

# Community Rural Electrification in Nepal



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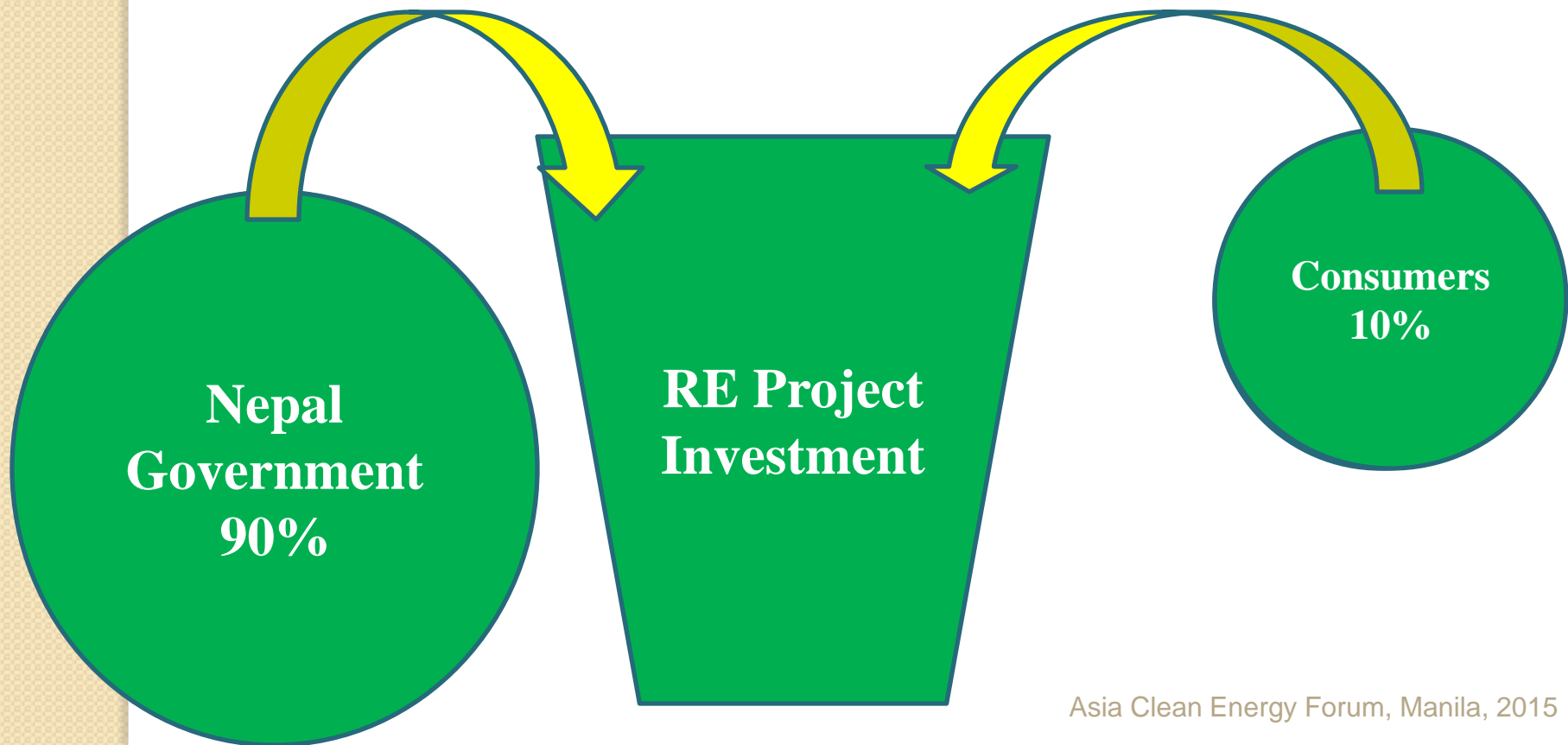
Community Rural Electrification Department

