

ENERGY & CLIMATE CHANGE

Intelligence Bulletin

Workshop on Energy for Achieving Millennium Development Goals

UNDP in cooperation with Power Division organized a workshop on 11 September 2007 on 'Energy for Millennium Development Goal'. The objective of the workshop was to create greater awareness on energy issues for achieving the MDGs. About 150 participants from Ministry of Power, Energy and Mineral Resources, Economic Relation Division, Planning Commission, Government institutions including Power and Energy agencies and utilities, Academic and Professional Institutions, NGOs, Private Sectors, Media, Development Partners attended the workshop.

Mr. Larry Maramis Deputy Country Director of UNDP chaired the workshop and Dr. M. Fouzul Kabir Khan, Secretary of Power Division, MoPEMR was present as the Chief Guest. Dr. Abul Barkat, Professor of Economics, Dhaka University presented the keynote paper on 'Energy for Millennium Development Goals'.

Prof. Barkat noted that the progress towards expanded access to modern energy services has been slow due to many interrelated reasons. These are low income levels among the unserved population; lack of financial resources for service providers to build the necessary infrastructure and reduce first-cost barriers to access; weak institutional, financial, and legal structures to encourage private investment; and lack of vision and political commitment to scale up services.

He also provided the empirical evidences (including those from Bangladesh) towards understanding complex linkages between energy services & MDG and mentioned that it would not be possible to attain all the goals without easy access to energy services. In considering the question of whether 2.4 billion people can make the transition from solid fuels to cleaner-burning fuels, it is worth noting that the proportion of Brazil's population using modern cooking fuels such as LPG increased from 16% in 1960 to 94% in 2005. Similarly, the 1.6 billion people worldwide who are without access to electricity may consider the examples set by Tunisia, where the electrification program expanded service from 6% of the population in 1976 to 95% in 2005. China's electrification rates reached 98% in 2005, credited to sustained political commitment, public funding that combined domestic resources and borrowings, and effective cost-recovery tariffs and mechanisms from users. These best indicate attainability of apparently hard targets associated with making energy access work for the poor.

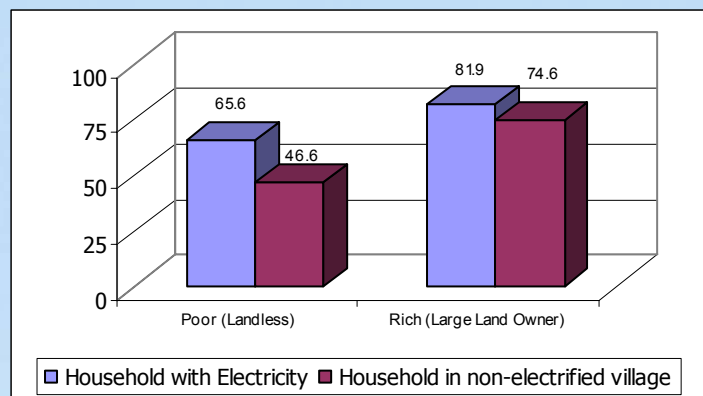


In the keynote paper, Prof. Barkat explained linkages between energy services & income poverty reduction, eradication of hunger, education, gender equality & empowerment of women, health, environmental sustainability (i.e., various goals & targets of MDG). About 2.4 billion people in the world (40% world's population) today can be termed as poor (viewing from 2\$ a day measure), and almost all of them are energy poor. Across the world, a large of the population is unable to access modern energy services at all, and those who do have access often pay high for energy services of much lower quality. A substantial part of the population relies on bio-mass or dung for cooking fuel and heat; on kerosene lamps, batteries, or candles for lighting; and on human or animal energy-based mechanical power for tilling and weeding land, grinding and crushing, agro-processing, or transport. The poorest households spend a large part of their total income and human resources on energy because some forms of energy are absolutely essential to meet basic needs of cooked food and transport. Insufficient and unreliable power limits the ability of enterprises limiting growth and job creation. The largest concentrations of the 'energy poor', those people who are both poor and who also lack access to modern forms of energy are situated in sub-Saharan Africa and South Asia.



Referring to his past studies, Prof. Barkat mentioned that the positive correlation between improved access to modern energy services especially that of electricity and educational achievements has been found in Bangladesh. The most notable and critical findings of the Bangladesh rural electricity study showing inextricable linkages between electricity-energy and education-poverty reduction are as follows:

- The overall literacy rate in the electrified households (71%) is 26 % higher than that in the non-electrified households. And for female the rate is 31% higher;
- The rich-poor gap in literacy is 20% in the electrified households, but it is as high as 60% in the households of non-electrified village.
- The literacy rate among the poor in the electrified (66%) is about 41% higher than that of the poor in the non-electrified villages.



- The average annual household expenditure on education is 87% higher in the electrified (BDT.3,260) compared to that in non-electrified villages (BDT. 1,746).
- Electrified household, not only the availability of more time for study (average 30-45 minutes more after sunset as compared to non-electrified), but also the quality of that time due to sufficient lighting and fan for comfort plays determining role in the improvement in quality of children's education. Thus household access to electricity should be seen as one of the major strategies to reduce knowledge-poverty.

Referring to International Energy Association's assessment, he said during 2003-2030 the world energy sector needs investment of US \$16 trillion, of which \$9.6 trillion, or 60 percent, for electricity, \$3 trillion for oil, \$3 trillion for gas and \$0.4 trillion for coal. Bangladesh needs \$16 billion investment to ensure electricity for all by 2020, he said, adding that with the present economic growth rate Bangladesh has the ability to invest the amount in local energy sector.

Prof. Barkat recommended broadening the base of energy services by adopting relevant policy frameworks; ensuring expanded energy access for poor households, economic and human development sectors; incorporating the cost of energy service delivery needed to support the attainment of MDGs into national development strategies.

Ms. Shireen Kamal Sayeed, Assistant Country Director of UNDP made a presentation on 'Energy, MDGs and Gender Issues'. She suggested the following measures for mainstreaming gender and energy for attaining MDGs.

- Develop and Use Poverty and Gender Sensitive Project Planning and M&E
- Build Capacities on Gender Mainstreaming at National and Local Levels
- Provide Technical Assistance to Mainstream Gender Issues in Energy Projects
- Promote Alternative Institutional Models through Networking and Information Dissemination
- Policy Advocacy for Creating Enabling Conditions for Women's Enterprises
- Develop energy infrastructure and institutions that directly benefit women and the poor

Mr. B. D. Rahmatullah, Director (Training) of Rural Electrification Board showed the inter-linkages between rural development and energy. He mentioned that rural electrification and rural development must be integrated to ensure the sustainability of both. Professor M. Rezwana Khan, Vice Chancellor of United International University talked on urban energy crisis and environment.

The Chief Guest ensured that the government would soon take a holistic approach towards the energy sector. He said that fair and honest national debate was needed on energy resources like coal and the pricing of energy.



The Chairperson in his concluding remark noted that in the context of Bangladesh rural energy is extremely important if poverty is to be reduced to half by 2015. The nation cannot progress in terms of growth if 70-80% of the population who live in rural areas are without modern energy. It not only affects their quality of life, it also leaves them with little or no option to be productive.