

## FOR PARTICIPANTS ONLY

UNITED NATIONS ECONOMIC AND SOCIAL COMMISSION FOR ASIA  
AND THE PACIFIC

INTERNATIONAL CENTER ON SMALL HYDRO POWER

### **Seminar on Small Hydro Power Policies and Cooperation**

12 – 15 December 2004

Hangzhou, China

## **CONCLUSIONS AND RECOMMENDATIONS**

The Seminar on Small Hydro Power Policies and Cooperation was held from 12 to 15 December 2004 in Hangzhou, China. The Seminar was attended by officials, experts and developers from 18 countries representing government agencies/organizations, companies and development banks responsible for the policy, development and application of technology as well as financing small hydropower.

Participants attending the Seminar noted that:

- small hydro power is a reliable, clean, environmentally sound energy solution for rural electrification and poverty-alleviation in remote rural areas
- increased use of small hydro power would contribute to sustainable energy development and environmental conservation, mitigation of greenhouse gas emission
- small hydro power has proved itself to be economically viable and the technology is well developed in many countries of the world
- experiences shared at the seminar, in particular, the well developed small hydro policies and technology practiced in China are replicable in developing countries elsewhere
- achievements of International Network on Small Hydro Power, as a resource facility, demonstrated the significance and importance of international cooperation, in particular the South-South Cooperation to promote small hydro power technology

However, the participants recognized the existing key challenges and barriers for small hydro power development in many countries:

- Lack of long term strategy at the national level
- Lack of awareness and knowledge management
- Lack of incentive policy framework
- Lack of financial support and innovative mechanisms like smart subsidies
- Weakness of national capacity on technology development

The participants recommended the following actions to be taken to promote small hydro power development:

- policies and legislations on promotion of small hydro power technology should be formulated and small hydro power development plans with clear target and priorities should be included in the national energy development plan;
- funds should be set aside from national budget for the promotion and development of small hydro power technology; it is also suggested to establish rural electrification funds in support of the small hydro power projects;
- more incentives should be provided to attract private sector investment on small hydro power and innovative financial instruments and arrangements for promotion of small hydro power should be introduced. Financial support from mechanisms such as Global Environment Facility (GEF) and Clean Development Mechanism (CDM) should be emphasized;
- capacity building efforts related to effective institutional arrangement, awareness and technical training for small hydro power development should be enhanced;
- Given the gender-energy nexus efforts should be made to further involve women in the decision making and implementation of small hydro projects.
- Involvement of stakeholders(NGO's, local self governments, community based organizations) in the implementation of small hydro projects.
- a platform on knowledge and information, including best practices and successful stories as well as equipment suppliers should be established at IC-SHP for easy access;
- UNIDO – IN-SHP should make further efforts to sensitize higher level governments on the benefits of small hydro power projects
- further development of the technology through transfer and adaptation of already developed technologies and products through inter-country cooperation including South-South cooperation should be supported.

The participants expressed their appreciations to UNESCAP, UNIDO, IC-SHP and IN-SHP for organizing the Seminar for interaction of small hydro power players from several countries. The participants also expressed their appreciations to the Government of China for its generous financing support to this Seminar.