



**Ninth  
South Asia  
Economic Summit**  
15-16 October 2016  
Dhaka, Bangladesh

## ***Reimagining South Asia in 2030***

### **Parallel Session A1**

#### **Achieving Sustainable Energy for All in South Asia: Modalities of Cooperation**

**Presentation by**

***Mr Kohji Iwakami***

Economic Affairs Officer  
Energy Division, UN ESCAP

**16 October 2016**



CENTRE FOR POLICY DIALOGUE (CPD)  
B A N G L A D E S H  
a civil society think tank

**Parallel Session A1:  
Achieving Sustainable Energy for  
All in South Asia: Modalities of  
Cooperation**

Mr. Kohji Iwakami, Economic Affairs Officer,  
Energy Division, UN ESCAP

# SUSTAINABLE DEVELOPMENT GOAL 7

Ensure access to affordable, reliable, sustainable and modern energy for all



## SDG 7 Target

**7.1** By 2030, ensure **universal access** to affordable, reliable and modern energy services

**7.2** By 2030, increase substantially the **share of renewable energy** in the global energy mix

**7.3** By 2030, double the global rate of improvement in **energy efficiency**

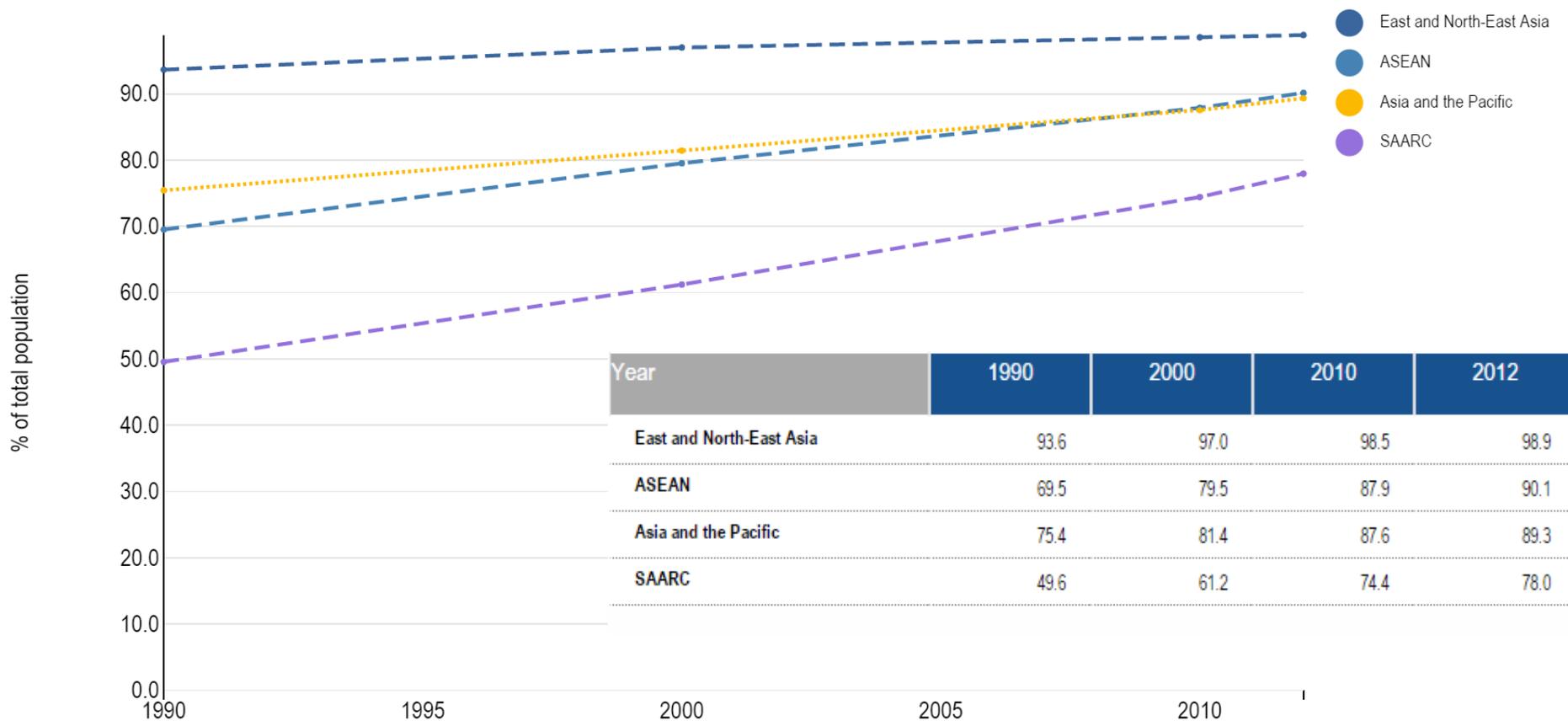
## Modes of Implementation

**7.a** By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology

**7.b** By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, in particular least developed countries, small island developing States, and land-locked developing countries, in accordance with their respective programmes of support

# Energy Access in Asia-Pacific Region

Percentage Population with Access to Electricity, 1990-2012

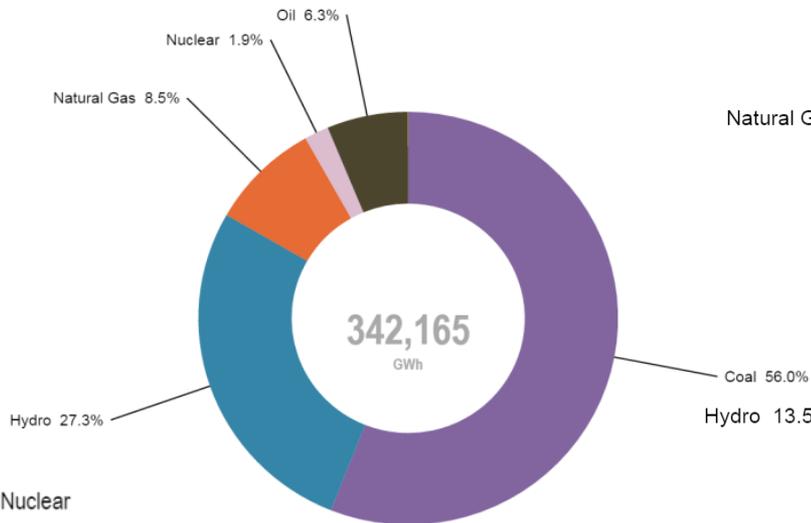


Source: World Bank, Sustainable Energy for All (SE4ALL) database

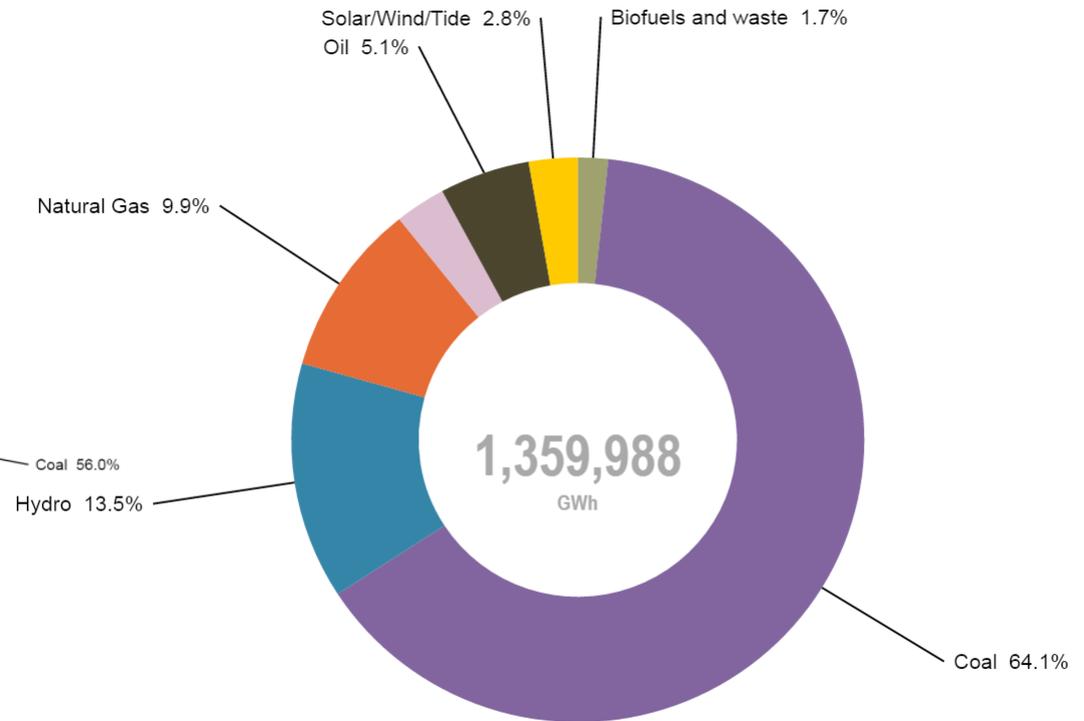
Chart generated from Asia Pacific Energy Portal ([asiapacificenergy.org](http://asiapacificenergy.org))

