

**Speech delivered by Hon'ble Minister of Environment, Science and Technology Mr. Ganesh Shah of Nepal on the occasion of Founding Conference of International Renewable Energy Agency, Bonn, Germany**

Mr. Chairperson,  
Distinguished delegates,  
Ladies and Gentlemen,

Let me begin by expressing my heartfelt gratitude to the Government of the Federal Republic of Germany for organizing and inviting us to this historic event of materializing an International Institution in the field of Renewable Energy. It is a great privilege and honor for me to be a part of this historic moment which will begin a new era in the field of Renewable Energy creating hope for better life to our coming generation.

The planet's ecological, social and economic systems are on the verge of catastrophic change for various reasons and of course one of them is Climate Change phenomenon. As grim as these scenarios are and as likely, they become inevitable if we do not act and adopt sustainable development path. In this respect, a full transition of non-carbon renewable system is obviously desirable for the crucial tasks of slowing climate chaos and for partly reducing dependency on diminishing fossil fuels. Most renewable systems such as solar, wind, bio, and small hydro are better choices for sustainable development. Renewable energy should be used as much as they reasonable can be, as this has the leverage to shift

economics under local and regional (subsidiary) which ensures local production for local use and local ownership using local labor and materials. I believe that this could be an effective strategy to address the extreme energy crisis and thereby bringing changes in the lives of million of people who are forced to learn to survive with limited energy and resources.

Nepal is predominantly a mountainous country and has a huge potential of hydropower, ample solar radiation, limited wind energy and abundant prospect for Bio-gas.

Nepal has a potential of 83000MW hydro power with a technically viable of generating 43000 MW. Despite this potential, only 600 MW is generated to this date.

In the front of solar energy, it has sufficient solar radiation, with an average solar insolation of 4.5 KW/sq.m/day, which is good enough to disseminate solar photovoltaic and solar thermal.

Similarly Bio-gas plants have been one of the crucial renewable energy used in the rural part of the Nepal.

Nepal does not have its own fossil fuel resources and entirely depends on import. Against this backdrop, more than 87% of the total national energy requirement comes from traditional resources- fuel woods, agricultural residues and cattle dung. While 12 % are fulfilled through the commercial sources such as coal, petroleum and electricity.

Off-grid electrification is used by only 3.31% of total household of the country.

It is interesting to note that the energy consumption pattern is very peculiar in our country. Of the total energy consumption 63.9% is used for household cooking purposes only. The remaining 37.1% is used for Livestock, Heating, Water Boiling, lighting and other uses.

The Government of Nepal has embraced renewable energy as one of the inherent part of Sustainable development and Poverty Alleviation Program. The Rural Energy Policy, 2006 introduced rural energy subsidy framework to further intensify the promotion and adoption of renewable energy. The subsidy policy is primarily focused to poor and disadvantaged community. The Three Year Interim Plan envisages providing renewable energy to additional 5% of rural population by the year 2010. Development of mini and micro hydro power with the involvement of local stakeholder has been our policy priority. Recently the Government of Nepal has declared to generate 10,000 MW hydro electricity in the next ten years time.

May I take this opportunity to inform this august gathering that we have been supported in the field of renewable energy by our development partners. I look forward to receiving continued support of our development partners in the days to come to realize the goal of giving a dignified and quality life to the rural poor.

History has shown over and over again that human being and societies faced with difficult circumstances can rise to challenges in profound and effective way. I believe the International Renewable Energy Agency is the reflection of our solidarity to meet the challenges and common goal of establishing better future for our coming generation. Also may I extend my hearty congratulation to all pioneer actors who made it possible. I also take this opportunity to congratulate the Government of Federal Republic of Germany for initiating and materializing this institution for which Nepal is excited to join.

Once again I would like to express my profound gratitude to the organizer for giving this opportunity to attend this historic conference.

Thank You.

26 January 2009