

# ENERGY ACCESS COMPACT World Bank

## SECTION 1: AMBITION

### 1.1. Ambitions to achieve SDG7 by 2030.

<input checked="" type="checkbox"/> Target 7.1. universal access	<p>Time frame: 2025 / 2030 Elaboration of the ambition(s):</p> <p>This compact is focused on Target 7.1: universal access.</p> <p>The World Bank is committed to assisting its client countries to achieve universal access to affordable, reliable, and modern energy services by 2030 as a prerequisite and a catalyst for improving the living and working conditions of all the world's people, especially the poorest and most vulnerable populations who lack any modern energy services, and as an integral part of the transition to an inclusive, just, resilient, and net-zero-emissions energy system in line with the Paris Climate Agreement, and the World Bank's Climate Change Action Plan, announced in June 2021. The Action Plan aims to advance the climate change aspects of the Green, Resilient, and Inclusive Development (GRID) approach, which pursues poverty eradication and shared prosperity with a sustainability lens.</p> <p>To support these goals the World Bank is prepared to respond to the demand from its client countries to scale-up financing and technical assistance for the development and implementation of comprehensive national electrification and clean cooking strategies, plans and programs. The World Bank is committed to contributing to the key recommendations and 2025 milestones put forward in the UN Thematic Report on Energy Access, developed under the UN High Level Dialogue on Energy, and to help its client countries to put in place the building blocks for sustainable, inclusive and resilient energy access as recommended by the same Report. The focus will be in particular on low- and lower-middle income countries with energy access deficits, and those in conditions of fragility, conflict and violence.</p> <p>The World Bank aims to assist its client countries to provide 50-60 million people with new or improved access to electricity and 20-100 million people with access to clean cooking. The key element of this effort is also support from the Energy Sector Management Assistance Program (ESMAP)<sup>1</sup>, including its Clean Cooking Fund (CCF) and the Electricity Access program.</p> <p>The energy access expansion efforts will include a scale-up of financing for both on-grid and off-grid renewable energy, as well as climate-friendly, pro-poor and gender-transformative approaches that will drive green, resilient and inclusive development. These include scaling up support for development of productive uses, especially for SMEs and small-holder farmers, the provision of clean and efficient cooling solutions to support both climate mitigation and adaptation, scale-up of energy-efficient appliances, sustainable electrification of healthcare and education facilities, and measures to promote socio-economic inclusion to close gender gaps in the energy sector and benefit poor and vulnerable households, including displaced people and host communities.</p> <p>The World Bank welcomes collaboration with other partners sharing the vision of accelerated energy access expansion supporting just, inclusive and resilient energy transition goals. To this effect, the World Bank also encourages and supports other Energy Compacts being registered with UN Energy.</p>
<input type="checkbox"/> Target 7.2d. Renewables	<p>Time frame: 2025 / 2030 Elaboration of the ambition(s):</p>

<sup>1</sup> ESMAP is a partnership between the World Bank and 19 partners to help low and middle-income countries reduce poverty and boost growth through sustainable energy solutions. ESMAP's analytical and advisory services are fully integrated within the World Bank's country financing and policy dialogue in the energy sector. Through the World Bank Group (WBG), ESMAP works to accelerate the energy transition required to achieve Sustainable Development Goal 7 (SDG7) to ensure access to affordable, reliable, sustainable and modern energy for all. It helps to shape WBG strategies and programs to achieve the WBG Climate Change Action Plan targets. More on ESMAP is available at [www.esmap.org](http://www.esmap.org).