# Electricity Production in SAARC Region

SAARC, 1990



SAARC, 2013

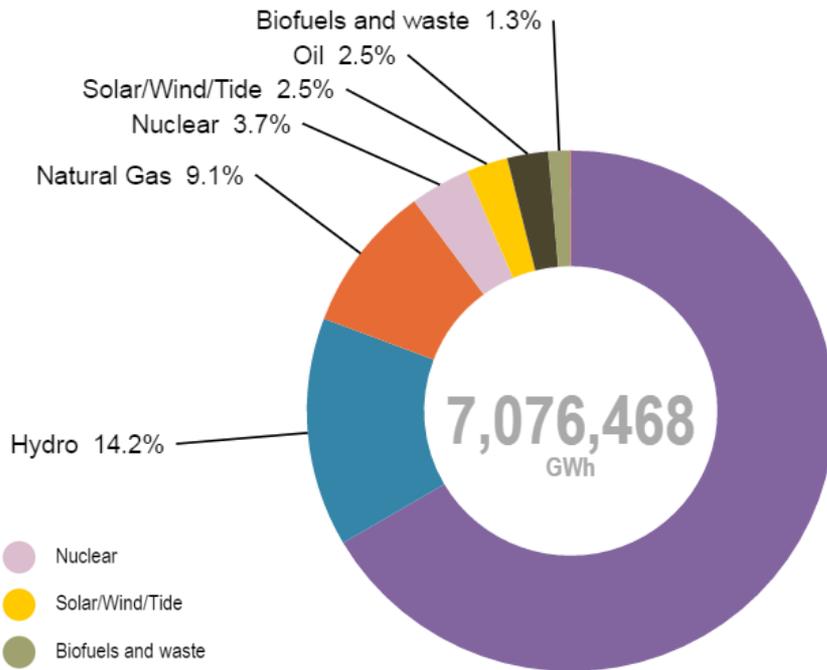


Electricity Production by Product

