



IEF Symposia on Energy Poverty

Main findings and recommendations

Report for the 13th IEF Ministeral

Kuwait, 12-14 March 2012

February 2012

1. Executive Summary

Responding to calls from Ministers, the IEF convened a series of symposia on energy poverty, with the objective to investigate the most effective means to alleviate energy poverty and to review the roles of different stakeholders. The 1st IEF Symposium on Energy Poverty was held in Johannesburg, South Africa, (December 2009) and the second, in partnership with the OPEC Fund for International Development (OFID), in Vienna, Austria (November 2011).

Energy poverty is a multi-dimensional issue derived from economic, financial and operational factors, relating to both demand and supply of energy. While energy poverty affects nearly every corner of the globe in some capacity, the predicament is particularly prevalent in sub-Saharan Africa and South Asia. 1.3 billion people have no access to electricity and 2.7 billion people rely on the traditional use of biomass for cooking.

The lack of access to modern energy services gravely impairs human, social and economic development. It impedes productivity, limits the education level, poses a severe health risk and impacts women disproportionately.

Energy poverty alleviation is intimately tied to the achievement of all MDGs, as the causes of energy poverty are inextricably linked to the causes of general poverty. Energy poverty is both a symptom and an effect of general poverty; it is difficult to solve one without addressing the other. Without access to modern energy services, the poor are deprived of opportunities for economic development and improved living standards.

Providing access to modern energy services is not a technological issue, in the majority of cases the technology is already available; it is more a matter of adequate investment and political will at global and national levels.

Meeting the investment gap will require dramatic improvement in efforts by all sectors of society, governments, the private sector, local communities, civil society, international organisations and the world of academia and research. All available types and sources of funding will need to be tapped, international funds, public-private partnerships, bank finance at multilateral, bilateral and local levels, microfinance, loans, innovative financing schemes and targeted subsidies.

In addition to investment and access to appropriate financial schemes a global political commitment is needed, at national, regional and international levels to accelerate progress of the energy access agenda. The major factors that need to be addressed to unlock access to modern energy are related to the necessary policy and institutional frameworks, technology transfer and diffusion, and human capability. Governments are expected to create an enabling environment, appropriate policies, regulations and institutions to facilitate access to modern energy services.

Although a decidedly international problem, energy poverty can be alleviated through domestic energy policy reform. Many countries identified energy poverty as an obstacle to their development and draw plans to accelerate access to modern energy to a large number of their population. They introduced energy policy reform and budget priority. They demonstrate that access can be achieved through comprehensive reform and dedicated funding.

There is growing support for making universal access to modern energy services a priority for international cooperation. The energy access agenda is becoming an institutional priority for the United Nations. The UN General Assembly has declared 2012 as the "International Year of Sustainable Energy for All" and the UN Secretary General's Advisory Group on Energy and Climate Change (AGECC) called for a global commitment to the ambitious goal of "universal access to modern energy services by 2030". Furthermore the Secretary General of the United Nations has announced his "Sustainable Energy for All" initiative, and, in September 2011, formed a High Level Group that has started working on the initiative frameworks in preparation for its launch in Rio+20.

2. Introduction

Despite considerable effort and a number of laudable initiatives, little progress has been made in reducing energy poverty in recent years. Lack of access to modern energy services still burdens nearly two and a half billion people and continues to impede the achievement of the Millennium Development Goals. Existing projections suggest that, unless strong measures and long-term policy commitments are taken, the situation will persist and deteriorate in many regions of the world in the coming decades, particularly in Sub-Saharan Africa more than in developing Asia where some countries have made notable progress in recent years in improving access to modern energy services.

Responding to a call from Ministers, the IEF convened a series of symposia on energy poverty. The 1st IEF Symposium on Energy Poverty was held in Johannesburg, South Africa, (December 2009) with the objective to investigate the most effective means to alleviate energy poverty and to review the roles of different stakeholders. Participants noted that "access to modern energy services is one of the cornerstones to reducing poverty and a key element in achieving the MDGs" and called on the IEF to ensure that the key messages from the symposium were transmitted to the 12th IEF Ministerial meeting (Mexico, March 2010). Participants to the Johannesburg symposium also called for fresh impetus and more widespread support for the "Energy for the Poor" initiative launched by King Abdullah at the Jeddah Energy Meeting (June 2008) and supported by the G20 leaders.

