



International Conference on Institutionalization of Energy Efficiency

Summary of discussions

Kathmandu, Nepal
26 – 27 November 2015

Drinking from a fire hose



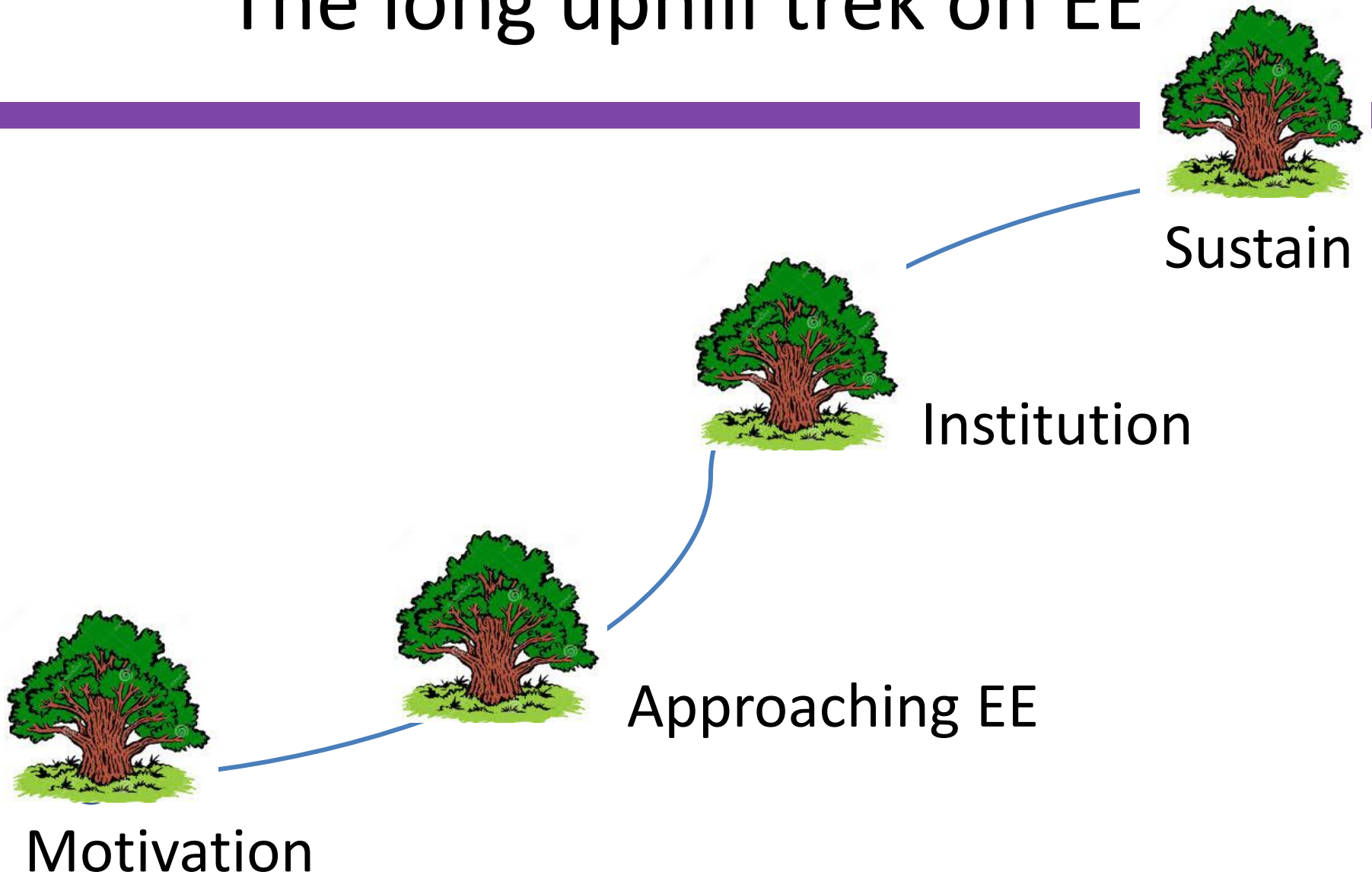
Photo source: investorspot.com

Objectives of the conference

The only rule is
that there is no
rule

- Share
 - Lessons
 - Experiences
 - Best practices
- Motivate & encourage
- Network