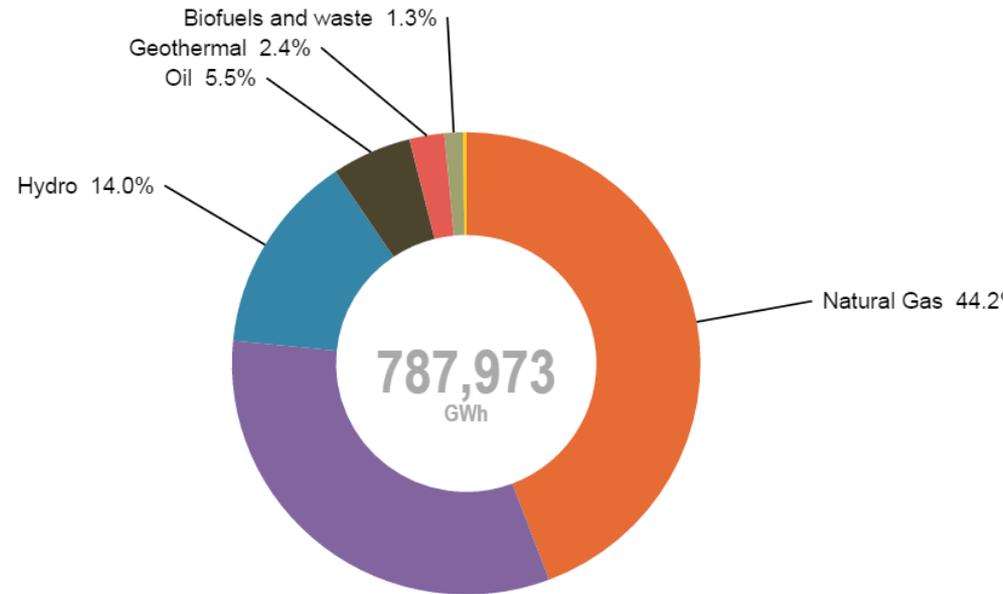


# Renewable Energy in Asia-Pacific Region

North and North East Asia, 2013



ASEAN, 2013

