational history but also memories of who stood with them and who did not. So, we have to think more broadly about our long-term interests. I hope we have quietly reached out to Iran, but if not, I certainly think we should. This is not to say we should not keep our ties with the Gulf states. We should have an inclusionary approach. We cannot take sides with anyone against anyone else. We should position ourselves in a place where two countries fighting with each other becomes a different matter, and we have good relations with both. This way, we will be able to say, "You are fighting with each other but don't come fight in our drawing room."

The old world order is finished. A new world order has not yet emerged but we have to change ourselves internally to survive in a new emerging world order. Borders are changing across Europe and the Middle East, and it will come to our borders as well if we don't play our cards well. We have to indulge in anticipatory thinking.



An LPG tanker sits at anchor off Shinas, Oman, on March 11. Maritime traffic in the Strait of Hormuz has slowed significantly amid ongoing tensions between Iran, Israel, and the US. PHOTO: REUTERS

Ambassador there. But Bangladesh did not consider it due to fear of reprisal from the US, sanctions and strong arming of most of the industries in the region by the US.

There is no such thing as "friendship" in international relations. To state it very crudely, the immediate concern of such friendship is, "what is in it for me?" Unfortunately, Bangladesh has made our national interests secondary to those of other nations. We are not a nation on our

own anyone for their domestic development and sustenance. That is what I call internal resilience.

I've always said that we, Bangladesh, are like a walnut in the pincers of two nutcrackers — a regional one between India and China, and a global one between the Indo-Pacific and BRI. The walnut must develop a thick shell, on its own, not from nutrients outside. If we do not nourish ourselves with nutrients from inside, we will

nations are likely to become less relevant in the very near future. If the present scenario that emerges in my thinking is consolidated, then it will be Iran that will take over the geopolitical weight of the Gulf. If the US President Trump's indescribable epithets of destroying "a civilisation" had materialised, Iran would not have buckled under that. If the Gulf countries, with which we pursue friendship, allow the US to use their bases to attack Iran, then it's fair game for Iran

'Bangladesh must build strong relations with Iran'

As the Iran-US-Israel war currently sits on an uncertain ceasefire, former Bangladesh Ambassador to Iran, Tariq Karim, speaks to Ramisa Rob of The Daily Star about the shifting geopolitical dynamics in the region and how Bangladesh should reassess its strategic relations.

Do you think this ceasefire will result in long-lasting de-escalation?

I would hope for the best, but prepare for the worst. Iran's interpretation of the ceasefire includes that all hostilities will be ceased by Israel anywhere. But Netanyahu has continued attacking Lebanon, which is included in the ceasefire. If the ceasefire doesn't last, the Strait of Hormuz will remain closed. I also read reports that while all these talks of peace are going on, US troops deployment has not stopped. The outcome of talks from Islamabad is very dicey. Geopolitical equations in the world have changed drastically. Iran will be fully prepared to hit out if any signs of good faith by interlocutors are not displayed. So it can blow up in our faces. People in the US, in Bangladesh and elsewhere will have their stock markets perform better with the word of peace and ceasefire. But these are just illusions.

How will the global balance of big powers shift in the aftermath of this war?

In my view, Iran is well-set to emerge as the next notable power in the international scene. Firstly, Iran has played their cards well, they've stood up to every coercion that Israel and the US have jointly tried to inflict on them and they've stood tall. Secondly, the trajectory of the war has also shown a clear alignment of geopolitical players — the big ones who matter, and how they line up is imperative. In that sense, it is very evident that Iran is being helped, covertly and overtly by China, Russia and North Korea. These geopolitical players were considered enemies of the West for the US, and they are now solidly with Iran.

The technology that Iran has, and dexterously used in this war, has been painstakingly acquired over the decades of relationships with the key geopolitical powers that Iran quietly nursed and nurtured. The alignment that has emerged, shifts the global balance of powers away from the West. Here, we must remember that Russia is a Eurasian power. Russia has discovered that it might very well end up being the big power in Europe, as the other European nations will have to readjust to Russia. But Russia also has more heft and gravitas with its current state of relations with Iran, China, and North Korea. So, those who have been characterised as the villains

are likely to emerge as the victors.

How should Bangladesh adjust to this changing scene?

As reported, a Bangladeshi ship was not granted passage through the Strait of Hormuz during the ceasefire. I have always, historically, advocated that we should always have relations with Iran. During the days of the Shah, Iran had tentatively offered to help us develop our own hydrocarbon resources and build our hydrocarbon industry. It was an offer that they renewed when I served as Bangladesh's