PACE – Public Private Partnerships for Community Electricity in Ethiopia, Nepal, Sri Lanka, Uganda

Community Electricity and Sustainable Livelihoods

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Overview

- Sustainable Livelihoods approach
- Application for PACE project
- Preliminary case study results
- General & wider conclusions

Why ‘Sustainable Livelihoods’?

DFID – builds on strengths, rather than focusing on what people ‘**do not have**’

Livelihoods influenced by:

1) Access to assets

Financial: income, savings, credit
Social: family, friends, community networks, church
Natural: local water sources, forests
Physical: shelter, land ownership, strategic location
Human: education, health, knowledge, skills

2) Structures & processes – laws, regulations, policies, social conventions

DFID: Livelihoods are 'sustainable' when they:

- **Are able to recover from stresses and shocks (disaster, adverse trends, etc.)**
- **Can maintain or enhance capabilities and assets – both now and in the future**
- **Do not undermine the natural resource base**

On this basis, few livelihoods are truly 'sustainable' but this is the aspiration …

PACE Case Studies

Range of research methods: interviews, focus group discussions, questionnaires -

- How are existing electrification PPPs improving people's access to livelihood assets?
- To what extent are the poor included/excluded?
- What structures and processes are in place, and what are their effects?

Key areas analysed

Existing PPP schemes

- Initiation, development & finance
- Stakeholder roles – public & private
- Operations & maintenance
- Consumer satisfaction
- Issues, obstacles, successes

Livelihood analysis

- Connected HHs
- Unconnected HHs
- Institutional/commercial

Preliminary results

LIVELIHOOD ASSETS - connected HH:

- **Financial:** no evidence (potential recognised)
- **Social:** gender benefits, entertainment
- **Physical:** no evidence
- **Human:** education, health
- **Natural:** no evidence

Preliminary results

LIVELIHOOD ASSETS – unconnected HHs

- **Financial:** no evidence
- **Social:** wellbeing – security (streetlighting), entertainment
- **Physical:** no evidence
- **Human:** better access to information services, possibilities for evening classes, improved healthcare
- **Natural:** no evidence so far

Preliminary results

LIVELIHOOD ASSETS – institutions/commercial enterprises

- **Financial:** increased income
- **Social:** reputation
- **Physical:** increased importance of location
- **Human:** education, health
- **Natural:** no evidence

Preliminary results

STRUCTURES AND PROCESSES

- **Political & institutional:** lack of accurate information about future grid extension; delays relating to extensive land,water & environmental approvals, lack of operation and management skills.
- **Technical:** technical misinformation; failure to include maintenance charges in tariffs; low quality infrastructure; failure to plan for increasing demand.
- **Social issues:** mistrust of private sector when tariffs are not transparent BUT acceptance when involved in tariff formulation; dissatisfaction and frustration with unreliable service; willingness to pay more for better service.

First conclusions

- Even when electricity is only used for lighting, positive impacts *can* be widespread
- Even the poorest can benefit indirectly
- Income generation does not necessarily accompany electrification BUT electrification improves the conditions in which enterprises can emerge
- Improvements required to ensure sustainability
- Effective 'partnerships' require participation from range of public & private stakeholders to find solutions

PACE Pilot Projects

Action Plans …

- Work with communities to identify what is needed to widen access and ensure sustainability
- Identify what is required at institutional level – national & local governments, electricity authorities, etc.
- Provide assistance to communities & develop guidelines for application nationally and internationally

Wider lessons

- Energy – not end in itself
- Must be integrated into broader social and economic objectives
- Understanding of benefits can broaden public and private support
- Need to explore how to include energy component in other local services, to extend benefits to wider section of community.