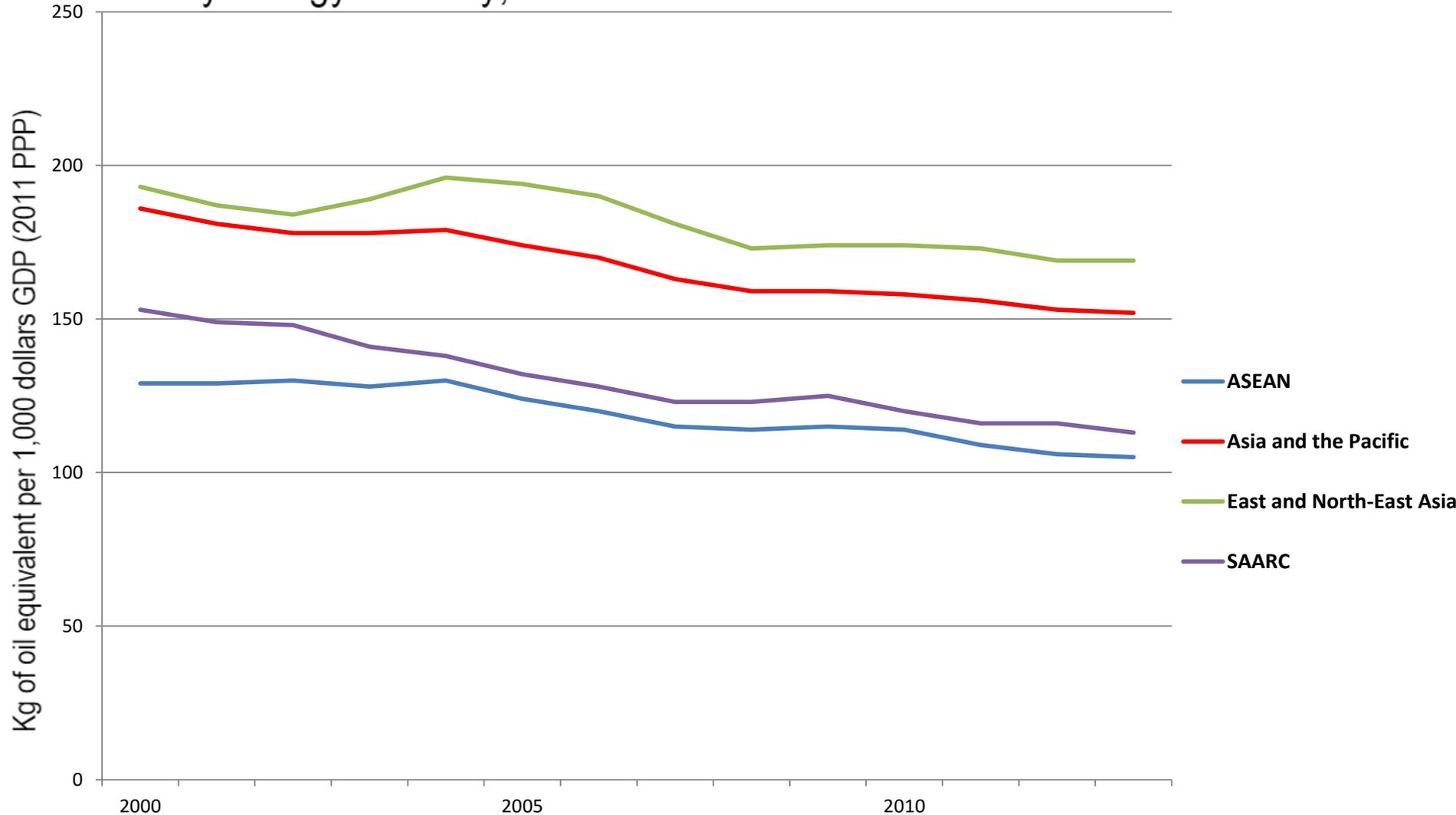


## Electricity Production by Product



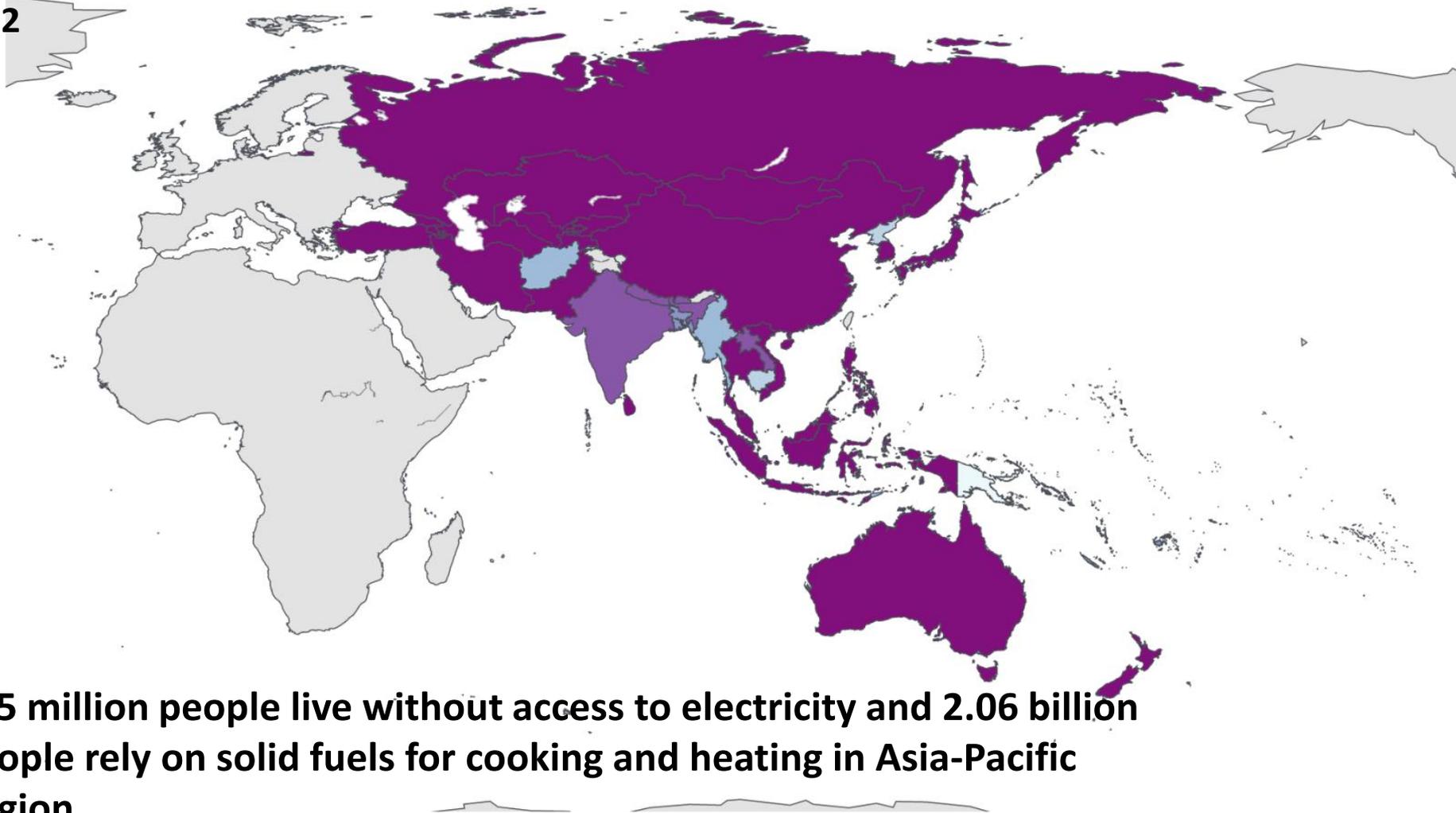
# Energy Efficiency in Asia-Pacific Region