	The World Bank has a long-standing commitment to energy access and energy transition, including scaling up renewable energy, reiterated through the Climate Change Action Plan for 2021-25 that was announced in June 2021. The Action Plan aims to advance the climate change aspects of the Green, Resilient, and Inclusive Development (GRID) approach, which pursues poverty eradication and shared prosperity with a sustainability lens.
<input type="checkbox"/> Target 7.3. Energy Efficiency	Time frame: 2025 / 2030 Elaboration of the ambition(s): The World Bank has a long-standing commitment to energy access and energy transition, including support for energy efficiency, reiterated through the Climate Change Action Plan for 2021-25 that was announced in June 2021. The Action Plan aims to advance the climate change aspects of the Green, Resilient, and Inclusive Development (GRID) approach, which pursues poverty eradication and shared prosperity with a sustainability lens.
<input type="checkbox"/> Target 7.a. International Cooperation	Time frame: Elaboration of the ambition(s): The World Bank has a long-standing commitment to energy access and energy transition, reiterated through the Climate Change Action Plan for 2021-25 that was announced in June 2021. The Action Plan aims to advance the climate change aspects of the Green, Resilient, and Inclusive Development (GRID) approach, which pursues poverty eradication and shared prosperity with a sustainability lens.
<input type="checkbox"/> Target 7.b. Infrastructure and Technology	Time frame: Elaboration of the ambition(s): The World Bank has a long-standing commitment to energy access and energy transition, reiterated through the Climate Change Action Plan for 2021-25 that was announced in June 2021. The Action Plan aims to advance the climate change aspects of the Green, Resilient, and Inclusive Development (GRID) approach, which pursues poverty eradication and shared prosperity with a sustainability lens.

1.2. Other ambitions in support of SDG7 by 2030 and net-zero emissions by 2050.

Time frame:  
Elaboration of the ambition(s):

The World Bank has a long-standing commitment to energy access and energy transition, reiterated through the Climate Change Action Plan for 2021-25 that was announced in June 2021. The Action Plan aims to advance the climate change aspects of the Green, Resilient, and Inclusive Development (GRID) approach, which pursues poverty eradication and shared prosperity with a sustainability lens.

