

Fuel Substitution: Poverty Impacts on Biomass Fuel Suppliers

Poverty Impacts and Mitigation Options

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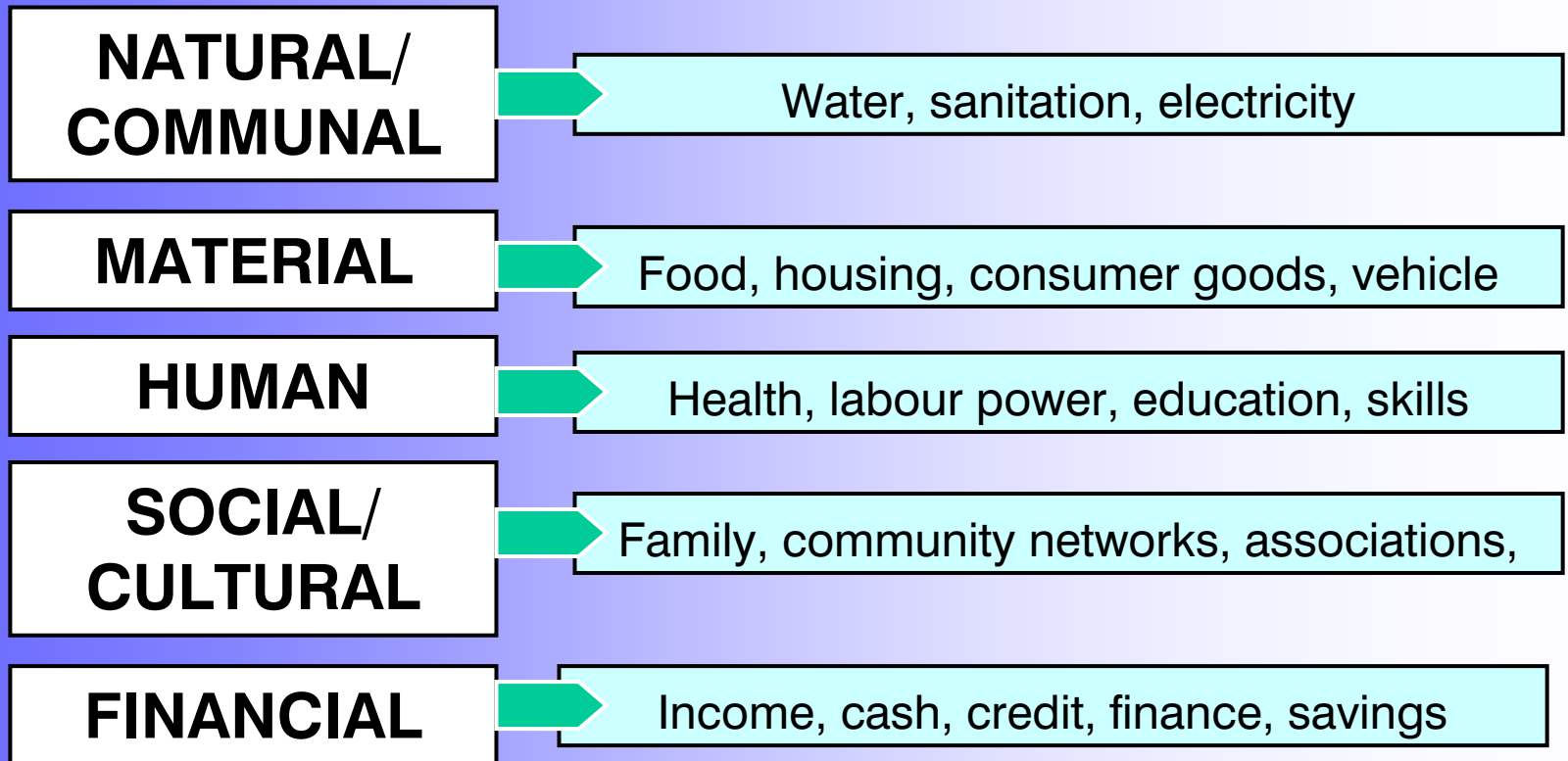
Definition of poverty