## Primary Energy Intensity, 2000-2013

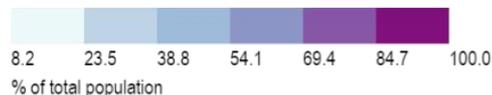


# Energy Access in Asia-Pacific Region

2012



**455 million people live without access to electricity and 2.06 billion people rely on solid fuels for cooking and heating in Asia-Pacific Region**



# Reaching the “Last Mile” in energy access

## Challenges

“Last mile” of access includes the most remote, geographically difficult and poor communities

- Affordability and ability to pay of local communities;
- Often high upfront costs;
- Decentralized systems often fail in the long-run.

Expansion of energy services requires significant investment and financing:

- Energy access projects are perceived as high risk investments;
- Often weak enabling policy environment and institutional frameworks;
- Innovative financing mechanisms to unlock funding are necessary.

Access to electricity supply is not enough to trigger productive uses.

## Clean Cooking

Comparing to progress on access to electricity, improving access to non-solid fuel for cooking has been slower, which has not received adequate attention and continues to have severe socio economic impacts for the poor, particularly for women and children.

# Pro-Poor Public Private Partnership (5P) Approach



- 5P is an innovative approach to developing Sustainable Energy Projects;
- Supported by ESCAP and first implemented in Cinta Mekar, Indonesia;
- Current demonstration sites in Nepal (1-18kW solar PV micro grid, and 2- Multiple Use Water System)

