

# Challenges of the Scaling of Renewable Energy to Rural and Remote Communities

**Mr. Surya Kumar Sapkota**

Assistant Director

**Alternative Energy Promotion Centre**

Ministry of Science, Technology and Environment, Nepal

**30 May 2013**

# What has worked well and should be Replicated

- Selection of the renewable energy technologies/projects – **potential, proven**
- Wider involvement of the stakeholders including private sector
- Participatory Demand drive approach
- Linked with overall framework of the national programme on renewable energy sector- **single modality**
- Matching with country's priority – **poverty reduction through clean energy**
- Clear institutional arrangement and implementation modality
- Establishment and operation of basket funding – **CREF**
- Mix of support – **subsidy and credit**

# Challenges

- Access to RETs in the remote areas in terms of availability & affordability
- Access to financing (credit) and sharing of risk
- Promotion of the productive economic end uses of the RETs
- After sale services in remote areas
- Adaptive research & technology transfer

# Obstacles Addressing Rural Energy Poverty

- Lack of awareness among the target groups
- High dependent on traditional biomass– cheap and almost free
- High cost of the clean/modern energy
- Lack of access to sustainable financing

# Different Enabling Environment

- Promotion of locally available renewable energy through policy support, technology transfer, local capacity building etc.
- More incentive for promotion of RE in rural and remote areas
- Priority in energy supply to social infrastructure
- Generation of value added and income for local populations through productive use of energy
- Institutional arrangement at the local level for both easy financing and technical backstopping

# Capacity Challenges in Rural Areas

- Capacity of the rural communities/households for operation, management and maintenance of RE projects
- Lack of technical knowhow of the local financial institutions
- Lack of capacity for after sale services
- Availability of the skill manpower and retaining

# How we can accelerate implementation

- Involvement of the local government for promotion, coordination, monitoring
- Outsourcing through the local service providers for promotion, demand collection, community mobilization, technical backstopping, quality assurance, supervision
- Involvement of the local financial service providers

**Thank You So much**

for

Your Attention