

Assessment of SAARC Thimphu Declaration on Energy and Climate Change¹

Key Declarations from the SAARC Summit, Thimphu on Climate and Energy

- a) Undertake advocacy and awareness programmes on climate change, among others, to promote the use of green technology and best practices to promote low-carbon, sustainable and inclusive development of the region.
- b) Commission a study to explore the feasibility of establishing a SAARC mechanism, which would provide capital for projects that promote low-carbon technology and renewable energy; and a Low-carbon Research and Development Institute in South Asian University.

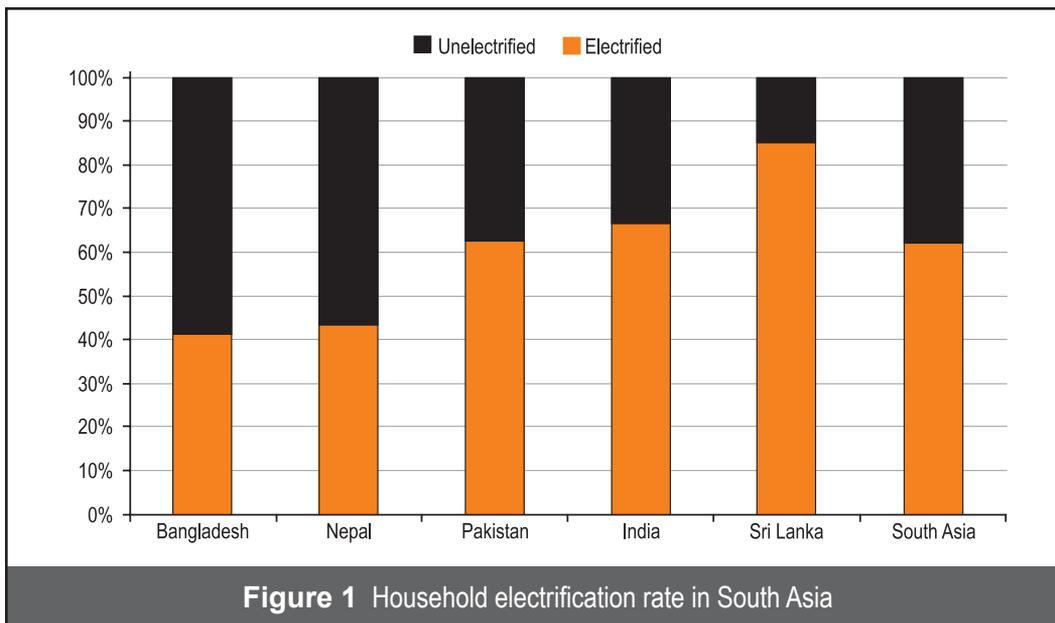
Current Energy Status in South Asia

The seven countries in South Asia – Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka – about 4.4 million km², which is 2.4% of the world's land surface area. The population in these countries accounts for over 16.5% of the world's population, making it the most populous and the most densely populated geographical region in the world (Table 1).

