

Sustainable Energy for All: Milestone on a road to where?

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Four months old, the [International Year for Sustainable Energy for All](#) seems well down the road to successfully ensuring energy poverty has higher priority in development policy and programming. The [EU Sustainable Energy for All Summit](#) this week, brought together development ministers from the EU and Norway, energy ministers from developing countries, the Commission President, the UN Secretary General, Ban Ki Moon, and three or four hundred others, to express support for the three objectives of the Sustainable Energy for All Initiative: to achieve by 2030, universal access to modern energy services, a doubling of the rate of improvement in energy efficiency, and a doubling of the share of renewables in the global energy mix.

There is little doubt that the personal leadership on access to energy by Ban Ki Moon, Kande Yumkella and, in Europe, Andris Piebalgs, has been a key part in Sustainable Energy for All's success to date. At the Summit, Dr Joe Oteng-Adjei, Ghana's Minister of Energy, emphasised the crucial importance of high-level national political commitment for achieving improved access to energy services, encouraging others to follow Ghana's path (which they began before Sustainable Energy for All was formulated).

At this week's Summit, [President Barroso](#) announced a new EC initiative to be called Energising Development (not to be confused with an established and successful [German-Dutch programme](#) with the same name). For this, the Commission has allocated €50 million to a new technical assistance fund, likely to be used primarily to support project design and the preparation of bankable proposals by developing countries that 'opt in' (i.e. commit to the objectives of Sustainable Energy for All).

The second component of Energising Development will be new financial instruments, as yet unspecified, but designed to lever private sector investment. The Commission will be working with the [European Investment Bank](#) to devise these.

President Barroso also committed the EC to a target of 500 million additional people to have access to modern energy services by 2030. This is much more ambitious than the target of the [Africa-EU Energy Partnership](#) – 100 million by 2020 – a change in ambition that can be laid at the door of Commissioner Piebalgs' backing for Sustainable Energy for All, but so far only apparent on the EU side.

At the Summit, member states of the EU expressed general support for Sustainable Energy for All, but did not make any commitments beyond what they are already doing, apart from Germany (100 million more with access and a doubling of expenditure by 2030). But expect the UK to say something next week when they host the [Clean Energy Ministerial](#). Developing country energy ministers from Sierra Leone, Burkina Faso, Nepal, Bangladesh, Tanzania, Liberia, and Mozambique, gave general support. By [Rio +20](#), more countries and commitments are anticipated.

Sustainable Energy for All has ambitious targets, calling for five times current levels of investment in energy access, according to the [International Energy Agency](#). Nevertheless, the up-beat message from Manuel Barroso and Ban Ki Moon is that they are achievable. Where the capital is going to come from and how it is going to be channelled to where it is needed remains uncertain, except that a large proportion will have to come from the private sector. Hence

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the emphasis on the private sector within Sustainable Energy for All and on leverage of private sector funds in the EC's new initiative.

One of the key questions facing the Sustainable Energy for All Initiative, was articulated by Danish Minister for Development Co-operation, and co-chair of the summit, Christian Friis Bach, namely how the three objectives are going to be reconciled. Recognising that price incentives make a difference, he asked how we can set these high enough to promote energy efficiency, low enough to enable access to energy services by the poor, and right enough to ensure environmental sustainability?

A balance between the three objectives in line with the intentions of Sustainable Energy for All is possible, and the respective roles of public and private financing will be critical for this. The private sector will need commercial incentives, and financing instruments can certainly be used to reduce risk and costs, but will this deliver affordable modern energy services to women and men on less than US\$1.25 a day? The representative from the Bangladesh government described access to energy as a public good, which private finance can only go so far to deliver. The focus on electricity and large-scale infrastructure by many of the speakers at the Summit also raises concern about strength of commitment to energy services for the poorest, especially in light of the International Energy Agency's view that for the majority mini- and off-grid solutions will be needed.

The next milestone in the road for Sustainable Energy for All is next week when, just before the Clean Energy Ministerial, the High-level Group meets to agree an Agenda for Action. The shape of this Agenda is becoming apparent, focusing on priority countries and on 11 easy-win, high-impact 'action areas'. There will be emphasis on country ownership and support for national access plans for the countries that opt in. But which road Sustainable Energy for All follows in the medium to longer term is unclear.

Sustainable Energy for All appears to have gone beyond the goal of gaining political commitment and including energy access in the post-2012 framework of development goals. During the [civil society consultation](#) in New York last month, with echoes of [Type II partnerships](#) from Rio +10, it was described as “a multi-

stakeholder platform for action.” Implementation under Sustainable Energy for All will be at national level, with country ownership of national targets and plans. These call for co-ordination and monitoring – a significant gap in the existing energy for development architecture. But there have also been discussions about a new trust fund for energy access and of new institutions to help deliver and oversee the Initiative's objectives. The Agenda for Action needs to make this clearer, not least to attract additional support and concrete commitments from governments and the private sector.

The views presented in this paper are those of the authors and do not necessarily represent the views of ODI.