Summary Report on TAG 'Client Survey' meetings with UN Agencies and USAID¹ by Andrew Barnett 27th February 2004

- 1. During 2003 TAG has interviewed a number of donors in Europe to gauge their view of the performance of the World Bank's Energy Trust Funded Programmes "ETFP" (confidential and more general report available). This was followed up in January 2004 with interviews by one ore more TAG staff with Griff Thompson, now at the US State Department, but for many years responsible for USAID's support to ASTAE and (more recently) to GVEP; with Susan MacDade and Minoru Takada of UNDP's Energy "service line" (partners in the ESMAP Programme), Mr Kui-Nang Mak (Peter MaK) and his colleagues at the UN Department for Economic and Social Affairs, and Ms Irene Freudenschuss-Reichle, currently of UNIDO. Dr Alvaro Umana, head of UNDP's energy and environment "practice" was interviewed in Washington.
- 2. We asked these people to talk to us frankly, and said that although we would make a report to the Consultative Group in general terms, there was little value in quoting their opinions verbatim. These then are therefore the key impressions that TAG gained from these discussions, rather than an agreed set of minutes of these meetings. I have not reported on the large amount of useful background material that the interviewees provided.
- 3. Clearly not all these people fund all, or indeed any of the ETFP. Their views have to be interpreted in this context. It should also be stressed that both ESMAP and the Bank's Energy Practice clearly had good and regular communication with USAID and the UN system.
- 4. Generally, the interviewees valued the work of the Trust Funds, and where they funded them, they felt that they were getting value.
- 5. While some of the UN staff stressed their perception of the very different ideological approach that they take to development compared to the approach taken by the World Bank (particularly in that the UN tries to reflect the views of all developing countries, rather than, as they understand it, the main financial shareholders of the Bank), they all felt that there was a great value in donors meeting informally in fora such as that provided by the Consultative Group. They did however feel that it probably was a key role for ESMAP to question the prevailing ideology and orthodoxy of the Bank's and other donor's strategies (whatever these might be and however they change over time). Some felt that the donor community "jumped from one panacea to another" and that there was a role for ESMAP to question this.
- 6. We were briefed by various interviewees about the declining importance of "energy" in their agendas over recent years (the US programme fell by 50% in four years), but the current resurgence of interest. Not least "energy" is now back into the titles of UNDP's five "practices" and energy access and sustainable energy services is now one of the 30 current "service lines" of UNDPS work (it was noted that many areas, including forestry and transport, had fallen off the UNDP's current agenda). Similarly there was a job to be

¹ This report was circulated on the 29th January 2004 to the people interviewed for their comments and corrections. No changes were requested, though this final version text has been improved by a few minor edits.

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done to support the emerging view that "access to energy services" needed to "resonate" with US foreign policy objectives.

- 7. In relation to the specifics of GVEP, this was seen as a very significant initiative in the work of both the US government and UNDP. There was much praise from all sources for Dominique and her team in getting GVEP off the ground. However there was a concern in some quarters that it was still not clear to many people "what GVEP is" there is a need to make it something "more than a collection of existing programmes". It was described as a "public private partnership". Similarly it would be important that GVEP informed and was related to all parts of the World Bank and not just to ESMAP the key task was to get those parts of the Bank responsible for Agriculture, Health and Education (etc) to "understand the realities of energy futures". In some senses the new management arrangements for GVEP would make this interaction both easier and more difficult: the new arrangements would emphasise that GVEP was not just another project within ESMAP, but as GVEP management was moved out of the Bank, it presumably would make the communication links (eg through the Energy sector board) more difficult. The donors wanted to use existing organisational structures rather tha n start new ones².
- 8. There was a view that GVEP was able to help individual countries to set out a plan for energy ("village energy") to which donors could engage (and reduce current duplication). A number of respondents felt that the Consultative Group c ould also provide a useful mechanism to enabling donors to understand what others were planning to do and to adjust their own work accordingly. All agreed that while there were mechanisms for the energy donors to work together in some countries (for instance through the PRSP process), there were no mechanisms at the regional or international levels. There clearly was a role for the CG (and ESMAP?) here.
- 9. UNDP had supported the TAG for some years, and although the funds used were relatively small, they did represent a large part (10%) of the UNDP's central funds available to energy. The future UNDP contributions to ESMAP, excluding GVEP, were described by staff as uncertain, (although Dr Umana has apparently indicated this should not be a problem). The UNDP has its own "Single Trust Fund" on Energy which is in direct competition with ESMAP in that it is funded by the same donors. The TAG believes that clarification of the differences between the Banks and the UN's energy trust funds might be useful to other donors.
- 10. While the UNDP had not expressed any view about areas that TAG might pursue, they welcomed many of the themes supported by the TAG. They felt that the TAG had been useful in pressing for a more strategic approach in ESMAP, in putting forward an independent view (even if this was sometimes rejected), providing a varied and distinctive perspective, and was clearly regarded as "independent" even though the Bank's response was sometimes "disproportionate". TAG was criticised for inconsistence in some years between its work plan and its outcomes.
- 11. The "joint" nature of the UNDP/World Bank ESMAP programme was discussed. The rules of the Bank require all ESMAP projects to have a World Bank Task Manager. While

² We are aware that President Wolfensohn introduced GVEP in his briefing to managers after WSSD, and that GVEP's activities in Africa, LAC, and Sri Lanka have been developed with the Country Directors' support/involvement. Furthermore GVEP has published an article on the Bank's intranet explaining the multi-sector approach adopted in the regional workshop and country action plans.

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this is accepted as legitimate it does limit the possibility of applications to ESMAP from the UN System. UN staff are said to wonder what is the value added of working with ESMAP, though the collaboration between the UN and the World Bank is often effective at the country level. The "jointness" worked well with the GVEP business line. The UNDP welcomed the opportunity to participate in the ESMAP project selection process. This worked well from time to time, though it was often difficult to provide useful comments on so large a volume of documentation with short notice. The CG Meeting (formerly the ESMAP CG) was regarded as a very important forum for discussion and complemented the larger more "representative" energy meetings facilitated by the UN system, such as the Global Forum for Sustainable Energy. The CG's concern with the "full menu" of energy options was highly valued (the GFSE would focus exclusively on "renewables" at its next meeting in February, but was expected to take a wider perspective subsequently).

- 12. There was a widespread view that ESMAP should inform "the global debate" about energy rather like the World Development Reports do. There was even a suggestion that the CG meeting should become the "Davos Meeting for Energy". There was particular support for "pro-active lesson learning" (extracting the lessons from a number of activities). For some respondents ESMAP had "fallen off the radar" in the past few years. They used to receive ESMAP reports but are not aware of them in recent years. UNDESA has the mandate to undertake analytic work in support the UN system they go out to Universities and other organisations for assistance and they believed that ESMAP work could in principle be useful to this effort. They feel that there is work to be done now to feed into the next cycle of CSD work (starting in 2006) which would focus on energy, Industry and transport. They see their role as identifying "the tough issues". ESMAP probably should "look at the UN Cycles strategically". Similarly the UN should see the CG as a "point of entry for influence".
- 13. Some of the "Big Issues" that were mentioned as coming up in the future were:
 - a. Energy trade
 - b. Small scale distributed power
 - c. Very rapid urbanisation and its implication for electricity services.
 - d. Revamping new energy lending in light of the lessons learned from WSSD (importance of decentralised systems, low tech options, demand side, environmentally sustainability, access/poverty)
 - e. Finding better ways to work with the private sector in increasing energy access.