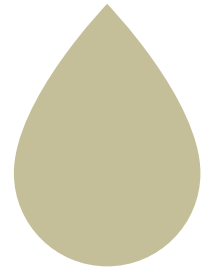




# Energy 2013

Increased access to sustainable energy

Today 1.3 billion people still live without access to electricity. Almost 3 billion people rely on wood, coal, charcoal or animal waste for cooking and heating. Poverty reduction cannot be achieved without increased access to improved and modern energy services for basic human needs, economic growth, income generating activities and qualitative social services. Sida works for improved access to sustainable energy and disbursed SEK 542 million to the energy sector in 2013.



## MAIN AREAS OF SUPPORT

The overall objective of Sida's support to the energy sector is to contribute to the development of sustainable energy systems for economic growth and improved living conditions for poor people. Sida's support in the energy sector is focused on four main areas:

- Increased access to modern energy services such as electricity, small scale household solutions and improved use of biomass
- Increased use of renewable energy
- Improved energy efficiency
- Increased capacity and strengthened institutions and regulation in the energy sector.

Increased access to reliable, affordable and sustainable energy is essential for poor people's ability to improve their living conditions, especially in Sub-Saharan Africa and developing Asia. Higher quality and secure supply of electricity improves the services of essential society institutions such as hospitals and schools through for instance cooling of vaccines, improved access to health services during dark hours and enabling children to study

after dark. Electrification gives people increased access to information through TV, radio, internet and charging of mobile phones which is considered a very important benefit of electrification, particularly in rural areas. Electricity enables the establishment and operation of income generating activities and contributes to job creation.

Sida works to support poor people's access to energy throughout the whole system; from generation of electricity from sustainable energy sources to the distribution and establishment of connections to the electrical grid at household, institutional, public and business level. The support to increased use of renewable energy sources includes solar, wind, hydropower and sustainable biomass projects.

Energy efficiency and environment improvements are prioritised in the development cooperation in Eastern Europe and Western Balkans. The main part of the support concerns investments and improvements in municipal district heating systems. Investment financing is combined with support to improve operations and customer services. Sida also supports energy efficiency measures in housing and in small and medium enterprises (SMEs). →

## THE 5 LARGEST COUNTRIES OF COOPERATION



## RESULTS

### DEVELOPMENT IN THE WORLD

The United Nations has recognized the lack of access to energy as a hurdle to development. Three goals are to be accomplished by 2030; to ensure universal access to modern energy services, to double the global rate of improvements in energy efficiency and to double the share of renewable energy in the global energy mix. A doubling of current funding to the sector will be necessary and therefore the years 2014 to 2024 have been declared the "Decade of Sustainable Energy for All" by the UN General Assembly to strengthen this work.

### SWEDISH SUPPORT

The Sida cooperation in the energy sector spans from generation to transmission and distribution of electricity and district heating, strengthening capacity of Ministries, Utilities, improving laws and regulation, private sector collaboration and research on energy related issues.

Grant funding is mostly used for institutional support and distribution projects while development loans are used for increased generation of electricity to the national or local grid and energy efficiency programmes. In addition, Sida has also issued guarantees for investments in renewable energy projects to a total value of SEK 550 million during 2013. New and innovative funding methods are to a larger extent being used for the energy sector during last years. In Vietnam, 48 300 new poor households have been connected to the electricity grid due to subsidies designed to support families with the lowest incomes.

### STORY OF CHANGE

Through the Global Village Energy Partnership International (GVEP), Sida supports a program that increases access to sustainable energy through the establishment of small and medium enterprises in Africa. The program provides business, financing and technology advice, provides access to financing and stimulates the creation and growth of energy business in cook stoves, mobile phone charging, briquettes and other energy markets. The programme aims at creating 3 600 new jobs in 1 400 micro, small and medium energy enterprises and targets multiple barriers to growth in Kenya, Tanzania, Uganda and Rwanda.

TABLE 1: DISBURSEMENTS 2013, %

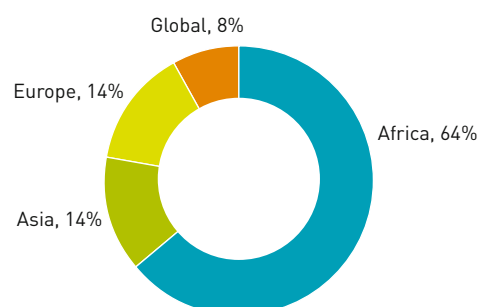
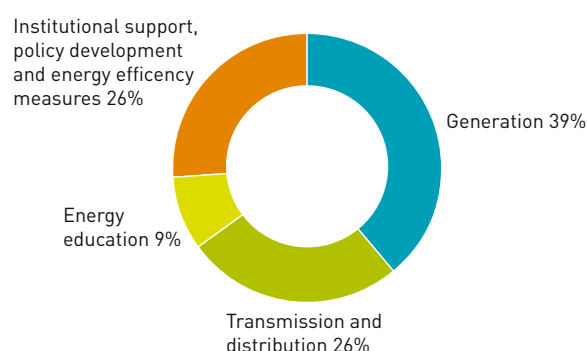


TABLE 2: ENERGY SUBSECTORS, %



**48 300 new poor households** have been connected to the electricity grid due to subsidies designed to support families with the lowest incomes



– Life has improved for me and my family since electricity came to our village, says Inacio living in a rural area in central Mozambique. Because of electricity, Inacio now runs his own small business as a welder and bicycle repairman. He sells spare parts to bicycles and tells us that the village also is safer now for his wife and children because of the street lights.

**Inacio Yemusee Dyaha, Inhasoña, Mozambique**