

Country Statement of Nepal
Second Session of the Committee on Energy
(9-11 October 2019)

Item 2: Status of and progress towards achieving Sustainable Development Goal 7 in Asia and the Pacific.

- a. National Challenges in the implementation of SDG 7 (Access to electricity and clean fuels technologies, energy efficiency and renewable energy);
- ✚ The significant portion of the population is without access to modern energy services, only 88% population has access the electricity, out of which 78% has connected to the national grid and remaining are in off-grid.
 - ✚ Although Nepal has huge potential for hydropower development, the generation of electricity is low. The installed capacity of the country is only 1250 MW till today including thermal and other renewables.
 - ✚ There are issues of reliable and qualitative supply due to the old transmission and distribution system and technology.
 - ✚ Development of more hydropower projects requires more investment.
 - ✚ Most of the hydropower plants are run-of-river type and therefore the demand and supply gap remains there in the system particularly in dry season.
 - ✚ Time over-run and cost over-run of the projects are prevalent.
 - ✚ It is difficult to provide grid connections to the people living in the scattered settlement in the remote areas particularly in the high Himalayan region.
 - ✚ Implementation of Transmission line projects are facing difficulty to secure land required for them.
 - ✚ Majority of the population are still using firewood for cooking in a traditional way.
- b. Measures taken by countries in addressing these challenges (e.g., innovative policies, technologies, initiatives and programs);
- ✚ Electricity Regulatory Commission Act 2018 has been approved by the parliament and Electricity Regulatory Commission (ERC) is functional now.
 - ✚ National Energy Efficiency Strategy, 2018 has been approved by the Government of Nepal in November 2018.
 - ✚ Water Resources Policy, Water Resources Act, Electricity Act, Renewable Energy Promotion Act and Energy Efficiency and Conservation Act are being drafted.
 - ✚ Approach paper of the Fifteenth Five Year Plan has incorporated adequate provisions to address the issues of energy sector.
 - ✚ Present Status and Future Roadmap of Energy, Water Resources and Irrigation Sector, 2018 (White Paper issued by Hon'ble Minister, MoEWRI) has undertaken

in -depth review of the energy sector and has proposed future road map for the overall development of the sector.

- c. Mainstreaming the global targets related to energy into national policies, plans and strategies;
 - ✚ GoN has approved “Sustainable Development Goals, Status and Roadmap: 2016-2030”. Nepal’s plan, policies and programs are aligned with the SDGs. The current five year plan has clearly defined vision, goals, objectives, strategies and working policies. We are currently preparing a result matrix with SDGs for five years. The plan consists of 5 hydropower related strategies and 22 working policies. In the alternative energy sector, we have set 5 strategies and 15 working policies. Those strategies and working policies will help in achieving SDG7.
 - ✚ The periodic plan clearly mentions strategies to increase investment in hydropower development including the T/L and distribution of electricity; encourages use of renewable energy, and improve energy security and institutional reform.
- d. Measures to effectively follow up on and review progress towards targets of Sustainable Development Goal7 at the regional level.
 - ✚ A high level Steering Committee has been formed under the chairmanship of Rt. Honorable Prime Minister. Under this committee a co-ordination committee and eight thematic committees have been constituted. The latter two committees are being led by National Planning Commission. Currently, the thematic committees are working to analyze and revise some local indicators in consultation/coordination with the concerned ministries and other related stakeholders.
 - ✚ Annual Action Plans are formulated such that the evaluation and monitoring of the programs relating to SDG7 are covered.

Item 3 : Implementation of the outcomes of the Second Asian and Pacific Energy Forum.

(a) National road maps for the implementation of Sustainable Development Goal 7.

- a. National Strategies, plans and institutional framework that are in place to achieve (or support the achievement of) SDG7.
 - ✚ Approach Paper of the Fifteenth Five Year Plan (2019-2023)
 - ✚ Present Status and Future Roadmap of Energy, Water Resources and Irrigation Sector, 2018 (White Paper issued by Hon’ble Minister, MoEWRI)
 - ✚ National Planning Commission is the focal point for evaluation and monitoring of SDG targets.

- ✚ National Strategies to achieve SDG7
 - Adoption of mixed energy system for energy security.
 - Investment opportunities for general people in hydroelectricity generation.
 - Concept of phase-wise implementation of transmission line master plan. East-West 400 kV T/L along Terai and mid-hill and North -South T/Ls along the river basin corridors.
 - Modernization and expansion of electricity distribution system.
 - Various bilateral and regional electricity trade agreements as well as implementation of the concept of energy banking for export of surplus energy.
 - Mobilization of capital by taking subsidized loans and grants from foreign agencies/development partners.
 - Awareness programs for energy efficiency and clean cooking access.
 - Development of renewable energy projects to increase the share of RE in the final energy mix.
 - Development of solar mini-grids in the off grid areas.
- b. Challenges to achieving SDG7 and emission mitigation target for the energy sector
 - Challenges to achieving energy access (electricity and/or clean cooking fuel)
 - ✚ As described in 2 a. above.
 - Challenges for emission mitigation
 - ✚ NDC-2016 targets are under review.
 - Barriers to increasing the share of renewable energy in the final energy consumption
 - ✚ We are already renewable dominated system.
 - Challenges to increasing energy efficiency
 - ✚ Awareness
 - ✚ Legal instrument
 - ✚ Institutional set-up
 - ✚ Standardization
- c. The areas where support needed to ensure the achievement of SDG7 and NDC by 2030
 - ✚ Setting up of monitoring mechanism in NPC and MoEWRI.
 - ✚ Periodic review of policy framework
 - ✚ Identifying and mobilizing required financial resources.
 - ✚ Capacity building and awareness programs in clean cooking.
 - ✚ Disaster risk reduction.

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(b) Regional road map on energy connectivity.

- ✚ The proposed roadmap requires further explanation/discussions.
- ✚ The cross border energy trade is extremely important for Nepal's hydropower development.
- ✚ Cross border transmission lines are the prerequisite for the sustainable development of hydropower in Nepal.