**SECTION 2: ACTIONS TO ACHIEVE THE AMBITION**

2.1. Please add at least one key action for each of the elaborated ambition(s) from section 1.

<p><i>Description of action (please specify for which ambition from Section 1)</i> The actions are primarily for SDG target 7.1, and secondarily for targets 7.2 and 7.3</p> <p><b>1. Accelerate electrification efforts, especially in FCV contexts</b></p> <p>The World Bank recognizes that the pace of electrification progress in energy-access deficit countries needs to increase from the current annual growth rate of 1.5 percentage points to 2 percentage points by 2025 in order for the world to meet the SDG7 universal electricity access target. The acceleration is especially needed in least-developed countries, with emphasis on Sub-Saharan Africa and FCV countries.</p> <p>With the support ESMAP, the World Bank will assist energy access deficit countries to put in place comprehensive national electrification strategies and integrated least-cost electrification plans. The World Bank will support implementation of such strategies and plans by providing financing for the national electrification programs, and by using its convening power to help governments to mobilize additional public and private sector financing for such programs, while also providing technical assistance to build enabling environments for both grid and off-grid electrification, including providing support for improving utility performance, strengthening regulatory frameworks, adoption of international standards for off-grid solar systems, and building synergies with other sectors, including digital development, agriculture, water, health and education to support the achievements of other SDGs. This also</p>	<p><i>Start and end date</i> All actions are for FY22-25 period, with the vision of achieving universal access by 2030</p>
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<p>includes integrating support for productive uses of electricity, especially for small-holder farmers and small and medium businesses and sustainable electrification of healthcare and education facilities, development of approaches targeting closure of gender gaps, and ensuring inclusive approaches for vulnerable households (see Action 5 below). The World Bank will also support improvements in electricity access by supporting investments in generation, transmission (including cross-border/power pools), distribution and off-grid electrification that would allow already electrified households to move up to higher tiers of electricity access.</p>		
<p><b>2. Elevate importance of clean cooking</b></p> <p>The World Bank’s approach to clean cooking aligns with Recommendation # 2 of the UN Thematic Report on Energy Access, produced to support the UN High-Level Dialogue on Energy, calling for prioritization of commitments and financing for clean cooking. The pace of progress of clean cooking needs to increase dramatically in the coming years – from the current growth rate of 1.2 percentage points to 3 percentage points per year, so that by 2025, 82% of the population can benefit from access to clean cooking technologies and fuels. Further efforts are needed to address the common practice of fuel/stove stacking and achieve universal access to “modern energy cooking services” (MECS), which are clean, efficient, convenient, safe, reliable, and affordable, to be aligned with the 2050 net-zero emission target.</p> <p>The World Bank will leverage ESMAP’s Clean Cooking Fund, which targets to mobilize US\$500 million, to scale-up its financing for clean cooking, supporting both the SDG7 2030 target of universal access to clean cooking, and 2050 target of universal access to Modern Energy Cooking Services. The World Bank will promote integration and synergies between clean cooking and electrification efforts using a technology-neutral approach focused on delivery of the intended health, climate and gender impacts, including through results-based and impact financing. Recognizing that clean cooking solutions are highly contextualized, the World Bank will promote a country-specific, least-cost, best-fit transition approach that not only reflects local users’ needs and local market conditions, but also takes into account socio-economic, health, food-security, gender, climate, and safety considerations, in line with Recommendation #4 of the UN Thematic Report on Energy Access. The World Bank’s approach to clean cooking expansion builds on a granular understanding of household cooking energy use, including fuel stacking practices, as an input to broader national-level energy decision-making—a process that capitalizes upon energy system investments, incentives for clean energy consumption, and trade and energy investment policies that best leverage national comparative advantages and endogenous innovation. Recognizing the major multi-sectorial benefits of universal access to clean cooking, the World Bank’s energy practice will partner with health, environment, climate change, gender, social protection and private sector development counterparts in the design and delivery of its clean cooking efforts.</p>		
<p><b>3. Position energy access as an integral part of energy transition and sustainable, inclusive and resilient development.</b></p> <p>The World Bank Group is committed to scaling up its financing for clean energy transition around the world. In the context of the World Bank’s commitment to SDG7 and the Paris Agreement goals. The World Bank Group has a long-standing commitment to the energy access and transition goals, reiterated through the Climate Change Action Plan for 2021-2025. The Action Plan aims to advance the climate change aspects of the Green, Resilient, and Inclusive Development (GRID) approach, which pursues poverty eradication and shared prosperity with a sustainability lens. The Plan focusses on (i) integrating climate and development goals; (ii) prioritizing action on the largest mitigation and adaptation opportunities; (iii) and using those to drive our climate finance and leverage private capital to maximize socio-economic impact.</p> <p>The World Bank is prepared to assist its client countries to scale-up renewable energy investments in both on-grid and off-grid electrification and support energy efficiency improvements, as well as advancing their efforts for fossil fuel subsidy reforms. The fast-declining cost of renewable energy and energy storage technologies, combined with innovative business models, offer significant opportunities to expand energy access and accelerate the energy transition. Renewable energy technologies create jobs throughout the supply chain and can spur broad and sustainable social and economic development. The World Bank Group will continue to invest in renewable energy generation, integration, and enabling infrastructure. A key element in the range of solutions is the Energy Storage Partnership convened by the World Bank, with 35 industry, research, and multilateral partners to advance research, development, and deployment of energy storage and accelerate access. The World Bank is already the largest multilateral financier of mini grids and off-grid solar, and its scaled up support to renewable energy will cover on-grid, off-grid and distributed renewable energy technologies.</p> <p>Energy efficiency is one of the largest untapped sources of energy. Scaling it up is a critical element of energy transition and is often the cleanest and lowest-cost way to expand energy services. Investing in efficiency reduces investment needs for new energy supply, fiscal outlays for subsidies, and costs</p>		

