

New report shows how reforming energy financing can radically hasten energy access

New York, 5th April 2017: Poor families in developing countries are being denied access to basic technology and services by financial systems which fail to bring them modern energy.

These findings are the first to emerge from the [2017 edition of the Poor People's Energy Outlook](#) (PPEO), report and will be explored at the SEforAll forum in New York on Wednesday 5th April.

Currently, 4.3 million people every year – mainly poor women and children – die as a result of breathing in smoke from cooking indoors. Globally, more than 3 billion people continue to cook on a basic open fire.

One billion people are still without access to modern energy, preventing them from reaching their full potential and emerging from poverty.

The new PPEO report considers how to best finance national integrated energy access plans for Bangladesh, Kenya and Togo, based on analysis of these markets and consultations with energy-poor communities.

The report also presents in-depth research into the mix of technologies and funding required to achieve [Total Energy Access](#) by 2030; that is, energy access at the household level, in community services like health clinics and schools, and in enterprises and for productive uses of energy.

[Previous PPEOs](#) demonstrate how universal energy access is essential to achieving almost every Sustainable Development Goal.

The findings of the PPEO 2017 will be presented on the SEforAll Forum Media Stage at 11.45 EST, by co-author Aaron Leopold. Aaron said: "Access to the correct types of finance for energy access will help us overcome the scourge of poverty, by driving progress towards achieving universal access to electricity and clean cooking.

"Yet energy access finance is often not directed in the right way. Currently, the focus remains on investing in grid extension and generation capacity in too few countries – rather than looking at the requirements of the vast majority who live in energy poverty, many of whom are far from the central grid.

"Women in particular, who often live in rural areas without meaningful energy access, can drive development when they become part of the energy system - by becoming entrepreneurs, educators, decision-makers and by empowering their communities in turn. Decentralised systems can be particularly beneficial for women as both consumers and entrepreneurs and have, in recent times, attracted new funding from a range of sources; but this is not enough. At this rate, we are still set to fail in reaching the goal of achieving universal, sustainable and modern energy access by 2030."

The full report will be launched at the Vienna Energy Forum on 12th May.

Key findings from the research show that:

- Distributed technologies (mini-grids and stand-alone systems) are the least cost solution for meeting the needs of the majority of those remaining unconnected;
- Based on communities' preference for clean cooking fuels and technologies, national financing must rise to levels comparable with those for electricity access;
- In pre-commercial markets (for both distributed electricity and clean cooking), public-sector support is needed for rapid market activation and closing the affordability gap;
- In more developed markets, support that leverages private-sector investment is needed to reduce investment risk and avoid destroying local markets;
- National financing strategies need to address energy for productive uses as urgently as household needs. This can account for a substantial part of the costs of provision;
- Financing systems can and should actively promote gender equity in energy access, which is critical for more sustained, appropriate and equitable solutions.

The PPEO 2017 is the second in a suite of three new PPEOs; it is preceded by the PPEO 2016, which explores energy access planning from the bottom up, and will be followed by the PPEO 2018 which will look at how to achieve integrated energy access at scale.

For more information and media enquiries please contact:

Andy Heath, Media Engagement Manager, Practical Action
Andrew.Heath@practicalaction.org.uk

Charlotte Taylor, Advocacy Officer, Practical Action
Charlotte.Taylor@practicalaction.org.uk