

Financing Access at the World Bank

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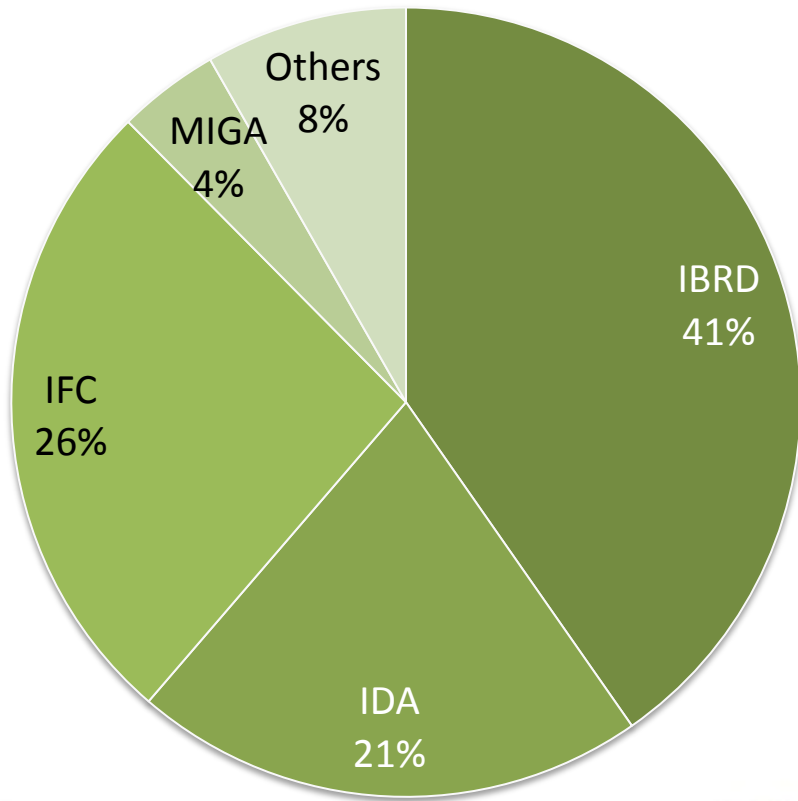
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IEA Workshop on
Financing Energy Access
for the Poor



Key Topics

- WBG Financing Trends
- Financing access
- Leveraging resources
- Public-private partnership
- Africa energy future

