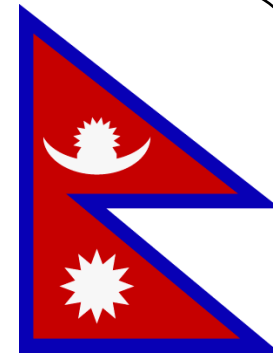




Government of Nepal



Investment Plan Preparation Experience of Nepal

SREP Pilot Countries Meeting Nairobi, 5-7 March, 2012

With support from:



World Bank

Background

- Joint MDB Scoping Mission: 3 – 8 Feb 2011
- Joint MDB Programming Mission: 4 – 11 Jul 2011
- 1st Stakeholder Consultation Workshops: 6 Jul 2011
- 2nd Stakeholder Consultation Workshops 9 Sep 2011
- IP Presentation in November 2011, Washington D C
Sub-Committee Meeting

SREP Focus Areas

- Support to achieve National RE plan target
- Programmatic approach
- Scaled up RE technologies (mainly credit support & TA)
 - Small-hydro projects
 - Mini/micro hydro & Solar PV
 - Expanded biogas program (beyond household level)
- Capacity Enhancement & Institutional restructuring e.g. REF to CREF
 - Strengthening M & E system

Where do we stand

- Nepal presented SREP IP in Sub-Committee Meeting in November, 2011
- The SREP Sub-Committee
 - Welcomed the IP and endorsed first two components for the further development of the projects
 - Invited to reconsider SREP funding for the third component of the plan and to consider:
 - reallocating some of this funding to other projects in the plan,
 - bring the third component more in line with the objectives of SREP
- Further invited to inform the Sub-Committee of any proposed revisions to the plan
- Initiation of detail project preparation process for 2 endorsed components
- Consultation Mission during 29 Feb – 2 March 2012 to initiate project preparation
- Revision of 3rd component and submitted to CIF Administrative Unit

Success Factors

- Government led process
- SREP played a catalytic role to realize transformational changes required in policy & institutional reforms:
 - AEPC to AEPD (autonomous institution for RE promoting)
 - REF to CREF (Basket fund for RE promotion)
 - Increase scope upto 10MW
 - SoD
- Strong & effective collaboration between Government, stakeholders & MDBs in developing IP
- Strong support of other development partners in the entire process
- Engagement of all concerned stakeholders, e.g civil society, women group, indigenous community, marginalized groups etc.
- Holistic approach undertaken to ensure the sustainability of the sector
- Mechanism has been developed to ensure commercial viability of RE through credit

Challenges

- Define role of Ministry of Energy & MoEnv and the inter-ministerial coordination
- Ensuring full & active participation of stakeholders
- Identification of the stakeholders: outside of the box
- Understanding of meaning for scaling up
- Institutionalizing scaling up concept
- Determining concrete role/contribution of private sector stakeholders and potential benefit to them
- Allocated SREP fund is too small to contribute in achieving target of 20-years RE Perspective Plan
- Concerns of stakeholders to reallocate some budget of 3rd component to other component and exclusion of originally planned household biogas from the IP
- Devising the result framework & monitoring parameters

Summary

- SREP program document, modalities & procedure are very useful
- During preparation of IP it leads think outside of box (overall assessment of programs, sector etc & find gap for SREP intervention, programmatic approach.)
- Finalization of IP is not end but the beginning of the program
- Project preparation is another major work

- Government of Nepal would like to thank to:
 - SREP Sub-committee
 - MDBs
 - Development Partners
 - CIF AU
 - Other stakeholders

For very useful support during the IP preparation process and also we expect continuous support in the future as well

Thank You!

Suggestions / Comments / Questions