

# **Bio Energy Association of Sri Lanka**

## **President's Report 2024**

### **Introduction**

It is my honor to welcome you to the Annual General Meeting of the Bio Energy Association of Sri Lanka (BEASL) 2024. This year's theme, "Advancing Bio Energy for a Sustainable Future," reflects our ongoing commitment to promoting renewable energy and our strategic vision to support Sri Lanka's goal of achieving 70% renewable energy by 2030. With key policies in place and active support from stakeholders, we are well-positioned to make significant contributions to this national target.

### Key Highlights during the Past Years

#### 1. Policy and Regulatory Developments

Significant strides have been made in the regulatory framework governing renewable energy development in the country. The Electricity Act has seen crucial amendments that have eased the implementation of new projects. The active involvement of the Ministry of Power and Energy, the Sri Lanka Sustainable Energy Authority (SLSEA), and the Ceylon Electricity Board (CEB) has facilitated smoother operations and project approvals.

#### 2. Project Milestones

We are pleased to report the successful commissioning of the 4 MW Dendro Plant by Ethimale Sugar, of which our involvement in getting the SPPA signed at right tariff scheme has made project financially viable.

These projects not only contribute to our renewable energy capacity but also demonstrate the viability and efficiency of Bio Energy solutions.

#### 3. Tariff Adjustments and Financial Support

As you may be aware, our own involvement in the tariff committee appointed in 2018 and subsequent work has resulted in a viable level playing field tariff for the dendro plant operators despite the commissioning date of such plants. Without this crucial adjustment, particularly last 2 years most of the existing plants would have under gone the operational difficulties.

With this year's tariff revision, a flat tariff of 52.77 LKR for dendro projects and 40.34 LKR for agro waste and 53.30 LKR for MSW projects and related 3 tier system has been approved which is a major break through for the industry and only tariff approved above the utilities average selling price of 39 LKR.

#### 4. Impact of Economic Challenges

The economic challenges of the past couple of years, including fuel price volatility and supply chain disruptions, have posed significant hurdles. However, with proactive measures and the support of the Ministry of Power and Energy, we have managed to mitigate these impacts. Special acknowledgments to Mrs. Wasantha Perera and Mr. Fernando for their timely interventions.

## **Innovations and Special Projects**

### **1. Bio Energy Research and Development (R&D) Hub\*\***

We have established an R&D hub in collaboration with leading universities and research institutions. This hub focuses on developing advanced Bio Energy technologies and optimizing existing processes. Key projects include:

### **2. Digital Transformation**

Our website has undergone significant enhancements to provide updated resources and information. We have also launched a mobile app to facilitate better communication and information dissemination among our members.

### **3. Membership Expansion**

We have introduced new membership categories, including corporate memberships, to attract more industry stakeholders.

## **Organizational Development**

### **1. Strengthening the Secretariat**

Our secretariat has been restructured to enhance efficiency and responsiveness. We have recruited dedicated staff and improved our administrative processes.

### **2. Financial Health**

The disposal of the gasifier unit and subsequent accounting treatments have been completed. Our financial statements reflect a healthy balance sheet, positioning us well for future growth.

### **3. Amendments to the Constitution**

We have proposed several amendments to our constitution to reflect our evolving needs and strategic direction. These changes will be presented for your approval during this AGM.

## **Conclusion**

As we look ahead, the potential for bioenergy in Sri Lanka remains immense. Studies indicate a workable potential of over 2,300 MW for Dendro power plants alone. With continued support from the government, industry stakeholders, and our dedicated members, we are confident that we can make significant strides towards achieving the national renewable energy targets.

Thank you for your continued support and dedication.

Chamil Silva

Hon. President

12<sup>th</sup> July 2024