



EUROPEAN UNION
DELEGATION TO NEPAL

Speaking points for H.E. Mrs. Rensje TEERINK, Ambassador/Head of Delegation for the opening session of Regional meeting on Sustainable Energy for Asia-Pacific Least Developed Countries

Venue: Hotel Radisson, Kathmandu, Nepal

Date: 22 March 2017

Time: 09:30 a.m.

- Hon'ble Min Bahadur Shrestha, Vice-Chair, National Planning Commission, Government of Nepal
- Hon'ble Janardan Sharma, Minister for Energy, Government of Nepal
- Mr. Gyan Chandra Acharya, Under-Secretary-General, UN-OHRLLS
- Mr. Shanker Bairagi, Secretary, Ministry of Foreign Affairs, Government of Nepal
- Ms. Caitlin Wiesen-Antin, Chief, Regional Policy and Programme, UNDP Regional Hub
- Ms. Nasreen Surat Amin, Additional Secretary, Ministry of Planning, Bangladesh, Representative of the Chair of the LDC group
- Colleagues from the media, Representatives from various institutions, academia
- Ladies and Gentlemen.

Good Morning and Namaste to all

- I would like to thank the organiser for inviting the European Union to witness the opening session of Regional Meeting on Sustainable Energy for Asia-Pacific Least Developed Countries.
- Modern energy services are crucial for human well-being and to a country's economic development. Still, more than 1 billion people (17%) of the global population lack access to electricity, despite modest improvements. More than 2.7 billion people are without clean cooking facilities. More than 95% of these people are either in sub-Saharan Africa or developing Asia, and around 80% are in rural areas.
- Clean energy undoubtedly serves as a catalyst for economic development, and is well substantiated since it is one of the goals in the Sustainable Development Goals' (SDGs)

list. There is no denying that it forms the basis for exploring varied forms of development opportunities.

- When linking the role and use of energy with the SDG 7 that aims at building access to affordable, reliable, sustainable and modern energy for all, it is indeed a welcome gesture that Nepal has agreed with the 'Safe Energy for All' document (SE4ALL) document that focuses for energy access needs to better capture the quantity and quality of electricity supplied, as well as the efficiency, safety and convenience of household energy.
- We all know, renewable energy sources produce negligible or Zero Greenhouse Gas (GHG) emissions. Therefore, increasing the share of renewable energy in total energy mix will significantly reduce the GHG emissions. I wish to underline that the EU has been in the forefront of international efforts to reduce emission of greenhouse gases by reducing fossil fuel energy consumption through the adoption and promotion of renewable energy technologies, aiming to get 20% of its energy from various renewable sources such as wind, solar, hydro-electric and tidal power, geothermal and biomass by 2020.
- In 2015, the EU increased its climate finance contribution by more than 20%. With this increase, and through financial instruments like the European Fund for Sustainable Development that plans to spend 20% of its EUR44 billion on renewable energy and climate change projects, the EU is showing that it is serious about contributing its part towards achieving the USD100 billion goal in 2020."
- The adoption of the Energy Union package, on 25 February 2015, places the EU's foreign energy policy in the forefront of its external actions. As energy is recognised as a key driver for sustainable and inclusive growth, the EU energy policy recommends to give special emphasis to energy in the EU development cooperation policy.
- In April 2012, in the context of the EU SE4ALL-Summit held in Brussels, President Barroso added an ambitious goal for the EU, proposing that the EU will assist developing countries in providing energy access for 500 million people by 2030.
- Since then, the EU has been particularly active in promoting the SE4ALL's (Sustainable Energy for All) objectives. Within the EU Energy Initiative platform and the Africa/EU

Energy Partnership, the Commission has contributed to energy objectives with grants worth more than EUR 2 billion, of which a large part has been dedicated to the African continent.