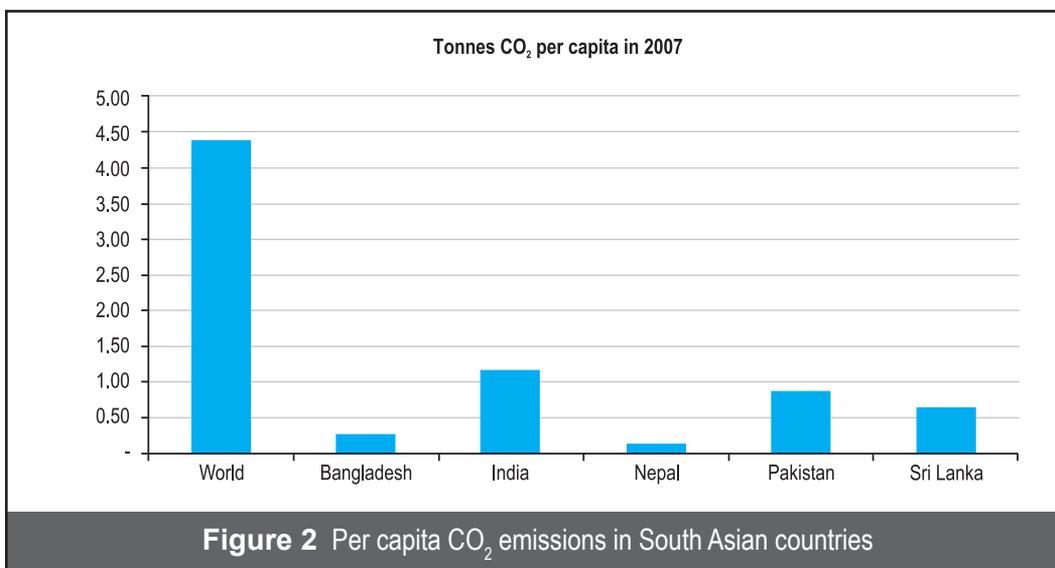
Country	Area (km ²)	Population (2009, in million)	Population density (/km ²)	GDP 2009 (USD, in million)	GDP per capita 2009 (USD)
India	3,287,240	1,198.00	365	1,430,000	1,176
Pakistan	803,940	180.81	225	166,515	981
Bangladesh	147,570	162.22	1,099	100,002	551
Nepal	147,181	29.33	200	12,615	427
Sri Lanka	65,610	20.24	309	41,323	2,068
Bhutan	38,394	0.70	18	1,269	1,832
Maldives	298	0.40	1,330	1,357	4,388
South Asia	4,490,233	1,591.69	354	1,753,081	1,101

A large number of people still lack access to electricity and modern commercial fuels. In South Asia, there are roughly 600 million people who still lack access to electricity (Figure 1), over 45% of the population does not have access to modern energy services. The quality of electricity (low voltage levels and load shedding) is also an issue in the South Asian region due to capacity deficiencies. More than two-thirds of South Asian households depend on biomass as the main source of cooking fuel.

¹ This document is the result of the Panel Discussion on *Ensuring Energy Security and Low-Carbon Development in South Asia*, held at Kathmandu, Nepal, organised by CANSAs (Climate Action Network of South Asia), in August 2011.



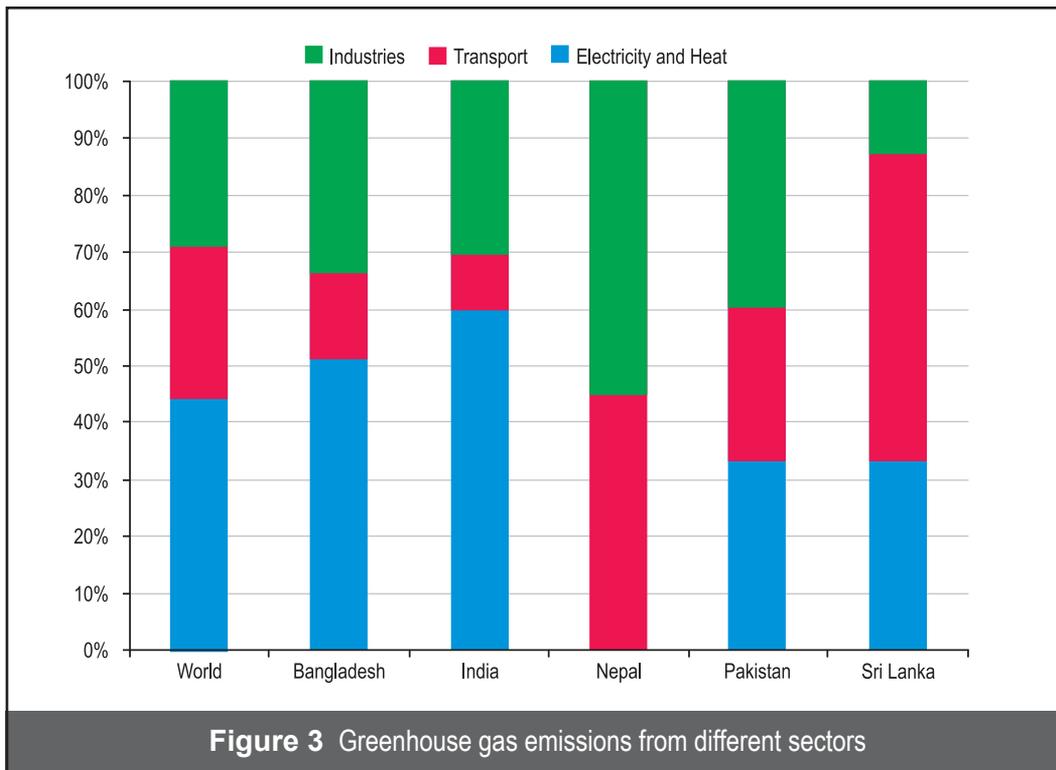
South Asia has a relatively low-carbon foot print, despite the fact that it is ranked amongst the top emitters of carbon in the world, which is primarily due to the sheer size of its economy and its huge population. However, in per capita CO₂ emission terms, South Asian countries rank very low. (Figure 2).



