



Bangladesh Independent Power Producer's Association.

(Reg. Address: Lotus Kamal Tower-1 (10th Floor), 57, Joarsahara C/A, Nikunja-2, New Airport Road.)

Present Address: Navana D. H. Tower, Suite-1602, 16th floor, Plot-6, Panthapath, Dhaka.

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MINUTES OF THE MEETING OF MEMBERS

Of

BANGLADESH INDEPENDENT POWER PRODUCERS' ASSOCIATION (BIPPA)

Held on December 10, 2015

Venue: IZUMI Restaurant, House 24/C, Road 113, Gulshan 2 Dhaka, Bangladesh

An informal meeting of the Members of Bangladesh Independent Power Producers' Association (BIPPA) was held on December 10, 2015 evening at **IZUMI Restaurant, House 24/C, Road 113, Gulshan 2, Dhaka, Bangladesh** with Mr. Mohammad Latif Khan - President in the Chair.

After expressing his thanks of gratitude for being elected as the President of the Association, Mr. Khan has declared the floor open for all members in attendance for providing their valuable advice or suggestion, setting the road map of the association to make it emerge as an effective one.

Following are the key points that attract the essence of formal record of minutes as outlined hereunder:

1. All Rental Power Plants (RPPs) and Independent Power Plants (IPPs) are of same nature and identity to be established pursuing with the competent part of the government with the help of professional legal service if required.
2. It is indeed high time to amend the fuel mix by decreasing the use of Gas for producing power. The association is also aware of this reality of the sector. But it is with deep concern, observed that, the Government is taking initiatives for importing power from the neighboring country spending the valuable reserve of foreign currencies. Hence, the government has stepping into several MOUs with foreign counterparts for the establishment of coal, LNG and nuclear plants ignoring the private sector investors. Thus, it is therefore to be pursued to ensure that such foreign investments shall be accompanied by local investment at a predetermined ratio.
3. 5% provision on Profit Before Tax as Workers Profit Participation Fund (WPPF) imposed by Bangladesh Labor Code 2006 is justified to be applicable for the labor intensive businesses. Being highly capital intensive, power sector companies require very few numbers of skilled workforces. Thus such disproportionate burden of provision is unbecoming for this sector. Hence, at the time of determination of tariff rate, such provision was not considered to be addressed. Therefore, necessary discussion to be organized with the competent authority of the government to amend the law.
4. An amendment of Income Tax Ordinance was amalgamated by Finance Act increasing collection of source tax at the rate of 6% instead of 4% which is not rationale due to non-consideration of such escalation of government levy at the time of enacting the Power Purchase Agreement (PPA). Necessary persuasion to be made with NBR for amending such inappropriate burden.
5. The ultimate maxim of the association is to help the government for effective management of private investment in the power sector by ensure and protect the interest of all parties related.



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6. A paper to be prepared outlining the detail contribution of private sector power generation to different macro-economic indicators of Bangladesh i.e. GDP, Per Capital Energy Consumption and so forth to disseminate importance of private sector in the field of power generation of the country.
7. A formal meeting of the members shall be called to decide on the following issues:
 - 7.1. Date of press conference, venue and formation of team to whom the action shall be vested for related arrangements
 - 7.2. Formation of Sub-Committee(s) to ensure the proper division of work.
8. Shifting of office of the association was discussed and in principle it was agreed that, an office space shall be hired within the area of Kawran Bazar, Dhaka.
9. Appointment for the position of "General Secretary" was discussed since it was vacant for long time. Thus Mr. Abdul Halim (Ex Director and Current Consultant of BPDB) was presented as a suitable person for the position. Thus appointment of Mr. Abdul Halim was confirmed and appointment letter to be issued accordingly.

After concluding remarks the meeting was ended with a vote of thanks to the chair.

Mohammad Latif Khan
PRESIDENT,
Bangladesh Independent Power
Producer's Association (BIPPA)

Copy to: 1. Vice Presidents 2. Directors

Distribution: All Members of the Association