<p>to consumers—all of which enhances competitiveness and energy security. There is potential all across the economy—from the energy sector itself to cities, manufacturing, health, education, transport, and water; many engagements will be multisectoral. The World Bank will support projects both on the supply side (in power generation and by reducing transmission and distribution losses) and the demand side (industry, municipalities and other public sector users, residential buildings, and agriculture). There will also be a particular focus on clean and efficient cooling in order to support both climate mitigation and adaptation.</p> <p>The World Bank will continue its support to client countries to integrate considerations related to distributed renewable energy technologies and life-changing energy efficient appliances in energy planning and strategy development, provide financing for their scale-up, leveraging private sector funding and innovation, in line with Recommendations #1, #2 and #6 of the UN Thematic Report on Energy Access.</p> <p>The World Bank will use its multi-sector expertise to build cross-sectoral approaches to maximize the benefits of energy access, to ensure that energy access is positioned as the driver and enabler of inclusive, resilient and sustainable development, This will include, among other things, approaches to support productive and community uses of energy to support food security and agriculture development, especially for small-holder farmers, and for clean water provision, sustainable electrification of healthcare and education facilities to build human capital, and the multi-sectoral clean cooking approaches, leveraging the World Bank’s expertise in energy, health, climate, environment and gender – all in line with the Recommendation # 3, and supporting implementation of other SDGs.</p> <p>In line with Recommendation #1 of the UN Thematic Report on Energy Access, the World Bank will also support its client countries in advancing fossil fuel reforms. In response to strong demand from client countries for just and inclusive reforms to eliminate or reduce energy subsidies, the Bank will provide technical assistance through ESMAP’s Energy Subsidy Reform Facility and by supporting policy reforms through lending operations. The Bank will focus on protecting the poor in these reforms by strengthening social safety nets and facilitating communication campaigns to address political economy challenges.</p>		
<p><b>4. Make energy access efforts more inclusive</b></p> <p>The World Bank will continue to strive to ensure that the energy access efforts it supports are inclusive of all socio-economic groups, promote gender equality, and integrate specific support for the poor and vulnerable households in order to “leave no one behind”, in line with Recommendation # 5 of the Thematic Report on Energy Access. Lack of access to clean cooking and electricity is disproportionately affecting the low-income and vulnerable segments of the population, including women and girls, as well as displaced people and host communities which face affordability constraints for clean cooking stoves, fuels, electricity services, and appliances alike. The World Bank’s energy access programs will, therefore, integrate inclusive, pro-poor and gender-transformative approaches encompassing inclusive business models aimed at reaching “last mile” consumers, and provision of pro-poor end-user subsidies to close the remaining affordability gaps. With the support of ESMAP, the World Bank will launch the “End-user Subsidy Lab” to help its client countries to design sustainable, efficient and targeted end-user subsidies. With ESMAP support the World Bank will also continue developing and integrating approaches for a sustainable energy access provision for displaced people and host communities. Finally, the World Bank’s energy access operations will strive to close the energy access gaps by supporting development and implementation of gender-transformative strategies and approaches that will enhance women’s roles in the energy sector as entrepreneurs, employees and consumers.</p>		
<p><b>5. Improve energy access data</b></p> <p>The World Bank recognizes that achieving and tracking results will require improvements in the availability and quality of energy information and data. Timely, detailed, end-user and supply-side data are necessary to understand consumers' needs and what interventions will likely be effective in accelerating access. The World Bank will work with partners and its client countries to support an introduction of a recommended survey question module on energy (based on the multi-tier framework approach) into regular household surveys and to publish energy access data, including through SDG7 Tracking Report and MTF surveys. The World Bank is committed to promoting open access to data and open-source tools for energy access, including through the <a href="http://energydata.info">energydata.info</a> and the Global Electrification Platform (GEP).</p>		

### SECTION 3: TARGETS

3.1. Please add at least one measurable and time-based target for **each** of the actions from section 2.

<i>Targets</i>	<i>Date</i>
1. The World Bank aims to assist its client countries to provide 50-60 million people with new or improved access to electricity, leveraging World Bank operations and ESMAP's technical assistance	FY22-25
2. The World Bank aims to assist its client countries to provide 20-100 million people with access to clean cooking, leveraging World Bank operations and ESMAP's Clean Cooking Fund. The upper range assumes that CCF's full capitalization is realized.	FY22-25
3. .  The World Bank, with the support of ESMAP, aims to support electrification of 40,000-60,000 public facilities, including health care facilities, schools, water systems and other critical public and community buildings and street lighting)	FY22-25
4. The World Bank, with the support of ESMAP, aims to support 40-50 client countries with the development and implementation of comprehensive programs supporting distributed renewable energy, including mini grid and/or off-grid solar technologies, through national and/or regional interventions.	FY22-25
5. The World Bank, with the support of ESMAP, will launch the End-User Subsidy Lab to support its client countries in the development of pro-poor approaches, including sustainable, efficient and targeted end-user subsidies for energy access to close the affordability gap for poor and vulnerable populations, including displaced people and host communities.	FY22-25
6. The World Bank, with the support of ESMAP, will continue improving the availability of energy access data, including through co-publishing the SDG7 Tracking Report, conducting multi-tier framework surveys, publishing and visualizing available data on energydata.info website and updating the open-source Global Electrification Platform.	FY22-25

### SECTION 4: REQUIRED RESOURCES AND SUPPORT

4.1. Please specify required finance and investments for **each** of the actions in section 2.

The World Bank interventions supporting energy access will be based on client country demand, funded through IDA and IBRD sources, as well as available trust funds, including the Climate Investment Funds, ESMAP (and other TFs if available), while also leveraging other development partner and private sector financing, where applicable. This includes financing from the ESMAP's Clean Cooking Fund, at its planned capitalization of US\$500 million.