The long uphill trek on EE





Motivation

Crisis is a
teacher only if
we are willing
to learn from it

- EE is invariably motivated by a problem to solve, though nature of problems vary
- Crisis is a common kick-starter
- Motivation shifts over time
- EE goals potentially getting institutionalized internationally under climate change agreements



Approaching EE

“Each country, based on their own situation, should decide how to go about EE”

- Different approaches to EE across countries
- Across South Asia, energy challenges is a key driver
- EE and renewable energy repeatedly cast within the same net



Approaching EE

“In Nepal, EE fits in very nicely within the overall vision [for development]”

- Diagnosis of local context, needs and aspirations are important to establishing political case for EE
- No clear recommendation on who champions EE, but there must be a strong champion
- Political heavy weight must lead; who motivates the political heavy weight



Approaching EE

“EE is now not an option or a choice, we have to work towards that”

- Case for EE has been made – no debate remains
- EE must be integrated within the broader energy strategy
- Cannot sacrifice economic growth, development, inclusiveness
- Question now is not of need, but how to “Act”
 - Who will do it; how it will be done; when it will be done; how it will be financed...



Institution

Restructuring of utilities have lowered aggregate technical and commercial losses from 55% to 24% within half a decade

- Act first and institutionalize later, or Institutionalize first and act later
- But either way, an institutional framework is essential to sustaining EE effort
- Experience from South Asia, wide dispersion of institutional maturity



Institution

Political heavy
weight doesn't
always have to
be the
Government

- Industry can help mobilize action towards institutionalization of EE
 - Evidence from textile industry in Pakistan
 - Driven by need to stay globally competitive
- To be relevant, EE must deliver on Affordability and Availability



Institution

“Having own institution [on EE] gives you power”

- Evidence from countries validate
 - Multi-disciplinary
 - Multi-institutional
 - Wide range of stakeholder
- Able institutional leadership is critical
- Institution can be adapted to fit any context
 - Wide range of examples, learnings from across the world
 - GIZ study on institutions



Critical implementation issues

“Success factors:”

- Management system development
- Budget
- Continuous human and institutional development
- True energy prices
- Clear policy and long-term development policies

- Evidence (data) based approach
- Monitoring and measurement
- Transparency
- Stakeholder engagement
- Clear targets
- Backed by financial resources



Sufficient funding is critical

“\$6 - \$10 million can go a long way [towards delivering EE objectives]”

- Country evidence suggests wide range of financing options
 - Levies, endowment funds, sponsored projects, service and membership fees
- Requires creativity and **POLITICAL WILL**
- Wide range of structuring options
- Funding must be certain and consistent



Sustain

- Phased
 - Partnership
 - Regulatory
 - Communication
- No country has done it overnight
 - Essential EE principle embodied in the highest level of government
 - Percolates to existing authority and integrated with existing acts
 - Implementation partnerships with other institutions
 - Clear regulatory authority makes it easier
 - Public-private participation in implementation



Sustain

- Focus
 - Complex
 - Infrastructure
 - Co-benefit
- Clear and comprehensive plans
 - Targets, finance, schedule
 - Institutional authority
 - Pick a few focus areas
 - Complexity shouldn't be understated
 - Infrastructure – testing labs, trading platform
 - Economic co-benefits



Sustain

- Variety
 - Losers
 - M&V
 - Lifestyle
- Wide variety of modalities
 - Depends on the system's DNA
 - Tactical and structural
 - Compensating losers
 - Independent and credible monitoring & verification
 - Lifestyle – modesty economics



Wrap up

The case for EE
is clear...
the only
question is
when

- Nationally and internationally, case for EE has been made
- Need for an institutional authority to pull together stakeholders and lead the initiative
- Evidence from other countries suggest a wide range of possibilities
- Be tactically smart – pick the champion that can push it through

THANK YOU