At the 12th IEF, Ministers noted that "the fight against energy poverty has been unsuccessful so far, with more than 2.5 billion people still lacking access to modern fuels for cooking and heating and 1.5 billion people without access to electricity, a situation which inhibits social, human and economic development". Endorsing the conclusions of the first IEF Symposium, Ministers stated "that reducing energy poverty should be added as the

9th Millennium Development Goal", called on all relevant stakeholders (including the energy industry) to step up their efforts and encouraged the IEF Secretariat to maintain energy poverty high on its agenda and future programmes of work.

The 2nd IEF Symposium on Energy Poverty, in partnership with the OPEC Fund for International Development (OFID), was held in Vienna, Austria (November 2011). OFID has indeed demonstrated a substantial commitment to the eradication of energy poverty in developing countries. Its efforts have been enhanced in response to the mandate provided by the Third OPEC Summit of 2007 and the "Energy for the Poor" initiative. OFID financial assistance works through a variety of public and private sector windows, helping to improve access to energy in the service of economic and social development.

At this 2nd IEF-OFID Symposium participants from developed and developing countries, representatives from governments and industry, multilateral and bilateral organisations, finance institutions, and aid agencies discussed how to address this crucial issue and investigated ways and means to help eradicate energy poverty.

The purpose of this paper is to present the main findings and key recommendations of the two symposia to the 13th IEF Ministerial in Kuwait (13-14 March 2012).

3. Status of energy poverty

3.1 What is energy poverty?

Energy poverty may be defined as "having no physical access to clean, reliable and affordable energy services to satisfy basic human needs and to promote economic growth. Fuel poverty is a related but discrete concept which refers to the inability of households with low income to afford the energy they require despite the availability of modern fuels.

Energy poverty is a multi-dimensional issue derived from economic, financial and operational factors, relating to both demand and supply of energy.

As such, energy poverty is best viewed as a diverse set of symptoms rather than a singularly defined issue. For example, in much of Africa, high power grid extension costs are a large factor in the continuation of energy poverty, but this is not the case in the poor urban communities in South America. There, the grid exists, but utilities are rarely paid for their service. And electricity is only one part of the problem. Access to efficient and affordable cooking and heating fuels, like liquefied petroleum gas (LPG) or kerosene, is vital to alleviating the effects of energy poverty.

For the "bottom billion" living on less than \$1 a day, basic energy services are prohibitively expensive and onerous to access. As a result, they rely on grossly inefficient fuels, like biomass and charcoal, whose collection or purchase absorb a disproportionate amount of their time and limited finances.

3.2 Where is energy poverty occurring?

While energy poverty affects nearly every corner of the globe in some capacity, the predicament is particularly prevalent in sub-Saharan Africa and South Asia.

In a recently released report (WEO 2011), the IEA found that 1.3 billion people have no access to electricity, around 20% of the global population, and 2.7 billion people rely on the traditional use of biomass for cooking, around 40% of the global population. More than 95% of the people lacking access to modern energy services are either in Sub-Saharan Africa or developing Asia, and 84% live in rural areas. Sub-Saharan Africa accounts for only 12% of the global population, but almost 45% of those without access to electricity.

Unless we act quickly and decisively, this issue will persist and may even deepen in the longer term.

Although energy poverty is most prevalent in rural locations, where the cost of modern energy services as a share of total income is highest, the issue is not solely a rural one. Lack of urban electricity access, seen in megacities like Rio de Janeiro and Mumbai, have different causes, solutions and consequences. Urban energy poverty is likely to be energy poverty's obstacle of tomorrow as the developing world continues to urbanize.

The consumption of modern energy per capita in the poorest countries is less than onesixth that of developed countries, which account for about one-fifth of the world's population, and consume almost half the primary energy traded globally. Residential electricity consumption in sub-Saharan Africa, excluding South Africa is roughly equivalent to the consumption of New York City. In other words, 19 million inhabitants of a single developed city consume the same quantity of electricity as a population of 800 million on the other side of the world. Viewed from another angle, total installed generating capacity in sub Saharan Africa (excluding South Africa) is about 30 GW less than that of Norway although the population of the region is 150 times as large.

3.3 What are the main causes of energy poverty?

As a diverse set of issues, energy poverty has as a diverse set of causes which vary greatly according to location, governance and the interaction between the two.

Distance from modern energy services is a significant factor in energy poverty. For example, in much of sub-Saharan Africa, the infrastructure required to carry electricity from urban population centres (where power generation is most often focused) to remote villages is vast and unwieldy. The private sector sees little incentive in bringing electricity to small communities that cannot pay for power and local governments are often unable to do the same. In South Asia, the remoteness of location is also a factor but the difficulty of the terrain adds to the cost of building electricity distribution.