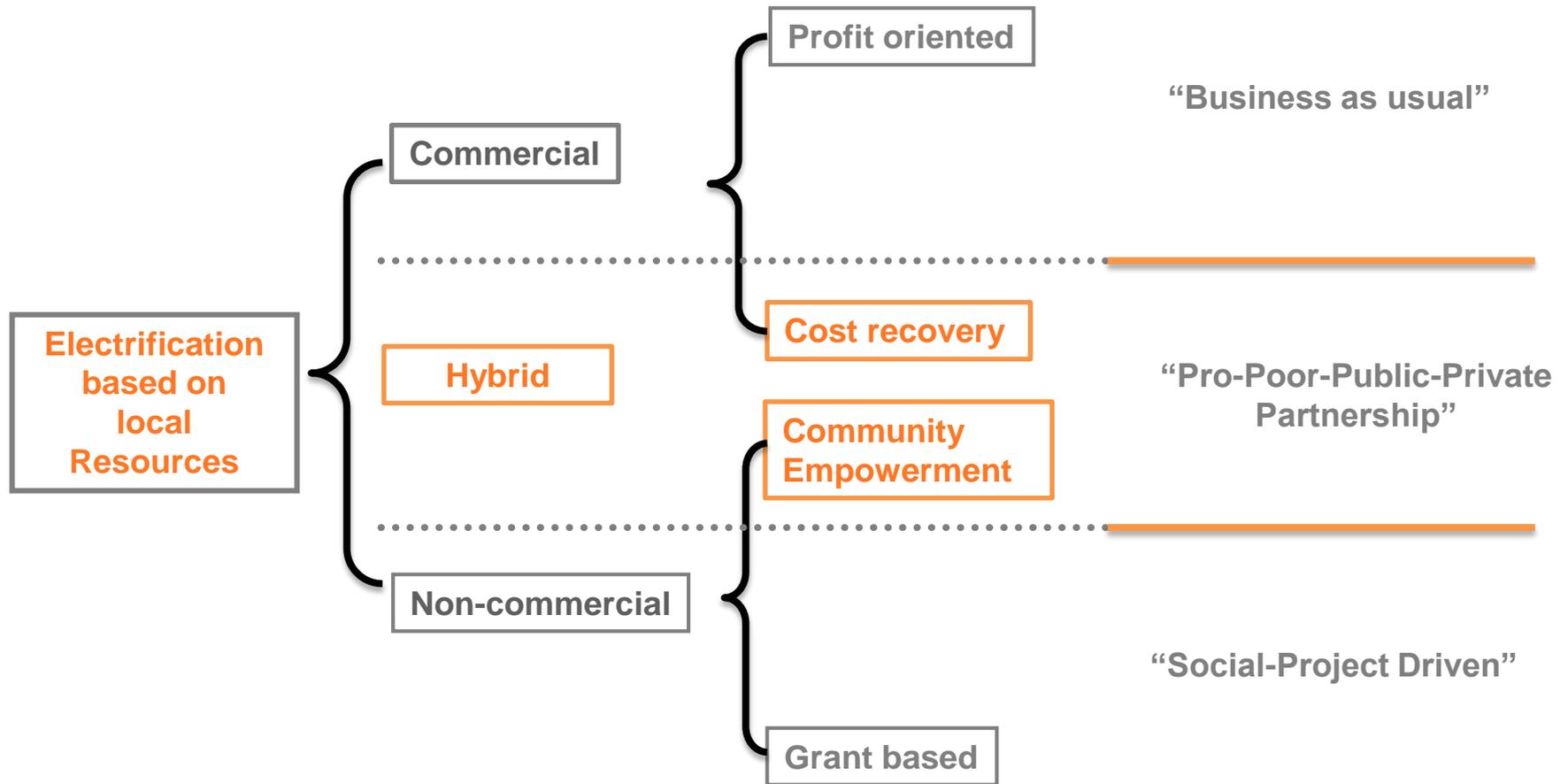
## Opportunities:

- Increased **private sector investment** in energy access initiatives;
- **Sustainable development** approach for energy access.

## What is missing:

- Innovation from the private sector and bankable business models;
- A sector wide-approach on energy access including supporting policy and institutional framework;
- Access to financing mechanisms from financial institutions to support blending of financing sources;
- Supporting productive end use of energy for income generation and livelihood improvement.

# Pro-Poor Public Private Partnership (5P) Approach



# Pro-Poor Public Private Partnership (5P) Approach



## Special Purpose Vehicle (SPV) Model



The SPV model aims at reducing perceived project risks and brings sustainability to energy access initiatives.

- Governments can leverage private sector funding to reduce grant component;
- Private sector brings innovation and know-how in the system design, operation and maintenance of the system;
- Local community benefits in knowledge transfer from private sector and potential productive end use of energy for livelihood improvement.

# Regional Cooperation in Energy for Sustainable Development

SDG 7 calls for enhanced international cooperation on clean energy research and technologies which offer an opportunity for Asia-Pacific countries to collaborate:

- Shared experiences and lessons learned in accelerating implementation of Sustainable Development Goals.

Complementary rather than competitive enabling policies and supporting institutional frameworks:

- Policies and financial mechanisms to unlock potential private sector investment.

Attracting additional sources of financing to leverage public sector funds:

- Development of strong pipeline of bankable business models is needed to take advantage of this opportunity.

Cost effective energy access:

- Energy connectivity and transboundary electrification could offer cost effective solutions for border area electrification.

# THANK YOU

**Parallel Session A1:  
Achieving Sustainable Energy for  
All in South Asia: Modalities of  
Cooperation**

Mr. Kohji Iwakami, Economic Affairs Officer,  
Energy Division, UN ESCAP