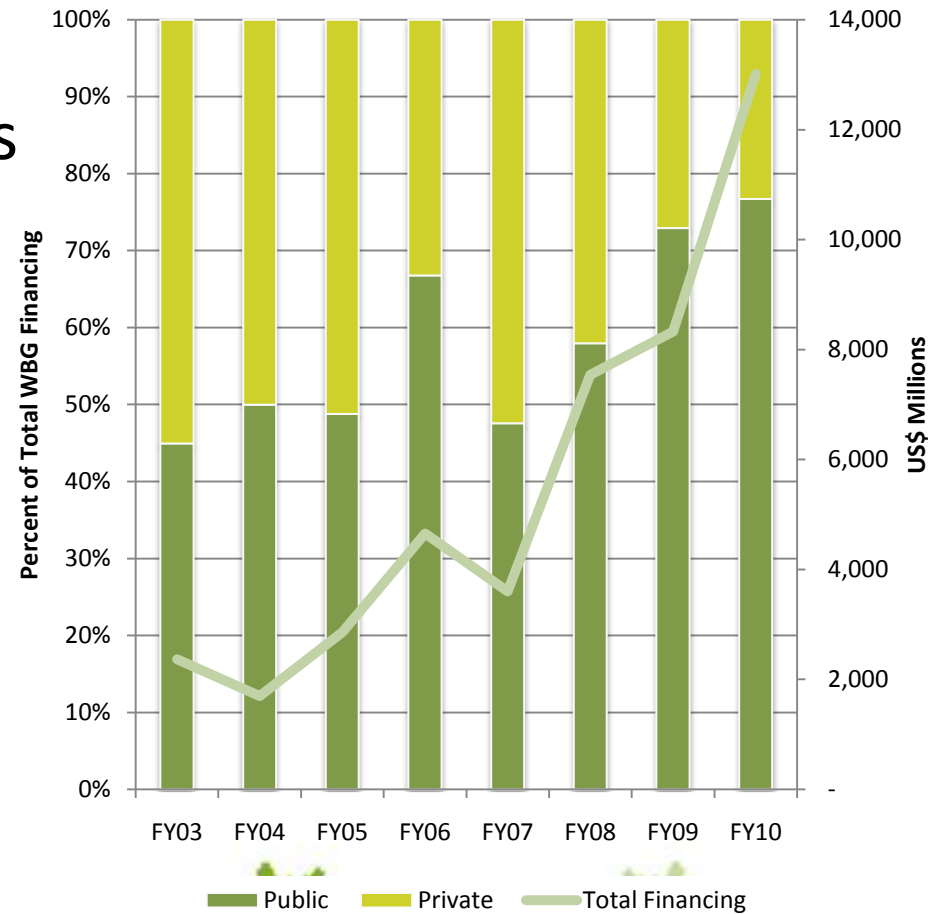
Sources of WBG Financing



- Support for energy comes from across the WBG.
- Totaled \$44 billion+ since FY2003.
- 922 projects in 127 countries, as well as multi-country, multi-regional projects

Public and Private Financing at WBG

- Public support includes IBRD loans and IDA credits
- Private support includes IBRD/IDA and MIGA guarantees and IFC loans and syndication.
- Increase in public-backed financing since start of financial crisis.



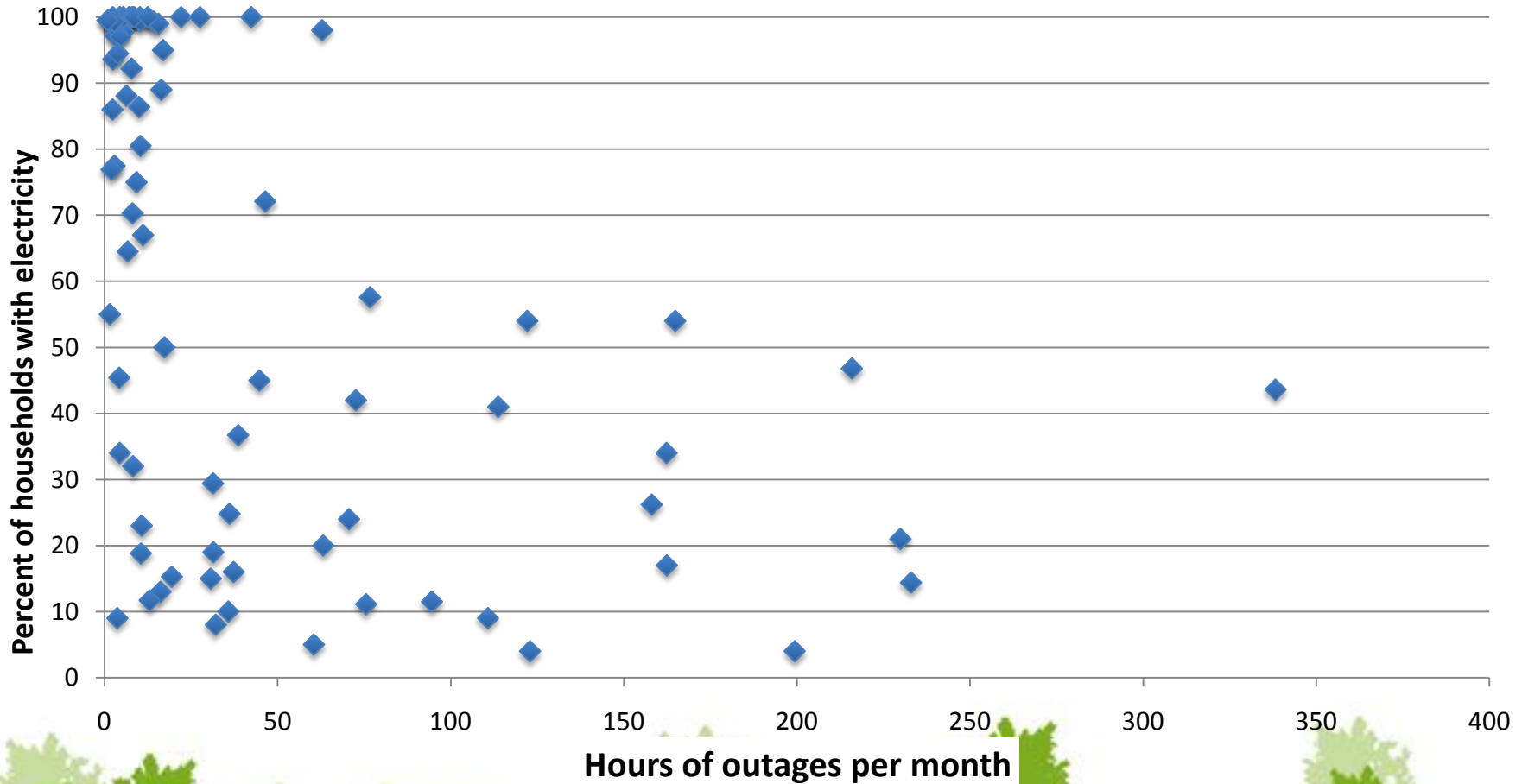
Support across the spectrum

- Providing reliable energy service requires investments in off-grid and grid solutions, including generation, transmission, and distribution; but also in energy efficiency and in support an enabling environment (policy)