Governance is another factor. For many countries, the government is unable to provide the services its citizens require mainly because they lack the resources to do so. There are also regulatory hurdles and obstacles of excessive patronage that stand before reliable and distributive energy infrastructure in many countries. While better governance will aid in the fight against energy poverty, governments may not always have the tools they need to successfully combat energy poverty. Internationally coordinated efforts can help provide them with those tools.

Beyond location and domestic policy, the causes of energy poverty cannot be easily divorced from the causes of general poverty. The two are intertwined. The poor cannot afford to purchase the energy they need and their governments are often just as unable to purchase the infrastructure necessary to provide them with that energy.

Lack of capital is a major component of energy poverty, at the consumer, producer and distributor level.

3.4 What are the effects of energy poverty?

The lack of access to modern energy services gravely impairs human, social and economic development; it affects:

- Productivity: energy poverty significantly reduces a community's ability to start, operate and expand commercial enterprises. Work stops or slows after sundown and productivity dips. It reduces agricultural productivity in a number of ways. Collecting lumber for cooking leaves women unavailable for more fruitful tasks.
- Education: energy poverty makes education more difficult. Lack of electricity reduces the education level, limits the opportunities available to rural students, and may even encourage students to attend less school. A recent study of students in Nicaragua found that 72% of children who lived in homes with electricity regularly attended school, while only 50% of students who did not have electricity attended school.
- Health: energy poverty poses a severe health risk and impedes the administration of modern health care. Indoor air pollution from open fires is responsible for about 1.6 million premature deaths per year, mostly among women and children affected by household air pollution due to inefficient biomass combustion and poor ventilation. Premature deaths from household air pollution are higher in number than those attributed to malaria and tuberculosis. Other complications from indoor pollution include chronic obstructive pulmonary disease, lung cancer, tuberculosis, asthma attacks, low birth weights... Additionally, without access to electricity, it becomes exceptionally difficult to operate health clinics with modern services as many medications require refrigeration.

• Women: energy poverty disproportionately impacts women. In the regions and communities most affected by energy poverty women are relegated to the collection of firewood, which is both time consuming and energy intensive, and leaves many young women unable to attend school.

4. Energy poverty alleviation, the missing MDG

"Expanding access to affordable, clean energy is critical for realizing the MDGs and enabling sustainable development across the globe"- UN Secretary General Ban Ki-moon.

At the 12th IEF in Cancun ministerial delegations and industry leaders declared that energy poverty alleviation should be added as the ninth MDG. Indeed, energy poverty alleviation is intimately tied to the achievement of all MDGs, as the causes of energy poverty are inextricably linked to the causes of general poverty. Energy poverty is both a symptom and an effect of general poverty; it is difficult to solve one without addressing the other. The correlation between the two issues is unmistakeable; for countries in which the per capita income is less than \$1 USD a day, 90% of the population use biomass or dung for their cooking. The cycle of energy poverty then continues as the health effects of dirty fuels reduce longevity and reduce the productive capacity of entire communities.

Energy access is a key reference point in the inter-related issues of poverty alleviation, environmental sustainability, climate change, and economic development and as such is related to the MDGs.

Expanding access to modern energy services for the poor underpins human and economic development, it is essential for achieving the MDGs, as it will contribute to:

- Reducing poverty and creating jobs by facilitating income-generation, reducing hunger and increasing agricultural productivity and entrepreneurial opportunities (MDG 1:_eradicate extreme poverty and hunger),
- Empowering females by liberating women and girls from time-consuming tasks, freeing time for education and economic activity (MDG 2: achieve universal primary education and MDG 3: promote gender equality and empower women),
- Improving health conditions by reducing physical labour required of women and children, and eliminating the household air pollution associated with 1.6 million premature deaths annually (MDG 4: reduce child mortality, MDG 5: improve maternal health and MDG 6: combat HIV/AIDS, malaria and other diseases),

• Promoting clean energy solutions that can contribute to low-carbon development (MDG 7: ensure environmental sustainability). According to IEA, achieving universal access to modern energy services by 2030 would increase CO2 emissions by only 0.7%, a modest impact compared to a scenario which leaves 1.3 billion people without electricity and 2.7 billion relying on traditional use of biomass.

While the alleviation of energy poverty is not a panacea to global poverty, no nation has reduced its poverty levels without increasing its energy usage. Of course, a reduction in energy poverty alone will not accomplish the MDGs but the MDGs are unlikely to be met without addressing energy poverty.