Nepal Electricity Authority

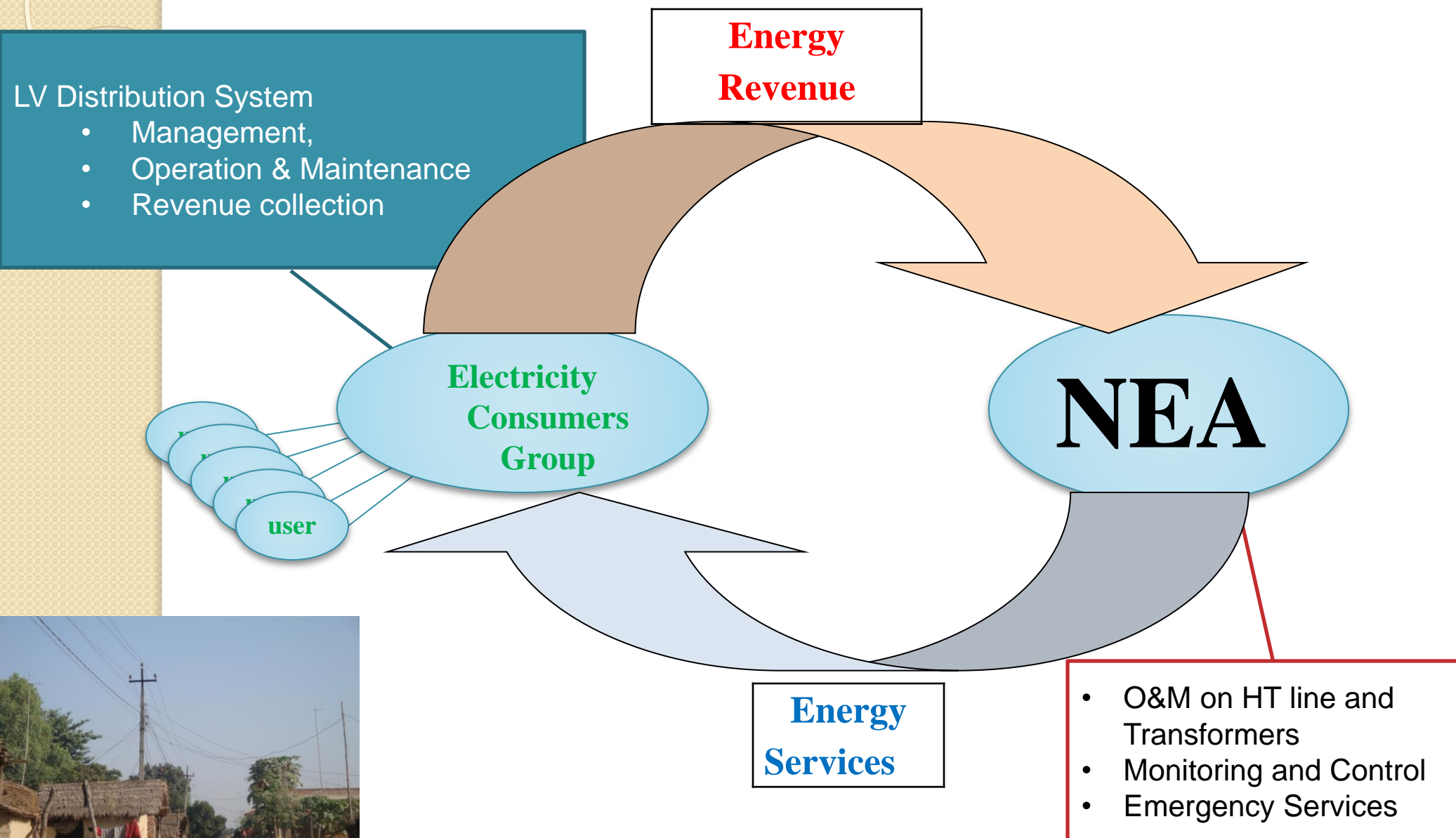
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# Community Rural Electrification

- The Program started in 2002
- Joint venture approach between electricity Consumers Groups and Nepal Government



# Community Rural Electrification



# Community Rural Electrification

## Current Status:

- Total people connected: 1.850.000
- Additional 907.000 in pipeline until 2016
- Community investment leveraged: NRs 980 million (**About \$10 million in cash**)

# Advantages



Pro-poor grid electricity access  
for rural communities



Fast and Sustainable approach  
of Grid Electrification in Rural  
Nepal



“Priority 1” project of the  
Nepal Government

# Challenges

Financing

Capacity Building

Slow demand growth

# Productive Use Promotion in CRE

- No Subsidy for new businesses, only advice and facilitation
- Double approach:
  - User Group side
    - Training PU facilitators
    - Developing Incentive packages
  - Entrepreneurs side
    - Conducting Business opportunity survey
    - Training of Business service providers



# Productive Use Promotion in CRE

## Current Status:

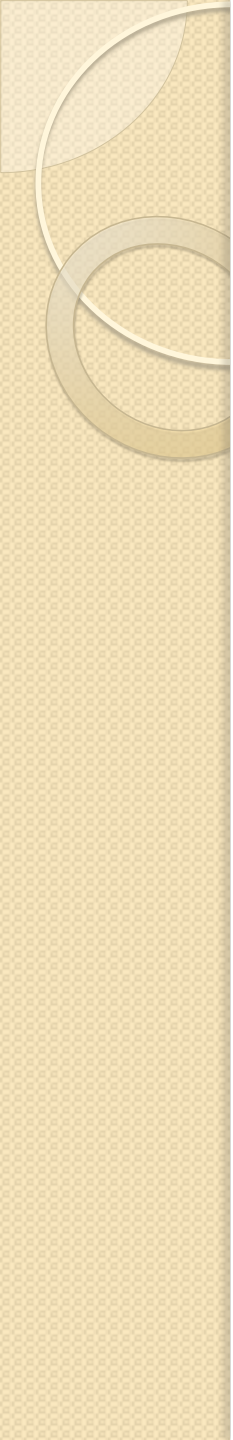
- Over 2.000 small and cottage industries in operation
- Women owners in most of the rural industries
- Over 3500 jobs created