4.2. [For countries only] In case support is required for the actions in section 2, please select from below and describe the required support and specify for which action.

*[Examples of support for Member States could include: Access to low-cost affordable debt through strategic de-risking instruments, capacity building in data collection; development of integrated energy plans and energy transition pathways; technical assistance, etc.]*

<input type="checkbox"/> Financing	<i>Description</i>
<input type="checkbox"/> In-Kind contribution	<i>Description</i>
<input type="checkbox"/> Technical Support	<i>Description</i>
<input type="checkbox"/> Other/Please specify	<i>Description</i>

## SECTION 5: IMPACT

5.1. Countries planned for implementation including number of people potentially impacted.

All World Bank client countries, with energy access deficit, are eligible.

5.2. Alignment with the 2030 Agenda for Sustainable Development – Please describe how **each** of the actions from section 2 impact advancing the SDGs by 2030.  
*[up to 500 words, please upload supporting strategy documents as needed]*

All five actions are directly supporting the achievement of the SDG7 goal of affordable, reliable, sustainable and modern energy for all. The Actions are fully aligned with the Thematic Report on Energy Access produced to support the UNHL Dialogue on Energy. In particular, the actions support the overall acceleration of both electrification and clean cooking expansion efforts, in line with the key recommendations of the report. They directly put in action the reports' Recommendations and contribute to each Building Block: (i) supporting Governments in building comprehensive enabling a framework for both electrification and clean cooking (Building Block #1 of the UN Thematic Report on Energy Access) increasing socio-economic inclusiveness as described in Action 4 (Building Block #2) and by scaling up efforts in FCV contexts, supporting scale and approaches to reduce costs (Building Block #3), and providing financing for investments, in particular for clean cooking and renewable energy technologies (Building Block #4). These actions will contribute to the 2025 milestones, including an accelerated pace and increased financing, in particular for clean cooking and distributed renewable energy, and in the FCV context, increased inclusiveness, such as through pro-poor and gender-transformative approaches, end-user subsidies to close affordability gaps, and a focus on vulnerable households, including displaced people and host communities.

5.3. Alignment with Paris Agreement and net-zero by 2050 - Please describe how **each** of the actions from section 2 align with the Paris Agreement and national NDCs (if applicable) and support the net-zero emissions by 2050.  
*[up to 500 words, please upload supporting strategy documents as needed]*

The World Bank is committed to aligning its financing flows with the objectives of the Paris Agreement. The World Bank's energy access efforts are fully integrated with the Bank's commitment to energy transition, as expressed in the World Bank Group's Climate Change Action Plan for 2021-25. The World Bank Group acknowledges that as we expand energy access, we urgently need a global transition to low-carbon energy. It is also critical to develop solutions that make energy systems more resilient to climate change and extreme events. The WBG priorities in the sector, therefore, include helping countries with power sector planning, energy subsidy reforms and improving the operational and financial performance of utilities; investing in projects to increase energy access – including renewable energy - and improve energy efficiency; and regional power cooperation and trade. In this context, energy access is included as an integral element of just and resilient energy transition, as formulated in the Recommendation # 1 of the Thematic Report on Energy Access. In addition, for clean cooking, while the World Bank's efforts contribute to the 2030 SDG7 Goal, the World Bank also continues its commitment to universal access to Modern Energy Cooking Services (MECS) by 2050 to be aligned with the 2050 net-zero emission target.

## SECTION 6: MONITORING AND REPORTING

6.1. Please describe how you intend to track the progress of the proposed targets in section 3. Please also describe if you intend to use other existing reporting frameworks to track progress on the proposed targets.

The progress can be tracked through integrating targets and commitments in the individual Project Documents (Targets 1 – 4), and through ESMAP reporting (Targets 5-6). Target 1 includes both direct and inferred access, estimating new and improved access enabled through increased availability of electricity.

