



Urban and Per urban Energy Access (UPEA II)

Key Findings of the study

Structure of the Presentation

- Objectives of the study
 - Some common findings and recommendations of the study
 - Key findings of all centres
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Objectives of the study



Objectives of the study

The objective of the scoping phase of the study was to

- Carry out an initial assessment of the energy situation
- Assess if existing energy policy reforms have addressed the challenges
- Focus on ongoing and planned energy policy reforms
 - how likely they are to improve, cleaner and more sustainable energy services for the poor in these areas in the country
 - how the processes can be improved to promote better access to cleaner energy services from the poverty alleviation, environmental and productive use of energy point of view.
- Identify viable and proven policy options that can assist in providing cleaner and more sustainable energy services to the poor in the rapidly growing urban and peri-urban population.

Objectives of the study

The objective of the thematic study was to

- Further probe into clean energy access issues identified during the scoping phase
 - Recommend policy options in order to facilitate improved, clean and sustainable energy services to the poor residing in urban areas in developing countries from the perspective of poverty alleviation (including consumptive and commercial uses) and environmental protection.
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Regional coverage

Institute	Coverage
AFREPEN	Kenya
CENBIO, COOPETEC	Brazil
ERC	Cape Town
Foundation Bariloche	Gran Buenos Aires
AIT	Greater Bangkok
ENDA	Senegal
TERI	Delhi



Common Findings and Recommendations of the study



Common Findings and Recommendations of the study

1. **Lack of definition of poor and demarcation of informal settlements**
 - No clear definition of poor in most cases
 - Areas inhabited by poor not mapped formally
 - Little data on incomes and energy consumption patterns

Recommended Action : Immediate need for a better identification, mapping and measurement of informal settlements

Common Findings and Recommendations of the study

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2. Inaccessibility to clean fuels due to nature of settlements

- Lack of identity proof due to lack of proof of residence since areas inhabited by the poor not recognized legally.
- Distribution networks (LPG,NG,Electricity grid) do not service illegal settlements.

Recommended Action : Issuance of temporary identity cards for the residents on unauthorized lands to make them eligible to access clean fuel. A successful example of this has been the “Temporary Quasi Household IDs” issued in Thailand.

Common Findings and Recommendations of the study

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3. Unaffordability due to high upfront costs of connections

- Initial upfront cost of connection (LPG and electricity)
- Cost of cylinder and required appliances – LPG and equipments (meters) – electricity
- High cost of Refill of cylinders
- Inability to pay for electricity bills

Recommended Action :

- Policies and regulations should directly target at reducing the upfront cost
- Promoting alternative options like smaller cylinders, payments in installments for legal connections

Common Findings and Recommendations of the study

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4. Lack of a formal monitoring mechanism in place

- No agency/ institution responsible for access to clean fuel to the poor
- Misconduct and malpractices observed on part of the dealers
- Leads to diversion and black-marketing of fuel
- Allows dealers to dictate own prices leading to price hike

Recommended action: Need to set up a state/city level agency to look specifically into energy access for the poor

Common Findings and Recommendations of the study

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5. Mistargeted subsidies

- Policies and subsidies unable to target specific groups
- Improper channelisation of these subsidies benefit the middle and high-income groups rather than the poor
- elimination of subsidies at times acts as a barrier retarding the transition from traditional to modern fuels

Recommended Action : Develop an institutional mechanism to study the impact of ongoing subsidies , re-evaluate them and channelise to target groups.

Common Findings and Recommendations of the study

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6. Lack of strategic planning and a long term vision

- Growth of slums and infrastructure due lacunae in urban planning
- Absence of long term plans, structural measures and policies
- Energy not on the agenda of policy makers

Recommended Action : Need to develop a Comprehensive Energy Policy, a cohesive policy to include provision of basic facilities including access to clean energy and aiming at mitigating poverty

Common Findings and Recommendations of the study

contd'...

7. Lack of awareness regarding use of clean fuels

- Unaware of the benefits of clean fuels and the harmful impacts of the unclean fuels
- Misconceptions regarding usage of clean fuels
- Ignorance about safe storage and handling of clean fuels leading to accidents makes them averse to usage

Recommended Action :

- Need for rational management of energy to substitute unclean fuels through training programs and campaigns
- Educate the consumers for efficient use of energy by promoting clean technologies (like Smokeless Chulhas under the Indira Awaas Yojana in India)



Thank you