5. Overcoming the barriers to modern energy services

The lack of access to modern energy services is a major barrier that gravely inhibits economic, social and human development. It:

- Impedes productivity and impairs a community's ability to develop and prosper financially,
- Limits the education level, restricts the opportunities available to rural students, and may even discourage students from attending school,
- Poses a severe health risk and impedes the administration of appropriate modern medical care,
- Impacts women disproportionately. Collecting biomass prevents older women from carrying out more fruitful tasks and causes many young women to miss out on the opportunity of attending school.

Without access to modern energy services, the poor are deprived of opportunities for economic development and improved living standards. Modern energy services provide lighting, cooking, heating, refrigeration, transportation, motive power and electronic communications that are indispensable tools for increasing productivity, creating enterprises, generating employment, earning income, and accessing safe water and sanitation, as well as basic health and educational needs.

Increasing access to modern energy services in developing countries requires strong and immediate action. Yet, despite current efforts, progress in delivering energy access is still inadequate.

Providing access to modern energy services is not a technological issue, in the majority of cases the technology is already available. It is more a matter of adequate investment and political will at global and national levels.

In its recently released report, the IEA estimates the cumulative investment required to achieve universal access to modern energy by 2030, at \$48 billion per year, which is more than five times the level of 2009. The majority of this investment is required in sub-Saharan Africa. Although the investment required for universal access represents only around 3% of global energy investment, meeting this goal will require dramatic improvement in efforts by all sectors of society: governments; the private sector; local communities; civil society; international organisations and the world of academia and research. All available types and sources of funding will need to be tapped, international funds, public-private partnerships, bank finance at multilateral, bilateral and local levels, microfinance, loans, innovative financing schemes and targeted subsidies.

Smart and well targeted subsidy schemes can extend access to modern energy services for the poor. To be cost-effective, efficient and useful for rural and poor people, energy subsidies should assist the poor in gaining access to modern energy sources, while providing business incentives to serve rural and poor consumers.

Currently energy access funding seems to be focused on large-scale electricity infrastructure, which is suitable for tackling urban energy poverty, but not so much for rural areas where off-grid solutions that cater effectively for local needs may be more appropriate. The main sources of financing include the World Bank Group, regional development banks (Asian Development Bank, African Development Bank and Inter American Development Bank), the OPEC Fund for International Development, developed and developing country governments, aid and development agencies and the private sector. The United Nations institutions (UNDP, UNIDO, UNEP...) are particularly active in helping develop schemes for end user finance.

Energy poverty reduction is simply unthinkable without adequate access to investment and finance. However, the availability of capital is not sufficient condition to deliver energy access. In addition to investment and access to appropriate financial schemes a global political commitment is needed, at national, regional and international levels to accelerate progress of the energy access agenda. The major factors that need to be addressed to unlock access to modern energy are related to the necessary policy and institutional frameworks, technology transfer and diffusion, and human capability. None of these impediments are insurmountable. Governments are expected to create the appropriate policies, regulations and institutions to facilitate access to modern energy services. An enabling environment, including capacity building and institutional strengthening and an appropriate investment climate are crucial to delivering adequate financing for energy access.

6. Global political commitment and multifaceted cooperation

Although the priority given to energy poverty has still not reached a level commensurate with the scale of the problem, significant efforts are underway to alleviate energy poverty and international momentum to overcome the barriers that impede progress towards universal access is now increasing.

There is growing support for making universal access to modern energy services a priority for international cooperation. The energy access agenda is becoming an institutional priority for the United Nations. The UN General Assembly has declared 2012 as the "International Year of Sustainable Energy for All" and in a report released in 2010, the UN Secretary General's Advisory Group on Energy and Climate Change (AGECC) called for a global commitment to the ambitious goal of "universal access to modern energy services by 2030". Furthermore, the Secretary General of the United Nations has launched his "Sustainable Energy for All" initiative in September 2011¹.

Building on the conclusions of the UN AGECC, two high level conferences were held in 2011 with the objective to facilitate dialogue and mobilize political support for the energy access agenda and to accelerate progress towards the goal of providing energy access for all; the first one in Vienna (June 2011) and the second in Oslo (October 2011).

Outcome of these gatherings were presented to the G20 Summit (Cannes, November 2011), the COP17 Summit (Durban, November 2011) and will be presented to the UN Rio+20 Summit (Rio de Janeiro, June 2012).

