

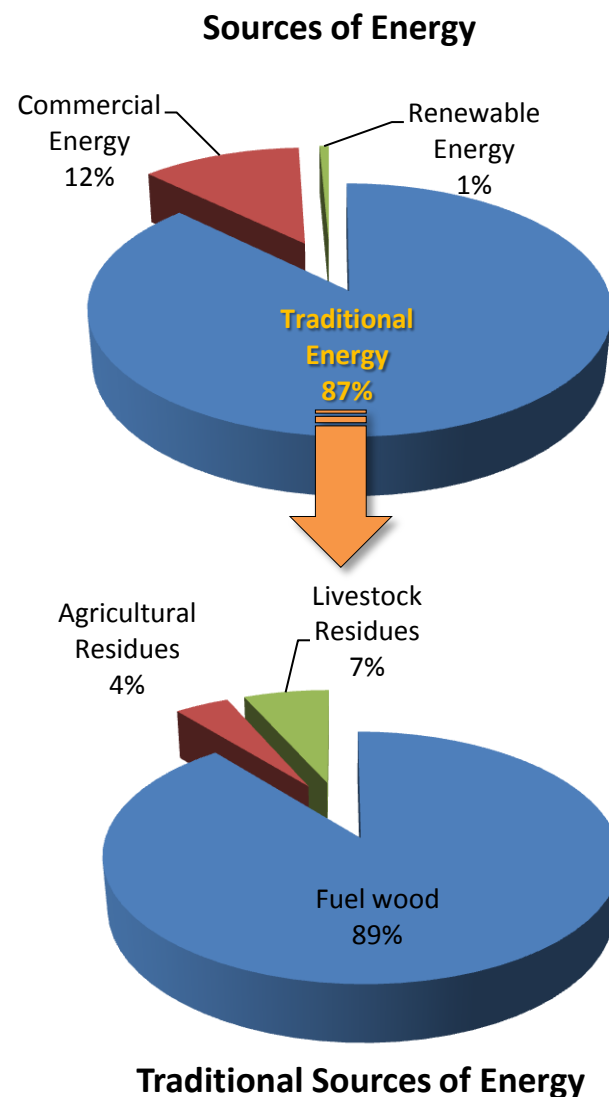


Nepal's RE Status & Expectation from SREP



Introduction & Energy Situation of Nepal

- Landlocked Himalayan country, one of LDCs with diverse climate situation.
- Per capita income **US\$562** and GDP growth rate **3.5%**.
- **83% population** live in **rural areas** (among national population of 28.8 million) and agriculture main occupation.
- Total energy consumption 11.9 Million Tons of Oil Equivalent & per capita energy consumption is 14 GJ.
- **54%** population have **access to electricity** including **9%** from **Renewable Energy Technologies (RETs)**.

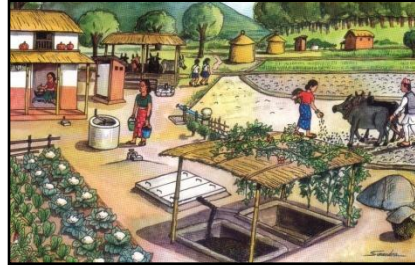


Note: All data are as of 2009

Renewable Energy Situation of Nepal



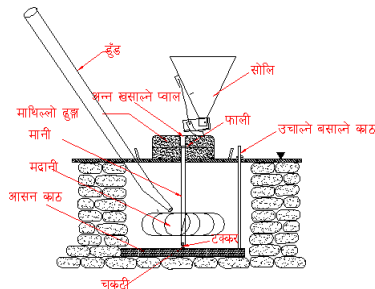
Micro-Hydro (MH): Potential 100MW & Progress 15MW (0.13million HHs)



Domestic Biogas: Potential 1.1 million HHs & Progress 0.22 million HHs



Wind: Potential 3,000MW & Progress only a few Pilot Projects



Improved Water Mill (IWM): Potential 25,000 Nos (1 mill HHs) & Progress : 6200 Nos (0.25 million HHs)



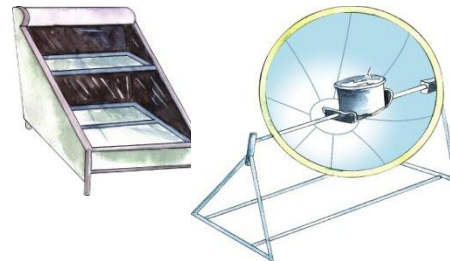
Improved Cook Stove (ICS): Potential 2,500,000 HHs & Progress 400,000 HHs



