

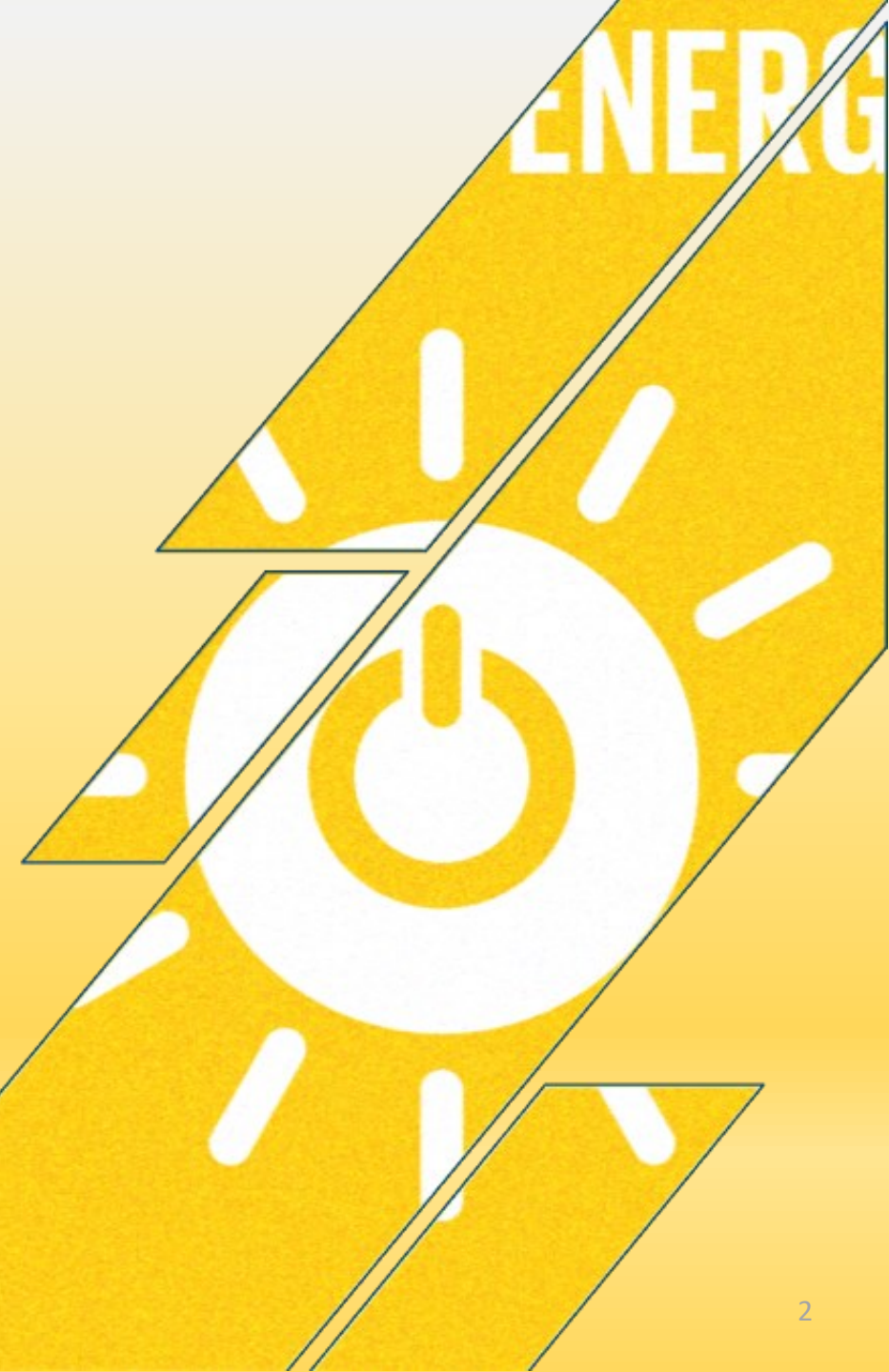


Do public-private partnerships benefit the end-user in rural energy provision?

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The challenges of providing rural energy access

- The SDG 7 'ensuring access to affordable, reliable, sustainable and modern energy for all' impressive progress in electrification has slowed – which can have significant adverse effects
- Approximately 775 million people are without sufficient electricity access, disproportionality affecting Sub-Saharan Africa and South-East Asian populations
- Public-Private Partnerships (PPP) are used in more than 134 developing countries and account for 15-20% of all infrastructure investment



What are Public-Private Partnerships

- There is no single agreed & established PPP-model
- The PPP is a risk-sharing model between the public and private sectors – to offset the demand risk for private-sector companies
- The Green Paper of the Commissions of the European Communities (2004) definition of PPPS:

'forms of cooperation between public authorities and the world of business which aim to ensure the funding, construction, renovation, management or maintenance of infrastructure or the provision of service'

- Various delivery mechanisms exist among PPP structures, including:
 - The supply push
 - Demand-pull
 - Cooperative model
 - Fee-for-service



The case study of PPP in Bangladesh

- Infrastructure Development Company Limited (IDCOL) launched its Solar Home Systems initially in 1997 but only reached success in 2003 when the World Bank formed a PPP with IDCOL to disseminate solar energy to rural areas
- The PPP overcame the issues such as lack of funding and technical know-how and mitigated the uncompetitive and unattractive rural energy market
- In total, the PPP-strategy attracted in support of the programme an investment surmounting USD 696 million over the course of the project and ensuring over 20 million people got access to electricity
- Yet, within 10 years of the project, installation numbers plummeted



Overcoming common barriers in PPPs

- The impacts of PPPs on the end-user are scarcely studied, but the lack of engagement with the stakeholders is a common shortcoming in project preparation
- The quality of technology and after-sales services are critical for long-term renewable energy programme success
- Promotion of renewable energy systems requires energy technology-specific policies tailored for the end-users and stakeholders these systems are intended for – the local context should always be at the centre of the planning framework
- The pricing and loan-structure must be adjusted to the local income level

Gender considerations in rural electrification programmes

- Identifying gender-specific needs that infrastructure services can meet
- Women are underrepresented in renewable energy project design, implementation and evaluation
- Gender biases in legal frameworks must be considered and addressed in programme design
- The end-user pricing structure must be adjusted to local income-levels and women's unequal access and control over resources and services should be taken into account

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GENDER EQUALITY

Achieve gender equality and empower all women and girls





Thank you.

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