



⌚ 09 October 2020, 17:05 (CEST)

# Energy access sector essential to building back better

At the [Energy Access COVID-19 Relief Summit \(access the recordings & slides here\)](#) this week, more than 1,000 energy access representatives assessed the pandemic's impact on businesses and consumers, stressing the sector's role in (re)building sustainable, resilient communities and economies.

The two-day summit was organized by [ARE](#) and GOGLA with support from [GET.invest](#) and in partnership with [AMDA](#), [ESMAP](#), [GDC](#), [SEforALL](#) and the [Clean Cooking Alliance](#). Participants met in 600 online matchmaking meetings, organised by GET.invest, a programme supported by the European Union, Germany, Sweden, the Netherlands, and Austria.

*"We cannot just sit and celebrate past achievements, we need to look forward. COVID-19 is an opportunity for us to come out of the crisis with energy access at the top of our agendas, as a key enabler of development"*, Silvia Anna Ainio from the European Commission said during the summit. Frank van der Vleuten from the Dutch Ministry of Foreign Affairs added: *"This crisis is a unique moment of risk and opportunity; we need to strengthen our evidence base and raise our voices together to steer economic recovery towards building back better."*

Speakers at the virtual event highlighted the effects of COVID-19 on companies' operations and their customers' lives. In a regularly updated [survey](#), 85% of off-grid consumers say their financial situation got worse. Consumers value energy access so much, they are willing to use savings or in some cases even reduce food expenses to be able to continue using their products.

Businesses have adapted quickly, proving to be remarkably resilient in the immediate aftermath of the pandemic. They have not only found innovative ways to serve customers, but also responded to reduced household incomes. However, it is clear the sector and its customers need support in all shapes and sizes. More than half of the sector's businesses indicated they will need short-term financial relief. Next to immediate financial relief and technical assistance, speakers also called for medium- and long-term initiatives, including new partnerships with governments, commercial investors and neighbouring sectors such as agriculture, education and health, carefully designed demand-side subsidies and result-based financing programmes.

While the [pandemic is reversing decades](#) of progress on the Sustainable Development Goals, the energy access sector stands ready to contribute to a lasting recovery for communities and economies. By improving access to reliable electricity, modern appliances and clean cooking solutions, the sector is helping to power health clinics, reduce air pollution, create and retain jobs, and support livelihoods. With its proven track record of improving the lives of at least [470 million people](#), the energy access sector has a key role to play in ensuring economic security and bolstering communities' resilience during the ongoing pandemic and future crises. The current crisis is also a real chance to transition into a future where a resilient and diverse energy sector, with a healthy mix of international and domestic actors including SMEs as well as financiers, delivers clean and affordable energy to domestic, social and productive users.

The sector can, however, only live up to this essential role if businesses and their consumers receive the support they need right now. This includes grant and debt funding for relief and recovery, as well as direct or indirect support to consumers. Indeed, the summit featured several [relief and recovery mechanisms](#) spearheaded by committed donors and investors. However, it is evident that more is needed, particularly for local, smaller and medium-sized businesses serving last-mile customers. These companies have been disproportionately affected by the pandemic and, due to their size and funding requirements, may be unable to access other relief mechanisms.

Leading industry representatives thus continue to look for new partnerships with donors, investors and governments to reduce the plight of businesses and consumers. Only if the sector receives this support will it be in a strong position to help build back better.



GOGLA