

Economic Research Institute for ASEAN and East Asia

Call for Proposals for ERIA FY2017–2018 Study

'Energy Poverty in the ASEAN Region'

23 May 2017

Background of the Research:

The Association of Southeast Asia Nations (ASEAN) is comprised of Brunei Darussalam, Cambodia, Indonesia, Lao People's Democratic Republic (Lao PDR), Malaysia, Myanmar, the Philippines, Singapore, and Thailand. ASEAN is a fast growing region in terms of economic development, Yet, some ASEAN countries such as Myanmar, Lao PDR, and Cambodia have a per capita gross domestic product (GDP) of less than US\$1,000 (in 2005 US\$ constant prices).

While some countries in ASEAN have done very well in terms of providing energy access, about 134 million people in ASEAN countries lack power and energy access. This situation could threaten the region's economic growth and economic transition. Energy is largely linked with economic opportunity, as electricity will be used as input to generate economic goods and services. Of the ASEAN countries, Cambodia and Myanmar still have very low access to electricity in rural area (see Table 1). Only about 31% of people in Cambodia and 32% of the population o Myanmar have access to electricity. Whereas the rate is higher for the major cities, large parts of rural Cambodia and Myanmar have very low access or almost no electricity at all. India alone has more than 260 million people without access to electricity.

	Year 1990			Year 2000			Year 2012		
	Rural	Urban	National	Rural	Urban	National	Rural	Urban	National
Cambodia	5.0	36.6	19.2	9.0	49.9	16.6	18.8	91.3	31.1
Myanmar	•	•	•	•	•	•	•	•	32*
Lao PDR	39.7	100.0	51.5	40.0	68.7	46.3	54.8	97.9	70.0
Brunei	56.4	70.5	65.7	61.2	72.7	69.4	67.1	79.0	76.2
Darussalam									
Indonesia	•		66.9	•	•		•		74**
Viet Nam	84.5	100.0	87.9	86.6	96.9	89.1	97.7	100.0	99.0
Philippines	46.4	85.5	65.4	51.9	92.3	71.3	81.5	93.7	87.5

Table 1. Ac	cess to	Electricity
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Malaysia	89.2	97.3	93.2	93.0	98.5	96.4	100.0	100.0	100.0
Singapore	99.0	100.0	100.0	99.0	100.0	100.0	99.0	100.0	100.0
Thailand	82.0	75.2	80.0	87.0	72.6	82.5	99.8	100.0	100.0
China	92.0	100.0	94.2	95.3	100.0	98.0	100.0	100.0	100.0
India	38.7	86.5	50.9	48.4	98.6	62.3	69.7	98.2	78.7

*the number was taken from the presentation of Khin Seint Wint (2014) Renewable Energy Association of Myanmar.

**the number was taken from ASEAN Guideline on Off-grid Rural Electrification Approaches, ASEAN Center for Energy (ACE, 2013).

Source: World Development Indicators, 2014.

'Energy poverty' is a concept used to define a situation where individuals or households are not able to adequately heat or provide other required energy services in their homes at affordable cost. This is a problem not only in developing Asia, but also across many of the member states of the European Union. Grevisse and Brynart (2011) investigated how energy poverty is understood in Europe by looking at various indicators and aggravators of energy poverty. For the purposes of their study, they defined energy poverty as the impossibility (or the difficulty) for a household to gain access to the energy it needs to ensure dignified living conditions at an affordable price in relation to its income.

However, the causes of energy poverty are believed to be associated with rising energy prices, recessionary impacts on national and regional economies, and poor energy efficiency of homes in Europe. In developing Asia, especially in some remote areas of ASEAN countries, the root cause of energy poverty is not just the energy price and poverty itself, but the lack of access to modern energy due to inadequate energy infrastructure. Research suggests that energy poverty has important consequences if not addressed – such as impacting health, further entrenching poverty, and making other objectives less attainable, e.g. addressing climate change.

Call for proposals

The Economic Research Institute for ASEAN and East Asia (ERIA) is inviting research proposals for a study on 'Energy Poverty in the ASEAN Region'.

We are looking for proposals that address issues related to energy poverty in the ASEAN region. The proposal will need to have a clear methodology of study, the quantitative concept of energy poverty will need to be defined, and the study may cover country specific issues using cross-sectional data or be a multi-country study using time



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series to address the following:

- a) The causal relationship between energy poverty and other socio-economic characteristics such as poverty, health, and education.
- b) The deficit in the understanding and limited recognition of the issue of energy poverty by relevant national and regional authorities, which could further affect the well-being of people where energy poverty prevails.
- c) Concrete examples of how energy poverty could be eradicated through the implementation of concerted policies.

The proposal will include at least the following parts:

- ✓ Research question(s)
- ✓ Background and value added to the literature
- ✓ Data and methodology (analytical framework)
- ✓ Expected policy implications. ERIA studies are policy orientated and it is essential that the study delivers policy implications for the East Asian Summit.

We prefer at least one researcher in the team to be from the ASEAN region. Together with the proposal, the lead researcher will submit a brief CV with a list of publications (if the researcher has not been a member of an ERIA Working Group in the past) and a sample paper, preferable written in a journalistic style.

Timeframe and administrative issues

To be fully considered, proposals should be submitted to Dr. HAN Phoumin, Energy Economist at (<u>han.phoumin@eria.org</u>) no later than **31 July 2017.** Early submission is encouraged. Due to the large expected number of applications, only selected proposal will be notified by mid-August 2017 at the latest.

ERIA will set up a Working Group for this study composed of the selected authors of successful proposals, and this Working Group is expected to meet twice during the study period. Working Group members will be obliged to attend the Working Group meetings, to participate in the discussions, and provide reviews of, comments on, and discussions of other members' work.

ERIA will fund at least US\$8,000 for each proposed study. The costs of attending Working Group meetings and seminars, including travel costs, will be reimbursed and a daily per diem will also be provided by ERIA (one author per paper).