## SECTION 7: GUIDING PRINCIPLES CHECK LIST

Please use the checklist below to validate that the proposed Energy Compact is aligned with the guiding principles.

### I. Stepping up ambition and accelerating action - Increase contribution of and accelerate the implementation of the SDG7 targets in support of the 2030 Agenda for Sustainable Development for Paris Agreement

I.1. Does the Energy Compact strengthen and/or add a target, commitment, policy, action related to SDG7 and its linkages to the other SDGs that results in a higher cumulative impact compared to existing frameworks?

Yes  No

I.2. Does the Energy Compact increase the geographical and/or sectoral coverage of SDG7 related efforts?  Yes  No

I.3. Does the Energy Compact consider inclusion of key priority issues towards achieving SDG7 by 2030 and the net-zero emission goal of the Paris Agreement by 2050 - as defied by latest global analysis and data including the outcome of the Technical Working Groups?  Yes  No

### II. Alignment with the 2030 agenda on Sustainable Development Goals – Ensure coherence and alignment with SDG implementation plans and strategies by 2030 as well as national development plans and priorities.

II.1. Has the Energy Compact considered enabling actions of SDG7 to reach the other sustainable development goals by 2030?  Yes  No

II.2. Does the Energy Compact align with national, sectoral, and/or sub-national sustainable development strategies/plans, including SDG implementation plans/roadmaps?  Yes  No

II.3. Has the Energy Compact considered a timeframe in line with the Decade of Action?  Yes  No

### III. Alignment with Paris Agreement and net-zero by 2050 - Ensure coherence and alignment with the Nationally Determined Contributions, long term net zero emission strategies.

III.1. Has the Energy Compact considered a timeframe in line with the net-zero goal of the Paris Agreement by 2050?  Yes  No

III.2. Has the Energy Compact considered energy-related targets and information in the updated/enhanced NDCs?  Yes  No

III.3. Has the Energy Compact considered alignment with reaching the net-zero emissions goal set by many countries by 2050?  Yes  No

### IV. Leaving no one behind, strengthening inclusion, interlinkages, and synergies - Enabling the achievement of SDGs and just transition by reflecting interlinkages with other SDGs.

IV.1. Does the Energy Compact include socio-economic impacts of measures being considered?  Yes  No

IV.2. Does the Energy Compact identify steps towards an inclusive, just energy transition?  Yes  No

IV.3. Does the Energy Compact consider measures that address the needs of the most vulnerable groups (e.g. those impacted the most by energy transitions, lack of energy access)?  Yes  No

### V. Feasibility and Robustness - Commitments and measures are technically sound, feasible, and verifiable based a set of objectives with specific performance indicators, baselines, targets and data sources as needed.

V.1. Is the information included in the Energy Compact based on updated quality data and sectoral assessments, with clear and transparent methodologies related to the proposed measures?  Yes  No

V.2. Has the Energy Compact considered inclusion of a set of SMART (specific, measurable, achievable, resource-based and time based) objectives?  Yes  No

V.3. Has the Energy Compact considered issues related to means of implementation to ensure feasibility of measures proposed (e.g. cost and financing strategy, technical assistant needs and partnerships, policy and regulatory gaps, data and technology)?  Yes  No

## SECTION 8: ENERGY COMPACT GENERAL INFORMATION

8.1. Title/name of the Energy Compact

World Bank Energy Access Compact

8.2. Lead entity name (for joint Energy Compacts please list all parties and include, in parenthesis, its entity type, using entity type from below)

World Bank

8.3. Lead entity type

Government

Local/Regional Government

Multilateral body /Intergovernmental Organization

Non-Governmental Organization (NGO)

Civil Society organization

Academic Institution /Scientific Community

Private Sector

Philanthropic Organization

Other relevant actor

8.4. Contact Information

Demetrios Papathanasiou, Global Director, Energy and Extractives Global Practice email: dpapathanasiou@worldbank.org

8.5. Please select the geographical coverage of the Energy Compact

Africa  Asia and Pacific  Europe  Latin America and Caribbean  North America  West Asia  Global

8.6. Please select the Energy Compact thematic focus area(s)

Energy Access  Energy Transition  Enabling SDGs through inclusive just Energy Transitions  Innovation, Technology and Data  Finance and Investment.

**SECTION 9: ADDITIONAL INFORMATION (IF REQUIRED)**