Universal access to modern energy services by 2030 requires strong political and sustainable financial commitments, strategic partnerships at all levels, and the integration of energy access into national development strategies. Only concerted action by the whole international community can help accelerate energy access for all.

International cooperation is needed in capacity building, knowledge management and dissemination, and in developing tools and indicators to measure progress. Governments have a key role to play in providing the enabling environment by strengthening national policy and institutional frameworks, encouraging market incentives, and mobilising financing and public-private partnerships.

¹ OFID Director-General, Suleiman Al-Herbish, is a member of the High Level Group on Sustainable Energy for All, launched by The UN Secretary General and composed of 35 leaders from around the world representing government, business and civil society. The mandate of the HLG is to deliver an Action Agenda for Rio+20.

Ensuring universal access to modern forms of energy by 2030 requires the implementation of an international framework and a detailed roadmap with interim targets on a country by country or on a regional basis; it also requires concrete mechanisms for mobilizing the investment and for facilitating technology and knowledge transfer. The adoption of national policies and concrete targets and programmes for modern energy access is important. Countries with strong strategies and national targets have proved to be more successful in delivering improvements in energy access than others, even in Africa.

Although a decidedly international problem, energy poverty can be alleviated through domestic energy policy reform. Many countries identified energy poverty as an obstacle to their development and draw plans to accelerate access to modern energy (natural gas, LPG and electricity) to a large number of their population. They introduced energy policy reform and budget priority. They demonstrate that access can be achieved through comprehensive reform and dedicated funding.

7. Main findings and recommendations

• Political will and government commitment

Universal access to modern energy services by 2030 requires dedicated funds, sustained international effort, strong political will and long-term government commitment. Only concerted action by the whole international community can help accelerate energy access for all. Many poor developing countries still do not place a high priority on energy access especially for rural areas. On the ground this apparent lack of political will and prioritization translates into a weak regulatory environment especially concerning regional project development, a clear lack of bankable projects and a low absorptive capacity for energy projects.

• Improve data and information on poverty

Like any policy, those aiming at energy poverty alleviation will be difficult to implement without a complete assessment of the problem. This cannot be achieved without sound information and data on the population under consideration, location and existing energy networks, assessment of the ability of the poor to pay for the costs. Therefore, governments and local authorities should improve data collection and information in order to facilitate the necessary decision analysis and project assessment.

- Address ability of the poor to pay for energy
- A key barrier limiting wider access to modern energy services by the poor is the lack of affordable, appropriately designed mechanisms to finance installation and purchase costs (the upfront costs).
- Simple, traditional market-based approaches cannot adequately meet these investment costs. The challenge is to scale up business models allowing the poor to access energy in a reliable, affordable and sustainable way. That is business models able to break the vicious circle of energy poverty.
- Preference should be given to providing subsidies targeted at reaching the needy and financing the start-up cost of connection.
- End-user financing should be strengthened by reinforcing and empowering local financial institutions to finance more energy projects. Microfinance, loans, innovative financing schemes and targeted subsidies are all parts of the solution. Pro-poor "smart" subsidies can extend energy access for rural and poor people. They should be transparent, well oriented and should reach low income households.
- Set realistic, measurable and achievable targets
- Although energy poverty is a global problem, it has a local dimension and can be improved through sound and adapted domestic energy policy. The adoption of national policies and concrete programmes with monitoring tools are necessary components. Countries with strong strategies, realistic, measurable and achievable targets have proved to be more successful in delivering improvements in energy access than others.
- The required sustained political will should be demonstrated by the inclusion in the National Plans and Poverty Reduction Strategy Papers of explicit targets for energy access services and power supply capacity. Ministries and public utilities are therefore expected to attach the highest priority to extending energy access.
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- Join efforts to mobilise required investment
- The cumulative investment required to achieve universal access to modern energy by 2030, is estimated at \$48 billion per year, which is more than five times the level of 2009. The majority of this investment is required in sub-Saharan Africa. Meeting this goal will require dramatic improvement in efforts by all sectors of society, governments, the private sector, local communities, civil society and international organisations.

