



United Nations Development Programme

Communications Office

PRESS RELEASE

Tackling energy poverty can accelerate MDGs, says UNDP

Large-scale, upfront investment in capacity development crucial

New York, 22 June 2010 — As world leaders prepare to meet at the United Nations in September to find ways to accelerate progress towards the Millennium Development Goals (MDGs), the United Nations Development Programme (UNDP) has published, today, a report that shines light on the MDG-boosting potential of the energy sector.

The report "*Capacity development for scaling up decentralized energy access programmes*" draws lessons from two decentralized energy projects in Nepal that brought modern energy services to almost a million people in remote rural communities —250,000 reached by micro hydro power supplying electricity for lighting and mechanical power for agro-processing and other productive activities; 580,000 people with access to improved cooking stoves.

The report points out that the key to their success was upfront public investment in capacity development —well over 50 percent of total project costs— that made it possible to overcome substantial gaps in local and national capacities required to deliver, manage, operate and maintain the solutions to providing energy access in rural areas. Such investments, the report argues, created the conditions necessary to attract substantial financing from communities and private sources at later stages, making country-wide scaling up an achievable target in Nepal.

"Access to energy is at the root of so much that is making life better for people in Nepal, it's an obvious winner in trying to speed up the achievement of the MDGs throughout the developing world," said Olav Kjørven, UN Assistant Secretary-General and Director of Development Policy at UNDP. Mr. Kjørven.

"Without access to modern forms of energy, people —particularly women— carry heavy loads because they don't have transport. Without an electric pump, they carry water. They pound grain by hand to make flour. They spend hours seeking out scarce firewood to burn, and they cook indoors over open fires that damage their health," said Mr. Kjørven. "Clearly, access to modern energy services will help remove many obstacles from the path out of poverty for millions of people," he added.

"What has been less obvious is the necessity for large-scale upfront investment in capacity development," said Mr. Kjørven. "But as this report shows, putting the skills, knowledge and institutions in place early gives energy projects a much higher rate of success, and the inputs for capacity development can taper off as the initiatives mature," he said.

Almost half of humanity —3 billion people— lives without access to modern energy for lighting, cooking, heating and mechanical power for productive activities. The United Nations Secretary-General's Advisory Group on Energy and Climate Change recently called for universal access to modern energy services by 2030.

"We at UNDP are confident that pervasive energy poverty can be turned around, if development resources are made available along with strategic budgeting and public investments in capacity development. Expanding energy access service delivery can work for the benefit of poor rural women in Sub-Saharan African countries as it did in Nepal. In fact, we are already seeing similar results in several Western African countries," said Mr. Kjørven.

"Our experience in expanding energy access to our rural poor shows how quickly we can scale-up from small energy pilot projects to a country-wide programme, as long as we have the proper levels of investment in capacity development at the beginning," said H.E. Mr. Gyan Chandra Acharya, Ambassador and Permanent Representative of Nepal Mission to the United Nations. "This would have not been possible without a clear understanding of and commitment to the crucial role of capacity development on the part of development partners, UNDP and the Governments of Denmark and of Norway," he said.

Mr. Kiran Man Singh, National Programme Manager of the Rural Energy Development Programme in Nepal, also participated in the launch of the report. He highlighted some of the development impacts of Nepal's energy programme including improved lighting in homes, schools and hospitals, reduced health risks from indoor air pollution, reduced drudgery among women and girls, diversified livelihoods and increased incomes among the poorest segments of Nepalese society. "All of these development dividends translate into accelerating achievement of MDGs," he said.

Nepal is now expanding the programme to bring energy to tens of millions of people. Kenya and other countries are interested in applying the same strategy.

The report "*Capacity Development for Scaling Up Decentralized Energy Access Programmes: Lessons from Nepal on its role, costs and financing*", was produced in partnership by UNDP and the Government of Nepal. It is available here: <http://www.undp.org/energy>

For more on the Millennium Development Goals, visit www.undp.org/mdg

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