- Now, in the 2014-2020 Financial Framework, more than EUR 3.5 billion in grants has been allocated to energy through various instruments.
- Transitioning to a more sustainable future remains a top priority for Europe – and the EU is continuing to develop strategies to reduce its imports of fossil fuels and develop clean and affordable sources of energy. Our experience has shown us the importance of ‘decoupling’ or breaking the link between economic growth and increased emissions – and between 1990 and 2012 the EU managed to reduce greenhouse gas emissions by 19% whilst over the same period the economy grew by 45%.
- The EU has also benefitted from ambitious emissions reduction targets through legally binding legislation. Our Euro 2020 strategy for sustainable and inclusive growth has specific targets to cut greenhouse gas emissions by 20% (below the 1990 level), and to ensure 20% of energy comes from renewables, and that energy efficiency is improved by 20%. This was further strengthened by the 2030 climate and energy framework, which introduced a binding target to reduce EU domestic greenhouse gas emissions by at least 40% by 2030 and increase the share of renewable energy to at least 27% of total consumption. In the long run, the EU aims to reduce emissions by 80% by 2050 – including through emissions trading, by improving energy efficiency, and partly by heavy investment in research to develop competitive renewable technologies.
- As Nepal does not have reserves of gas, coal or oil and the country remains vulnerably dependent on foreign countries for its imported fuel. In view of Nepal's geography, financial and technical limitations would require switching to renewable energy sources, which are readily available and free of cost.
- However, it is difficult to provide a single one goal solution to eliminate challenges associated with energy access. One of the biggest challenges is reaching inaccessible, remote, isolated rural communities with basic energy services. Still, there is a way forward – government policies or a combination of policies will play a crucial role in

accelerating development of renewable energy technologies. All stakeholders present in this meeting will have an equal role to play, especially Private Sectors, who are an essential partner in the fight against poverty.

- It is noteworthy that Government of Nepal is already working on policies for the promotion of cleaner energies and increasing access to renewable energy – including the rural energy policy and the draft approach paper of the National Planning Commission – and it is necessary that these policies are now implemented in earnest so that a more fully developed renewable energy sector can begin to effectively contribute to Nepal’s energy demands. The move towards cleaner energy will also help to reduce pollution – an increasingly severe problem in Kathmandu, which was ranked the world’s third most polluted city in the 2016 Pollution Index.
- As you all know that the EU has been playing a significant role to promote renewable energy and hydropower development in Nepal. Some of the initiatives are - The €390 million Tanahu Hydropower Project, co-funded by the European Investment Bank (EIB) to the tune of €55 million, which will generate 140MW of electricity
- Together with the EU and KfW the EIB is also working on Trishuli-Chilimie Transmission Line project with €65 million. In addition, EIB will contribute €95 million to a €270 million project, connecting two dozen under-construction hydropower projects, by the construction of the Samundratar-Trishuli 3B Hub Transmission Line and Substation,
- In addition, the EU has also provided support to increase access to clean energy technology and practices such as solar, wind, biogas, improved cooking stove, bio briquette, and small micro-hydro benefitting an additional 360,000 people through the "Nepal Climate Change Support Programme: Building Climate Resilience in Nepal" funded under the Global Climate Change Alliance (GCCA) of the European Union, jointly with DFID. A grant assistance of EURO 8.6 million has been provided by the EU to the Government of Nepal

- In addition to the bilateral cooperation programmes, the EU has established number of other thematic instruments to tackle issues related to the energy, environment, and climate change.
- One of such initiatives is a thematic instrument called ElectriFI, aiming to addressing the lack of access to clean, reliable and affordable electricity and energy services. ElectriFI is an Electrification Financing Initiative (ElectriFI), elaborated in close cooperation with representatives of the private sector and development financiers, is a flexible tool aiming to support investments providing access to reliable, affordable and sustainable electricity and energy services in developing countries. ElectriFI was launched by the Commission in 2015 (during COP21 in Paris), to unlock, accelerate, and leverage investments that can increase or improve access to affordable, reliable, sustainable, and modern energy and promote the rational use of energy. The last call for proposal was closed on 08.03.2017. I am looking forward to see Nepal benefitting from this instrument as well.
- There is another on-going call for proposals - women and sustainable energy, aiming to promote women's entrepreneurship and economic empowerment in the sustainable energy sector, and contributing to gender equality, to the eradication of poverty and to job creation, improving women's lives and status. The scope of the action focusses on the sustainable energy sector, integrating financial services, skills improvement and soft measures for women empowerment. The size of the grant is minimum EUR 4 million and maximum EUR 8 million. The deadline for proposal submission is 25/04/2017 at 16:00 (Brussels date and time). I personally request those interested to work with the EU, to not to miss this opportunity. Necessary details can be obtained from Mr. Ranjan SHRESTHA, and also from the website of the Delegation of the European Union to Nepal.
- Finally, perhaps parts of our experience can be illustrative – and it remains to be said that the EU is always keen to extend the needed expertise and assistance to help the people and the Government of Nepal move towards a greener, more prosperous and more sustainable future.
- With these words, I would like to stop here and once again extend my thanks to the organisers for inviting the European Union to this important event. I would like to

conclude by wishing you all fruitful discussions during the various sessions and lovely stay here in Nepal.

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