- To bridge the investment gap, all available types and sources of funding will need to be tapped, international funds, public-private partnerships, bank finance at multilateral, bilateral and local levels. Climate change related funds should also be tapped particularly where the incremental costs of low carbon development are incurred.
- There is a clear need for better coordination between DFIs to reduce the current fragmentation of aid. Among other objectives and in line with international declarations including the Paris Declaration, the Accra Agenda for Action and soon the Busan Development Agenda, DFIs need to further harmonize their approach to combat energy poverty, share analysis and knowledge, avoid unnecessary overlaps for the benefit of concerned countries.
- Energy poverty reduction is impossible to achieve without adequate access to investment and finance. However, the availability of capital is not a sufficient condition to deliver energy access. An enabling environment and an appropriate investment climate are crucial to delivering adequate financing for energy access. Efficient public-private partnerships and support for energy SMEs by microfinance and appropriate tariffs with specific structures to ensure sustainability are among the successful approaches.
- Adapt solutions to local environment
- Site-specific solutions are an essential component of facilitating access to modern energy services. To ensure sustainability it is imperative that local communities take an active role in the choice, planning, development and maintenance of programmes in place.
- Models that are replicable, scalable and based on local autonomy are encouraged. Large scale grid-based projects are suitable for tackling urban energy poverty while off-grid solutions are more appropriate for rural areas.
- Build local management capacity

International agencies including NGOs should help in building the necessary local capacity to manage, operate and maintain projects by providing technical and management support and training. They are most efficient when they act as an interface between business and development, assessing needs and resources and proposing innovative funding mechanisms. The world of academia and research should also play a role in this context.

- Consider all energy sources and technical solutions
- All energy sources and technical solutions must be utilised to reach the goal of universal access in a sustainable manner; economically, socially and environmentally. While clean energy services and renewable energy should be favoured, wherever it is appropriate, in order to reduce carbon emissions, the full energy mix should be considered for poor communities, including liquid and gas fuels and modern biomass. As clean technologies become cost effective, low carbon solutions are more likely to provide the solutions in the future.
- In order to facilitate and accelerate higher access with lower front costs, hybrid systems might be adopted with the aim of lowering long-term running costs.
- Enhance international cooperation
- Achieving universal access requires the implementation of a comprehensive and coordinated action plan including a detailed roadmap with concrete targets and practical mechanisms for mobilizing the requisite investment. International cooperation is needed in capacity building, knowledge management and dissemination, and in developing tools and indicators to measure progress.
- Developed countries are expected to commit to mobilising funding and bringing assistance to poorer countries, while developing countries need to create a stable and enabling policy environment that stimulates and sustains investment.
- Regional integration and trans-border projects can also produce tangible results in facilitating access to modern energy services to the poor. Regional approach is important as countries learn from each other and regional cooperation is useful and effective using both bottom-up and top down approaches. Information exchange on regional and global levels facilitates international dialogue and enhanced understanding leading to improved programmes.
- Regional and multilateral development institutions with special mandate to combat energy poverty should be strengthened.
- All energy companies are encouraged to join this cause actively as a core element of their social responsibility.
- As energy moves up the political agenda, it is important that the basic needs of communities living without energy access are well identified. High-level declarations must be translated into delivery, in ways that make a meaningful and positive difference across the developing world. Providing access to energy services for all by 2030 is an achievable objective that we should all subscribe to. The United Nations Secretary General "Sustainable Energy for All" initiative should be utilised as a vehicle for consolidating all efforts. The international community should adopt it as a global goal of development. It should be a major aim of the Rio+20 agenda.

8. Conclusion

Universal access to modern energy services by 2030 is an achievable objective that the international community should adopt as a global goal of development. Consistent with the statement by Ministers at the 12th IEF that it should be added as the 9th Millennium Development Goal, it should be considered as a major aim of the Rio+20 agenda. As only concerted action can help realize this objective, the UN Secretary General "Sustainable Energy for All" initiative should be utilized as a vehicle for consolidating all efforts. Achieving this objective requires strong political will and long-term government commitment, manifested in the adoption of national policies and concrete programmes with intermediary, measurable and achievable targets. This in turn necessitates improving data collection in order to facilitate decision analysis and project identification and assessment. Furthermore, achieving the objective requires dedicated funds, and all available types and sources of funding will need to be tapped. To this end, there is a clear need to strengthen DFIs, and for better coordination between them further harmonize their approach to combating energy poverty. However, an enabling environment and an appropriate investment climate are crucial to delivering adequate financing. Also, efficient public-private partnerships and support for energy SMEs by microfinance and pro-poor "smart" subsidies can extend access to modern energy services for rural and poor people. In facilitating energy access, site-specific solutions are an essential component. Local communities should take an active role in devising local programmes. In this connection, international agencies should help in building the necessary local capacity. Finally, all energy sources must be utilised to reach the goal of universal access in a sustainable manner; economically, socially and environmentally.