

CUTS CONFERENCE ON REGIONAL COOPERATION FOR ENERGY SECURITY IN SOUTH ASIA

18th SAARC Summit, 22-27 November, 2014, Kathmandu, Nepal

Backgrounder

Consumer Unity & Trust Society (CUTS) has taken up the initiative to understand the current scenario of regional cooperation among Southern and Central Asian countries in energy sector and propose the way ahead to harmonise the regulatory mechanism within the region to encourage trade, investment and knowledge sharing for energy cooperation. The purpose is to achieve a consensus and build awareness among the government departments, ministries, businesses, civil society organisations and other organizations/agencies for regional energy integration.

Currently, most of the countries within the region are not self-sufficient in terms of their energy requirements, except Myanmar. India, Bangladesh and Nepal rely on import of 28 percent, 17 percent and 13 percent for their net energy consumption, respectively.¹ At the same time, a large number of citizens do not have access to electricity. For instance, only 49 percent population in Myanmar, 60 percent in Bangladesh, 76 percent in India and 77 percent of population in Nepal has access to electricity. Hence, addressing these issues pertaining to energy security is need of the hour.

Given this background, CUTS is organising a series of conferences with support & partnership with relevant partners, such as Friedrich-Ebert-Stiftung (FES), Sustainable Development Policy Initiative (SDPI), etc. with the aim to create a platform for dialogue among relevant stakeholders to achieve greater cooperation, coordination and integration for sharing of energy resources.

The first regional conference in the series was organised in Islamabad, Pakistan on May 22, 2014, with focus on 'Trans-boundary Cooperation in the Energy Sector in South and Central Asia', especially between Afghanistan, India, Iran, Kazakhstan and Pakistan. The Conference allowed discussion on varied issues like, lack of political will, limited private participation, trust deficit within the region, absence of consumer representation by Civil Society Organisations etc. among relevant stakeholders.

The second regional conference was organised in Kolkata, India on August 07-08, 2014, involving countries like Bangladesh, Bhutan, India, Myanmar, Nepal and Pakistan. The purpose was to initiate dialogues among the South Asian state and non-state actors on regional cooperation for energy security within the region. Further, it dwelled into the viability of current projects as well as the future initiatives and policies with the triggers

¹ <http://data.worldbank.org/indicator/EG.IMP.CON.S.ZS>

and barriers to regional integration. The primary idea was to discuss the strategic role of India due to its geographical presence within the region.

In our discussions during these conferences, we realised that the scenario looks hopeful as a few small steps have been taken in the region and many projects are in the pipeline signifying a positive trend. However, the current levels of energy trade between these countries are quite recent and minimal. Even the total hydro power potential of the region have not been utilised to its fullest extent, as it is estimated to be 43,000 MW, 30,000 MW and 40,000 MW for Nepal, Bhutan and Myanmar, respectively.

Furthermore, promulgation of several regional and sub-regional initiatives has generated some optimism and playing crucial role in preparing ground for regional energy cooperation. South Asian Association for Regional Cooperation (SAARC) including Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan & Sri-Lanka, Forum on Regional Economic Cooperation among Bangladesh, China, India and Myanmar (BCIM), an initiative of the Bay of Bengal Region Countries that include Bangladesh, India, Myanmar, Sri-Lanka, Thailand, Bhutan and Nepal (BIMSTEC) are few major regional/sub-regional initiatives which are focusing on energy sector as one of their significant areas.

Therefore, in the third & the final phase of this series, CUTS would like to organise a regional conference on the side-lines of 18th SAARC Summit from 22-27 November, 2014 in Kathmandu, Nepal. While bilateral relations are critically important, regional & sub-regional cooperation can yield more optimal results, as from political angle it reduces insecurities and increases the trust factor, and from the economic angle it reduces costs. The motive of the conference would be to reinforce efforts at the regional level and avoid duplications in order to achieve desired outcomes.

Further, CUTS would also like to consolidate the findings of whole initiative and propose a long term sustainable programme in the region to not only facilitate, but also encourage regional cooperation on energy issues.

For further information please visit our webpage at <http://www.cuts-ccier.org/ECSA/>