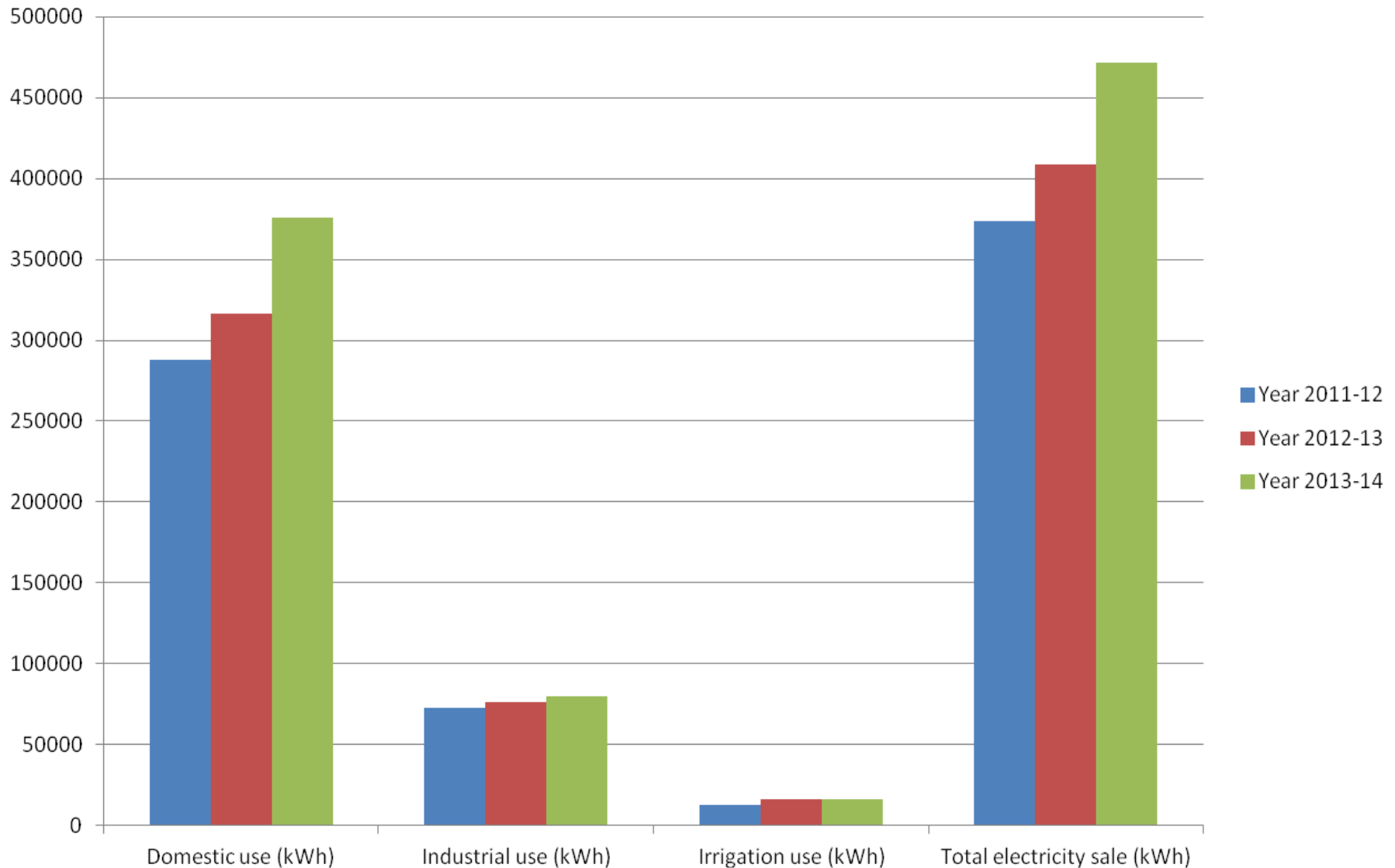


**Thank you !**









# Current Status (Contd.)

Domestic consumption increment is high compared to others due to increase in home based businesses



# PU Promotion Sequence

Steps	PU promotion through CREEs (supported by EnDev)	Actions	PU promotion through ESPs (supported by HELVETAS)
Preparation	AWARENESS	 <p>CREEs suggest potential ESPs</p>	TRAINING OF ESPs
	BUSINESS IMPROVEMENT PLAN (BIP) OF CREEs	 <p>Support in developing BIP of the CREEs, knowledge on PU opportunities</p>	AREA POTENTIAL SURVEY
Planning	PU FACILITATION	 <p>Cost sharing arrangements &amp; support</p>  <p>Business clients ; business coaching</p>	BUSINESS ORIENTATION
Provision	INCENTIVE PACKAGE	 <p>Business services for start-ups or expansions</p>  <p>Technical advise and support to complement BDS</p>	BUSINESS OPERATION OF ESPs