

ENERGY ACCESS AND POVERTY ERADICATION

Energy on the global agenda

Universal energy access has rightly gained momentum in the international debate as demonstrated by the UN Secretary-General's *Sustainable Energy for All (SE4All)* initiative and more recently the UN General Assembly declaration for 2014–2024 as *Decade of Sustainable Energy for All*, which underscore the importance of energy for sustainable development and poverty eradication, as well as for the elaboration of the post-2015 development agenda.

Challenges

Despite increased global awareness, access to energy continues to be challenging on the ground in developing countries, leading to greater inequalities and trapping millions in extreme poverty. About 20% of world population, 1.3 billion people are without electricity, particularly in rural and peri-urban areas of African, Caribbean and Pacific (ACP) countries where access rate to electricity services is, on average, only 10%, and as low as 1% in some countries. Moreover 2.7 billion people in developing countries do not have access to modern cooking fuels and technologies but rely on traditional biomass for cooking and heating. Because of the indoor pollution generated by combustion of traditional fuels, over 3 million deaths are caused every year the great majority of them being women and children. Inefficient management of natural resources used for traditional fuels also leads to deforestation and desertification and exacerbates the effects and causes of climate change. Even when energy services are available, millions of poor people are unable to pay for them, resulting in unequal access, especially for poor, women and children, and vulnerable groups.

An additional challenge is represented by rising demand for water, food, consumer goods as well as energy; together with growing urbanisation and overall consumption, particularly in the developed world, these trends are predicted to have alarming effects not only on energy supplies but also on the climate and natural resources, which call for a profound shift in policy priorities and patterns of consumption and waste.

Within the new policy framework for EU development cooperation, *the Agenda for Change*, sustainable energy is confirmed as one of the sectors which can have a strong multiplier impact on developing countries' economies and contribute to poverty eradication as well as to environmental protection, climate change prevention and adaptation. According to the first feedback from the programming of EU development cooperation, it appears that energy is often being chosen as one of the focal sectors for support.

Based on this policy framework the EU has promoted various programmes. The *EU Energising development initiative* aims at providing access to sustainable energy for an additional 500 million people in developing countries by 2030 in the framework of the UN Sustainable Energy for All initiative. Within this initiative the EU recently announced additional support to boost access to sustainable energy for the Pacific Islands (€10 million) for affordable and safe energy to the poorest living in some of the most remote areas of the Pacific. The EU is also supporting energy programmes through the energy partnership of the Joint Africa-EU Strategy. A dedicated ACP-EU Energy Facility provides funding for improved access to sustainable energy services in rural and peri-urban areas while fighting against climate change. The Facility aims to promote the use of renewable energy sources and energy efficiency measures. The latest Call for proposals (March 2013) focuses on rural electrification while scaling up successful and replicable models, in order to reach out to more people and increase the sustainability of such projects.

Recommendations

Ending energy poverty and ensuring increased access to sustainable energy for all calls for specific and sustained action:

- **Ensure that future EU-ACP energy programmes**, within both geographic and thematic instruments, are centered on development and poverty eradication objectives.
- **Promote a multi-stakeholder approach** - that also responsibly includes the private sector – to build the right governance framework to ensure that access to safe, renewable, reliable and affordable energy services effectively reaches the poorest. In particular it is important to ensure the involvement and participation of civil society organisations (CSOs) as recognised by the “*Sustainable energy for all initiative*”¹.
- **Provide Increased and consistent investments**: to support a balanced mix of large scale and small scale projects which can deliver at different levels and contexts, realising the rights of local populations as well as respecting strong environmental safeguards².
- **Provide expertise, capacity development and technology transfer to developing countries and between them**, allowing them to leapfrog to environmentally sound technologies and innovations where viable. Lack of technical expertise and capacity is identified as a major bottleneck to increasing energy provision in developing countries. The EU should address these needs and support programmes to facilitate the exchange of best practices and expertise including through development oriented public-private partnerships, scaling-up of local solutions and promotion of south-south cooperation especially at the level of small-scale projects and civil society action.
- **Ending fossil fuel subsidies** will also contribute to make sustainable energy for all a reality on the ground and to address climate change. Savings could be invested into clean and renewable energy, promote energy conservation, and unlock significant funding for social policies to benefit the poor³.

The ACP-EU JPA should also be taken as an opportunity to discuss the importance of energy issues for the elaboration of the post-2015 development agenda. As stated in the RIO+20 outcome, Sustainable Energy for all is essential for achieving the current Millennium Development Goals as well as for opening up new opportunities for growth and prosperity at global level. In order to reduce poverty and inequality globally, while staying within the planet’s boundaries and its carrying capacities for us and future generations, a low carbon approach to development, recognising the need for growth in the least developed countries, should be integrated in the post-2015 framework. This framework should also focus on energy efficiency and energy conservation, low- or no-carbon energy supplies and accessible, equitable and reliable energy service provision to all. Energy issues should not be dealt with in silos but through a comprehensive approach which allows tackling other interlinked challenges, such as the rights to food, water, health and education, gender issues, environmental sustainability, market development, job creation and respect for biodiversity and ecosystem services.

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¹ It attributes to CSOs a fundamental role in “in identifying, advocating, and monitoring public policy and business action; mobilising social innovation and grassroots action; leading behavioural change; and helping to spread best practices and building capacity at all levels in partnership with governments and businesses” .

² The International Energy Agency finds that finances directed towards energy access need to increase from \$9 billion a year to over \$48 billion a year if we are to provide universal energy access by 2030.

³ <http://www.undp.org/content/undp/en/home/presscenter/pressreleases/2012/08/20/rio-20-a-groundswell-for-putting-our-world-on-a-sustainable-course-says-undp-chief/>