Lack of Access and Poor Reliability

Hours of Electricity Outages per Month in Developing Countries



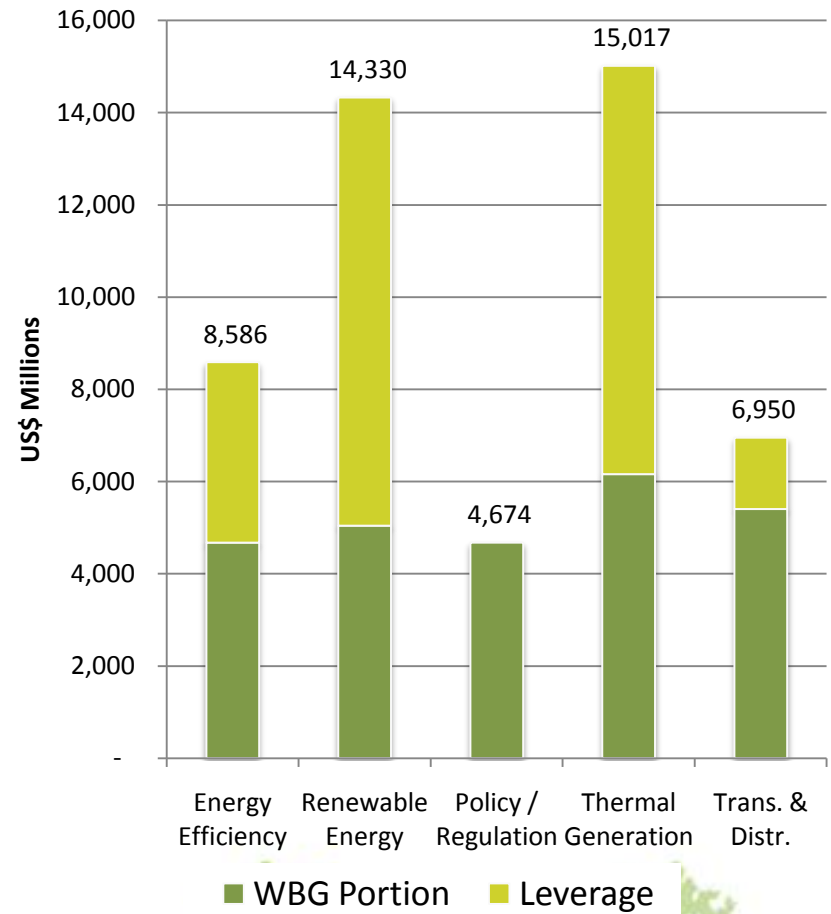
WBG Financing for Energy

	Grid Extension	Grid Supply	Off-Grid RE	Energy Efficiency	Policy / Regulation	Total
Sub-Saharan Africa	2,272	4,592	1,366	785	1,068	10,082 (27%)
East Asia & the Pacific	1,029	1,203	1,148	1,105	1,102	5,587 (15%)
Europe & Central Asia	1,158	1,127	793	2,354	1,916	7,348 (19%)
L. America & Caribbean	699	853	823	1,008	1,680	5,063 (13%)
Middle East & N. Africa	509	1,663	146	151	192	2,661 (7%)
South Asia	3,383	1,703	621	779	802	7,288 (19%)
Total	9,050 (24%)	11,141 (30%)	4,896 (13%)	6,182 (16%)	6,760 (18%)	38,030