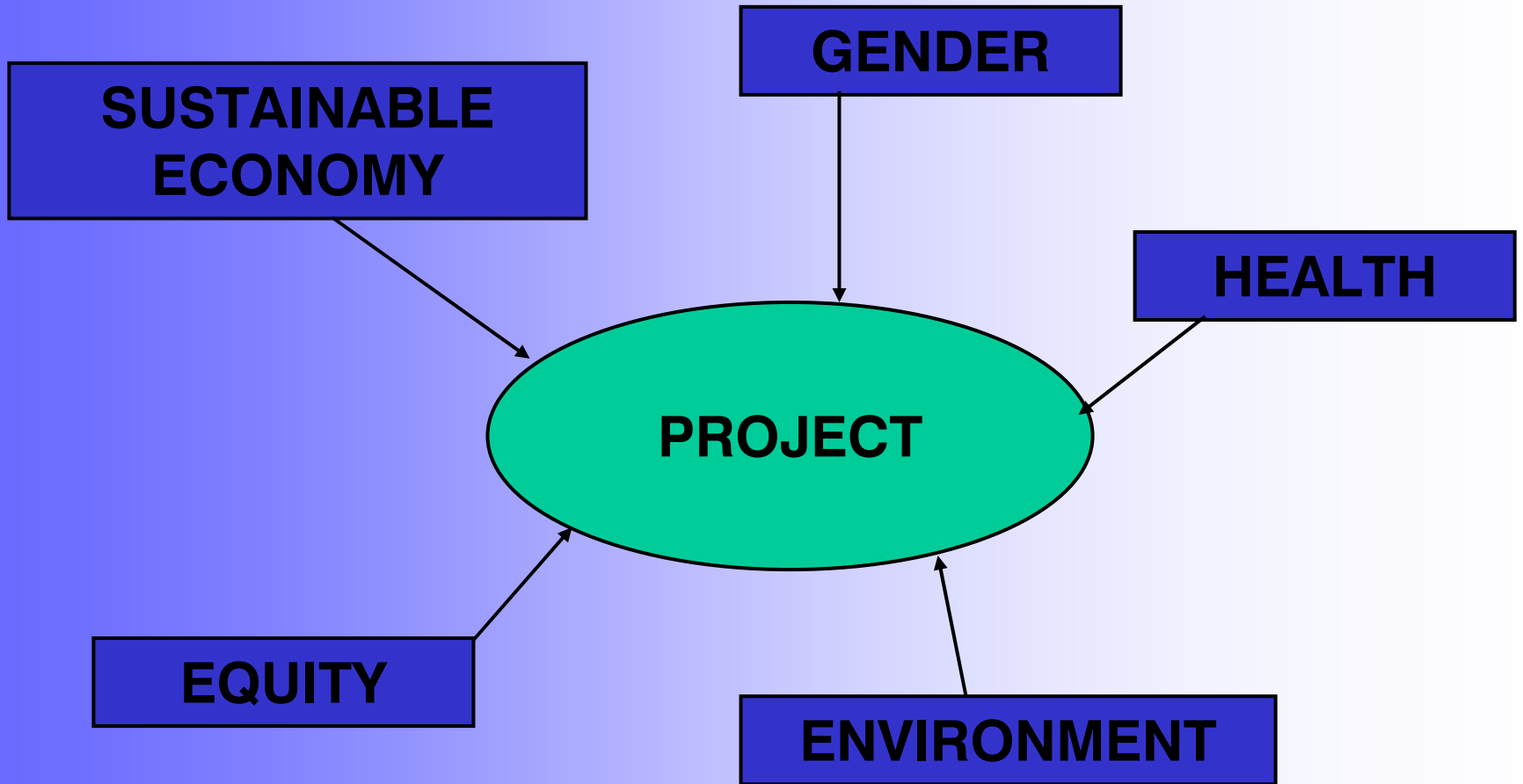
- In the general context, individuals are defined as poor if they can not meet the basic needs or if they can only meet some of the basic needs in life.
- Individuals are unable to meet the basic needs because of: lack of capabilities, assets or access to assets and opportunities to carry out activities.

Resources & Assets

Poverty Indicators



Cross-cutting Themes



Livelihood challenges for traditional fuel suppliers



- **vulnerability** - easy entry into market, but susceptible to fluctuations, competition, seasonal element, lack of alternatives
- **gender** - health implications of fuel carrying, negotiating power, family responsibilities
- **institutional processes** - national/local government policies, permits/licences, illegal status may prevent access to credit, etc.
- **power relations** - harassment from officials, corruption, exploitation by suppliers

Women and Energy



- Women are unequally affected by inadequate supply of modern energy services.
- Lack of energy services affects the supply of other essential services such as health and education.
- Women and children are the most exposed to indoor air pollution and suffer from deriving diseases.
- Women gathering biomass fuels, often walk long distances suffer a variety of physical injuries when walking with heavy loads.
- The time spend collecting biomass fuels is lost to other activities.

Fuel Switch: What Consequences?



Benefits for Consumers & Society

- Health
- Environment
- Efficiency
- Access
-

Costs to Producers & Suppliers

- Decreased demand
- Loss of jobs
- Reduced welfare
-



The benefits of some are costs to others

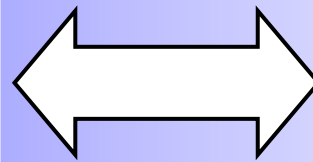
Open questions (1)



- We are not here to argue the validity of many research results, but....
-do alternative mitigation options for the ill effects of traditional use of biomass fuels exist other than fuel substitution?
- Is there really an issue of poverty impact on those engaged in the supply and marketing of traditional fuel?
- How can these impacts be quantified?
- Are alternatives for minimising the poverty impacts on fuel suppliers available?
- What are the coping strategies of those who have left the business?

Open questions (2)

Traditional fuel use
negative effects



Poverty impacts of
fuel substitution on
suppliers/producers

- Is possible to have an integrated policy approach to minimise both the adverse effects of traditional fuels on final users and the environment and the poverty impacts on fuel suppliers?
- What recommendations can be addressed to those involved in policy decisions and programme funding activities?

What Impacts?



What Mitigation Options?

Way Forward

- Detailed surveys to identify poverty/livelihood impacts on fuel suppliers
- Comparative cost and benefit analysis of fuel substitution on consumers and suppliers
- Poverty/livelihood matrix - practical tool to be used by policy makers, donors, NGOs etc to identify livelihood impacts
- Recommendations

Project Website



<http://fuelsubstitution.energyprojects.net>

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