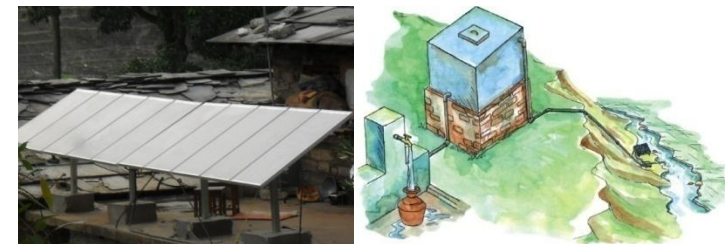
Biofuel: Potential 1,100,000 tons & Progress XXXX tons



Solar Home System (SHS): Potential 4.5 kWh/m²/day & Progress 0.2 million HHs



Solar Dryer & Cooker
Progress 3,000 HHs



Institutional Solar System & Solar Water Pumping: Progress 200,000 HHs

Development of Nepal's RET Sector

Description	Status in 1996 (before AEPC)	Current status of AEPC
Annual Budget	US\$ 0.6 million	US\$ 28 million
Staffs	10	Core-32; Program-130; Local-200
Local Offices/support	No	Yes, District Energy & Environment Units (DEEUs) in all districts & 8 Regional Renewable Energy Service Centers (RRESCs) covering all districts of Nepal
Donors	SNV/DGIS	ADB, DANIDA, DFID, EU, GTZ, KFW, Norway, SNV, USAID, UNDP, WB
Multilateral Donors	No	-WB (GPOBA, MH with additional finance & CDM) - ADB (IWM, Wind)
RETs installation	MH-5MW; Biogas-25,000 HHs; IWM-700 Nos ; SHS-11,000HHs	MH-15MW; Biogas-220,000HHs; IWM-6,200Nos; ICS-330,000HHs; SHS-200,000HHs
Subsidy mechanism	No	Yes to RET users including initiation of Smart subsidy
Credit mechanism	No	Revolving fund channeled through Micro Finance Institutes (MFIs) to users
Involvement of Private Sector	MH-4; Solar-3; Biogas-11; Employment- 500	MH-65; Solar-59; Biogas-80; Employment-30,000
Priority of GoN	No high priority program	High & first priority program in "3 Years National Plan"

Expectation from SREP

ISSUES

- Extreme poverty
- Pressure on forest resources
- Hard currency for petrol import
- Poor access to electricity
- Lack of finance

SREP

OPPORTUNITY

- High potential of RE
- Private sector in business (PPP)
- Best practices in RE promotion
- Government's priority-I sector

Enhanced
People's
Livelihood

- Clean energy access
- Local employment creation
- Environment protection
- Private sector development
- Less drudgery on women
- Social capital formation

Expectation from SREP

The overall objective for the SREP Funded RET Programme is *to contribute to the national development goal of poverty reduction by up-scaling and commercialization of RETs through policy reform and increased access to technology, knowledge and finance. Particularly the objectives are:*

- *Increase livelihood opportunities through promotion of RET applications and support to establish enterprises*
- *Adaptive research and promotion of new RETs*
- *Fulfilling funding gap for scaling up existing RET programs*
- *Credit Access to service providers and users*
- *Policy reform and institutional strengthening (AEPC, Local Government Organizations & Private Sector)*

SREP Activities and Tentative Investment Plan

Targeted Activities	Targets	Required Budget (in USD)
Policy / Institutional Support	-Policy and institutional support to AEPC -Capacity building & technical assistance to local bodies DEEUs & private sector	2.4 million
New Pilot Projects (Mini/Micro-Hydro Grid Connection, Wind, Gasifiers, and Solar Local Grid)	<ul style="list-style-type: none"> •Mini Hydro-3MW •Local Solar-1 MW •Biogas /Municipal Waste-1 MW •Gasifiers-0.5MW •Benefitting <u>80,000 HHs</u> 	33.5 million (plus users contribution 16 million)
Meeting Funding Gaps of Existing Program for Subsidy	Micro-hydro, Biogas, SHS, ICS, IWM benefitting <u>130,000 HHs</u>	19.5 million (plus users contribution 19.5 million)
Enhancing Access to Credit for Service Providers and End-Users	Benefitting <u>200,000 HHs</u>	10 million
Livelihood Supports through RET Applications	<u>5,000 New Micro Enterprises</u> (possibly benefitting to 100,000 HHs)	5.7 million (plus 5 million developers contribution)
Sub Total		71.1 million
Management Cost (5%)		3.56 million
Total	74.66 Million (GoN-7.46 million & SREP 67.18 million) plus 40.5 million users contribution	

Thank you very much!

Is there
any
solution?