Need for Leveraging WBG Resources

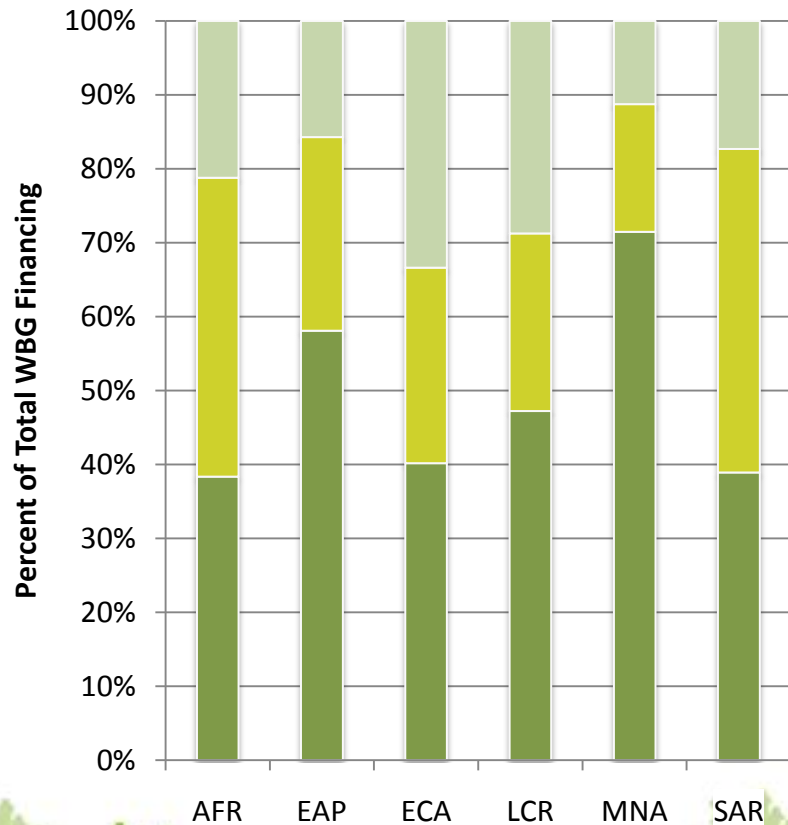
Every \$1 of WBG resources brings in additional private and client investment:

- \$0.84 extra in EE
- \$1.84 extra in RE
- \$1.44 extra in New Thermal Generation
- \$0.29 extra in T&D



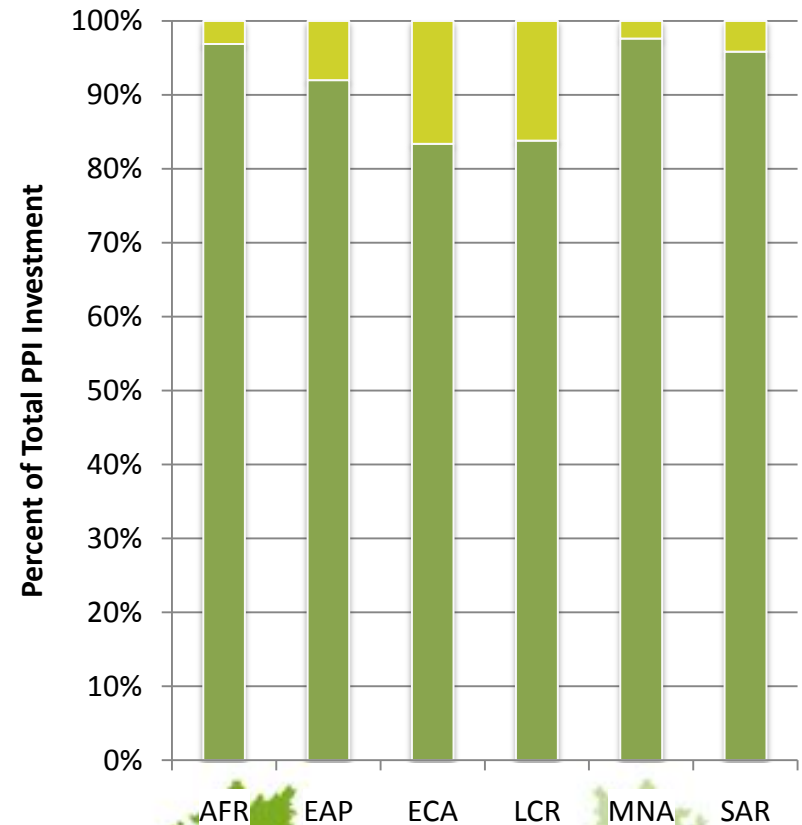
Need for Public-Private Partnership

WBG Financing



Private Financing

(PPI Database)

