BACKGROUND

Nepal in recent years has made tremendous progress in providing access to electricity to its population with either extension of the national electricity grid or off-grid renewable energy solutions. As a result, over 90% of the population has access to electricity. In the off-grid front, most of the households receive electricity from Pico Hydro (<10 kW), Micro Hydro (10 to 100 kW) and Solar Home Systems (SHS). However, quality and reliability of electricity from these small systems are not of desired level everywhere. AEPC thus has initiated promoting solar mini grids and mini hydropower projects, which are sufficient for providing electricity for lighting and also kickstart economic activities.

Though there is a huge potential for solar mini grids and mini hydropower (> 100 kW) projects, very few have been developed in the country in the recent years due to technical and operational challenges. In this context, AEPC and ADB have joined forces to implement South Asia Subregional Economic Cooperation (SASEC) Project Off Grid Component to promote mini hydro (MHP) and solar or solar-wind hybrid mini grids (SMG).

Renewable Energy for Rural Livelihood (RERL), a joint project of AEPC and UNDP has been providing technical support to implement SASEC projects with the main objective of increasing electricity access in rural Nepal by installing 4.3MW MHP and 0.5MW SMG with 20% capacity utilized in productive uses and mainstreaming gender equality and social inclusion.

QUICK FACTS:

- **Duration:** 2019 - 2021
- **Focus:** Renewable Energy and Livelihood
- **Source of Funding:** Government of Nepal, Asian Development Bank (ADB), UNDP
- **Implementing Entity:** UNDP
- **Implementing Agency:** Alternative Energy Promotion Centre
- **Partners:** GoN, ADB and UNDP
- **Budget for total project period:** USD 2.3 million
ACHEEVMENTS SO FAR

▶ Completed the construction of 200kW Simroutu Khola Mini Hydropower Project (MHP), Tribeni Rural Municipality, West Rukum, providing electricity access to 1386 households, 44 of which are headed by women and 442 belong to the disadvantaged groups as defined by the Government of Nepal (GoN) and 1076 are below the national poverty line.

▶ Financial closure of 6 MHP projects have been completed and shares worth NPR. 28,276,700 have been distributed to members of cooperatives, responsible for project development and management. The Credit Guarantee Mechanism establish at the Central Renewable Energy Fund (CREF) of AEPC with the support of GEF-UNDP RERL was crucial in achieving financial closures of these community owned and managed projects.

▶ Completed 9 solar or solar-wind mini grids with total capacity of 565kWp benefitting 1632 households.

▶ More than 2136 people, 1041 (49%) men and 1095 (51%) women have been benefited from different trainings on technical and managerial skills development.

▶ To ensure that women and members of marginalized communities benefit from access to electricity by engaging in different productive energy uses, the project has encouraged them to engaged in saving and credit activities. So far, 201 saving and credit groups with 3858 members, 3497 (90%) women and 361 (9%) men have been benefitted.

▶ To increase number of women’s representation in Executive Committee, the project has oriented communities and respective municipalities. As a result, 154 members have been involved in the development of energy systems of which 31% are women.

▶ Established 179 enterprises and small businesses, of which 38 enterprises are women-owned which provided employment to 300 people of whom almost half (146) are women.

EXPECTED RESULTS BY THE END OF THE PROJECT CYCLE

- Additional 30,500 households connected to energy services
- At least 20% of the generated power is utilized in economic activities
- Capacity development of stakeholders for smooth operation of the projects and AEPC for scaling up RE solutions in Nepal

GENDER AND SOCIAL INCLUSION

The project accords high priority towards mainstreaming GESI aspects into every steps of the project cycle. It will not only ensure participation of women and members of disadvantaged groups during the implementation of project activities but will also ensure that they maximize benefits from access to electricity. As required, 33% participation of women in decision making bodies and 30% participants in capacity development activities will be ensured. Similarly, it will prioritize gender responsive and socially inclusive community consultations and engagement to better understand concerns of different groups in the communities in the project areas while also enhancing knowledge of the beneficiaries on GESI issues.

The project will prioritize the engagement of women and members of vulnerable and disadvantaged groups in the Productive Energy Use activities of the project. As there are many mini-hydro subprojects under construction, the participation of women in enterprises will increase as more projects are completed and start generating electricity.

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