The GHG (greenhouse gas) emissions from energy, industry, agriculture, and waste sectors constituted 58%, 22%, 17%, and 3% of the net CO₂ eq emissions, respectively. (Figure 3).

Energy Mix: Fossil fuel <i>versus</i> renewable energy		
Country	Share of fossil fuel (%)	Share of renewable energy (%)
Bangladesh	95	5
Bhutan	-	100
India	70	25
Nepal	10	90
Pakistan	70	25
Sri Lanka	60	40
South Asia Average	51	49

Note: Large dams are also included in renewable energy. If large dams were to be excluded from the category, the share of renewable energy would reduce from 49% to 20%.



In short, fossil fuel and large conventional power systems are the main sources of electricity in South Asia and lack of energy access is the predominant issue of concern for this region.

Energy Policies in the Region that could put the Countries on a Low-Carbon Path

Countries	Policies/Action Plans
Sri Lanka	<ul style="list-style-type: none"> Renewable energy targets – 20% by 2020 with Feed-in-tariffs Energy efficiency targets Declaration by Sri Lankan Minister to make Sri Lanka a ‘carbon neutral growth country’ by 2020
India	<ul style="list-style-type: none"> Renewable energy targets of 15% by 2020 (National Action Plan on Climate Change – with solar mission target of 20,000 MW by 2022) Renewable purchase obligation in 21 of the 27 states with renewable energy trading schemes Feed-in-tariffs Energy efficiency mission with innovative schemes such as ‘Perform, Achieve Trade’ scheme Declaration to reduce carbon intensities to GDP by 20%–25% by 2020 based on 2005 levels
Pakistan	<ul style="list-style-type: none"> Renewable energy targets Energy efficiency measures
Maldives	<ul style="list-style-type: none"> Carbon-neutral country by 2020
Bhutan	<ul style="list-style-type: none"> Carbon-neutral country

Areas for Energy Cooperation Between Countries

- Clearly, Nepal, Bhutan, and Sri Lanka have huge hydro-potentials and a number of small, micro, mini, and pico hydro projects run by communities successfully exist.
- India has not only the manufacturing potential but it also has the leadership potential in solar photovoltaic manufacturing and wind turbine manufacturing.
- India has also put in place a number of measures for energy efficiency improvements and many of them have already started to yield the much-needed results in energy saving.
- India already has a 'National Action Plan on Climate Change' and has encouraged its states to produce 'State Action Plans on Climate Change' also. These plans are for both adaptation and mitigation.

Key Steps Required to Operationalise the SAARC Declaration²

- Un detailed mapping exercise of potentials, areas of expertise that exist in the region and areas of sharing of information, knowledge, and expertise.
- Explore areas of trading of energy resources, with the focus on clean and green technologies that are environment-friendly and safe.
- Create a platform of clean energy developers, practitioners from amongst the South Asian countries to share information, promote, and conduct collaborative research and development and setting up of a Joint Technology and Promotion Council in South Asia.
- Create a Clean Development Fund for South Asia, which could fund some of the projects above and also promote joint development of technologies. Resources could come from both internal revenue generation sources such as 'Cess on Coal' to 'Cess on CDM Revenues' and other innovative financing, along with getting a due share from the UNFCCC Clean Development Fund, as soon as it is operationalised.
- Produce a compendium of good policies, which promote low-carbon development, that exist in each of the countries – either at the national level or the state level, as a tool for the countries to possibly adopt.

² Panellists for the discussion include Ashoka Abhayagunwardhane, Energy Forum; Srinivas Krishnaswamy, Vasudha Foundation; Litul Baruah, IRADe; Shakeel Ahmed, SDPI; and Dipen Bhattarai, Winrock International, Nepal.

