POWER FOR ALL PERSPECTIVE:
Energy Access & the Multilateral Development Banks (MDBs)

POWER FOR ALL

9 years

MEDIAN TIME TO COMPLETE A WORLD BANK ENERGY PROJECT

6x more

COST OF GRID CONNECTION VERSUS OFF-GRID

2%

AMOUNT OF WORLD BANK ENERGY PORTFOLIO SPENT ON OFF-GRID ENERGY ACCESS

Grid-centred projects, most favored by MDBs for addressing energy access, can take a decade to complete. Distributed renewables can deliver basic electricity access within months, at a fraction of the cost.

MDBS focus far more on grid electricity than electricity access

» To achieve universal energy access by 2030 we must increase the households connected per year in low access countries from 1.6 million to 14.6 million[1]

» Yet during 2000–2014 the World Bank committed just 1.5 percent of its electricity sector commitments to off-grid electrification projects [1]

» When off-grid and mini-grid spending is taken as a percentage of four MDBs overall energy portfolio expenditure for 2012-14, the highest amount spent by any bank was two percent, the lowest 0.5 percent[2]

The current approach by will not achieve development goals

» The median duration of a World Bank electricity sector investment project is nine years and on average the Group supports only 0.7 million connections per year [1]

» The World Bank spent 6x more on each grid connection than it did for connections via distributed renewables [1]

» On current trend, most low energy access countries are only likely to benefit from two to four World Bank projects in the next 15 years [1]

Share the Message

There is a clear disconnect between the scale of the energy access challenge and the speed at which solutions are being deployed. Despite evidence that decentralized renewables can reach communities faster and more affordably, MDBs still focus very little resource on these technologies. Join us in sharing these messages to #endenergypovertyfaster.

» An entire generation will miss out on the welfare and opportunity that come with energy access if MDBs do not increase support for decentralized renewables

» Using an energy access opportunity cost in investment assessments is vital for MDBs to recognise the impact of their funding decisions

» Achieving development goals requires a radical change in the way that MDBs approach energy access investment

Sources:

1. World Bank Group Support to Electricity Access, FY 2000-2014: An Independent Evaluation. (World Bank, 2015)
2. Still Failing to Solve Energy Poverty: International Public Finance for Distributed Clean Energy Access Gets another F (Sierra Club & Oil Change International, 2016)