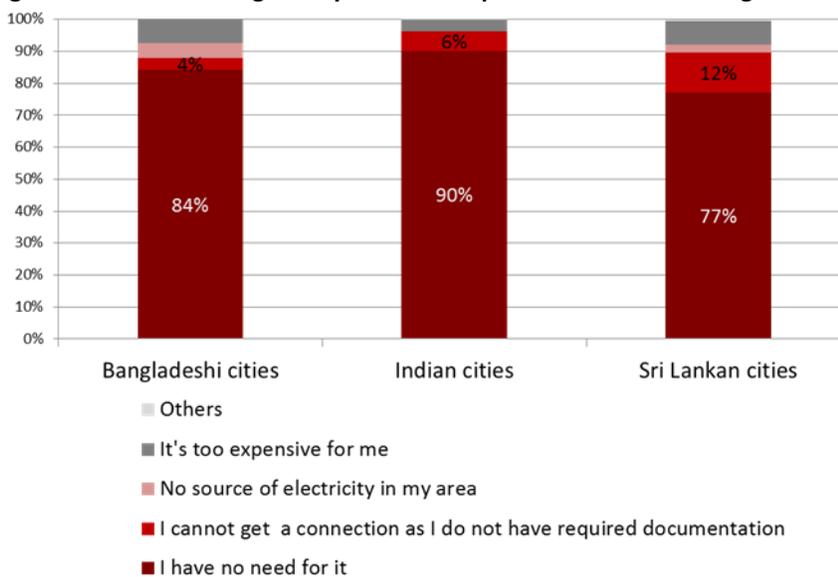


LACK OF PROPERTY RIGHTS PREVENTS ACCESS TO ELECTRICITY

An issue faced by some consumers is the inability to establish property rights in order to obtain an electricity connection. According to a survey of urban low income micro-entrepreneurs in selected cities in Bangladesh, India and Sri Lanka, 12% of Sri Lankan micro-entrepreneurs who did not have electricity for their business stated that they could not get a connection since they did not have the required documentation¹ (Figure 1). As a result they obtained electricity from shared connections or illegal temporary connections, often at a high cost.

Figure 1: Main Reasons given by micro-entrepreneurs for not having electricity for business



“Irrespective of my usage, I pay a higher portion of my shared connection, so that I don’t lose access to the service” –Asanka, Dried Fish Seller, Colombo

Asanka shares an electricity connection with his neighbor as he is unable to get a connection in his name. On one occasion the electricity supply was disconnected in spite of Asanga paying his share, as his neighbor did not pay the monthly bill. As a result Asanga had to pay the reconnection fee.

Access to electricity has been linked to other socioeconomic rights such as education and it has been argued that access to energy services is a human right which should be available for all². But this does create some problems from the service provider’s perspective; there is the potential risk of incurring financial liability through non-payment of bills.

METHODS OF GIVING ELECTRICITY TO CONSUMERS WITHOUT PROPERTY RIGHTS

One possible approach is the delinking of electricity access from property rights by initiating a change in the existing regulations governing access to electricity. The existing requirements can be amended so that consumers who do not have legal rights to property are allowed to acquire electricity connections. One of the concerns faced by the provider when supplying electricity to those without property rights is the potential risk of not being able to enforce payment. This can be dealt with by using temporary methods of supplying electricity which reduce the risk of liability for the provider.

Solution: Use of prepaid meters. Since the cost of electricity is paid in advance the service provider does not run the risk of financial liability and costs involved in issuing bills through the meter reader are also avoided. The consumer can top up the meter through a reload system. To enable easy top ups, access to reloads should be freely available.

For further information please see <http://lirneasia.net/projects/2012-2014-research-program/improving-service-delivery-for-e-inclusion>

¹ <http://lirneasia.net/projects/2012-2014-research-program/improving-service-delivery-for-e-inclusion/>

² Tully S, (2006) The Human Right to Access Electricity. The Electricity Journal, 19(3), 30-39,