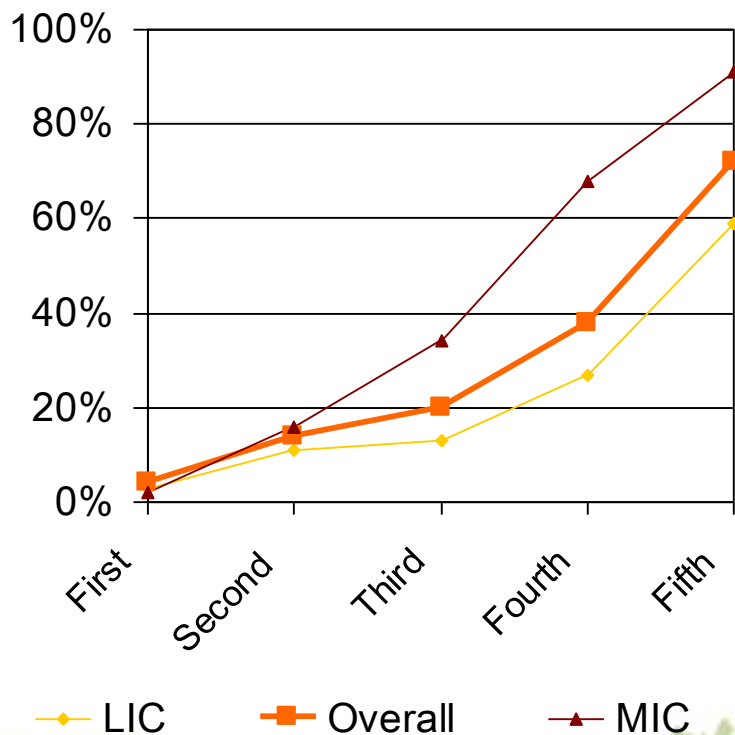


- Policy
- Transmission
- Generation

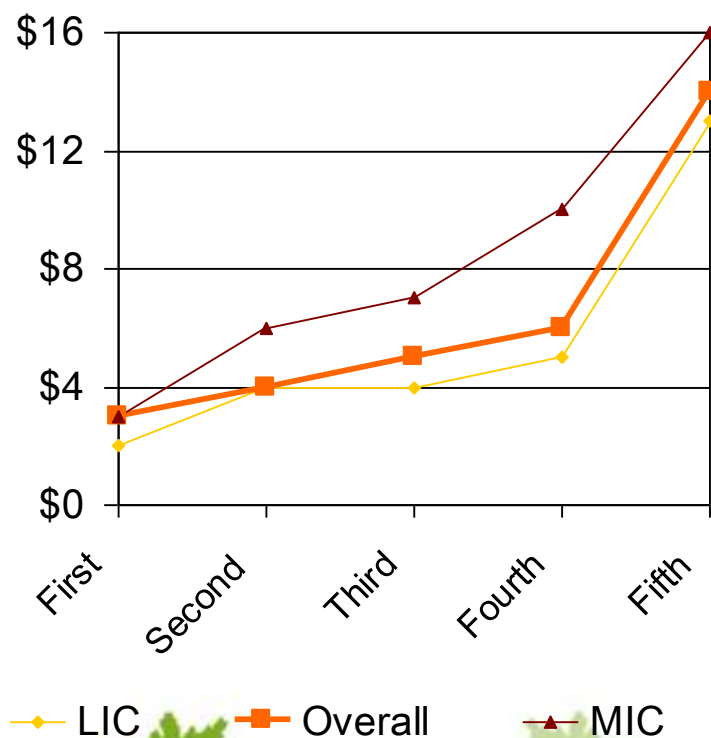


Africa: Coverage and Affordability

Electricity Coverage



Electricity Spending



By Quintile

Possible Scenarios for Africa's Energy Future

	Status Quo	Africa in 2020 Business as Usual	Africa in 2020 Concerted Action
Installed Capacity GW	78	81	100
Power Consumption (kWh pc pa excl RSA)	124	164	235
Electrification (% of population)	30	34	49
Cost of Power (US cents/kWh)	18	18	10
Hydropower (% of consumption)	36	36	48
Power Trade (% of consumption)	16	16	40

Financing a target of 30GW of New Capacity in Africa over the Next Decade

GW	Under Construction as of 1/1/2011	In Need of Preparation	Total
World Bank	8.0	4.0	12.0
Other Multilaterals	1.4	4.0	5.4
Emerging Financiers	4.8	4.0	8.8
Private Sector	1.4	3.0	4.4
Total	15.6	15.0	30.6

US\$ Billion	Under Construction as of 1/1/2011	In Need of Preparation	Total
World Bank	5.5	3.2	8.7
Other Multilaterals	1.9	3.2	5.1
Emerging Financiers	3.9	3.9	7.8
Private Sector	2.2	3.4	5.6
Total	13.5	13.7	27.2

Conclusions

- Reliability, low cost supply and affordability
- Financing Trends: Importance of revitalizing PPP agenda
- Current leveraging sources of financing:
Private-> Generation + Energy Efficiency;
Public: T&D + Policy
- A possible access scenario for Africa by FY2020: Financing gap (US\$14 billion for Generation)



Thank you

<http://www.worldbank.org/energy>

