

The Executive Director of Alternative Energy Promotion Centre (AEPCC), Mr. Madhusudhan Adhikari, had convened a meeting, with researchers from the International Water Management Institute, on 28<sup>th</sup> of August 2020, to discuss IWMI's Report on Rapid Assessment of AEPCC's Subsidy Delivery Mechanism submitted to AEPCC as a part of the SDC-supported SoLAR project. AEPCC is the apex body on renewable energy in Nepal, and is promoting solar irrigation pumps (SIPs) as guided by Renewable Energy Subsidy Policy (2016) and Subsidy Delivery Mechanism Guidelines (2016).

IWMI researchers, Dr. Vishnu Pandey, Dr. Kashi Kafle and Labisha Uprety presented the main findings from the report to the AEPCC team. The report outlined several gaps and challenges associated with the implementation of the SIP Subsidy Program, through which AEPCC has supported more than 1400 SIPs in Nepal so far. The report provided concrete recommendations for increasing effectiveness of subsidy delivery through involvement of local governments, special targeting of disadvantaged groups, as well as improving utilisation of SIPs through targeted trainings to farmers.

The report was well received by AEPCC. "We will consider implementing some of the recommendations right from this year", shared Dr. Narayan Prasad Adhikari, the Director, AEPCC. AEPCC also expressed their willingness to pilot grid-connected SIPs at a suitable location. Though AEPCC is prioritizing selection of small-holder and women farmers among the applicants, he acknowledged the limitations faced by marginal farmers in terms of cost and land ownership which obstructed their access to avail the subsidy on SIP. He further shared that discussions to better engage the small and marginal farmers were ongoing.

### Glimpses from the meeting



## Access to Subsidy – Recipients? Pump size? Water sources?

- More than 80% of applications for SIPs are received through private
- Even though land ownership certificate or lease agreement was mandatory to be eligible for SIP, this criterion was not always met
- Among the pool of **SIP applicants**, farmers with **smaller landholdings** are given **priority** in granting subsidy; but all with **> 2 Bigha**
- About **22% of SIP subsidy was granted to woman applicants**
- A large majority of pumps are between 1-2 HP size.
- Among the farmers who applied for SIPs, the most **common source of irrigation water is groundwater** except in Karnali.

Pallavi.S

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