

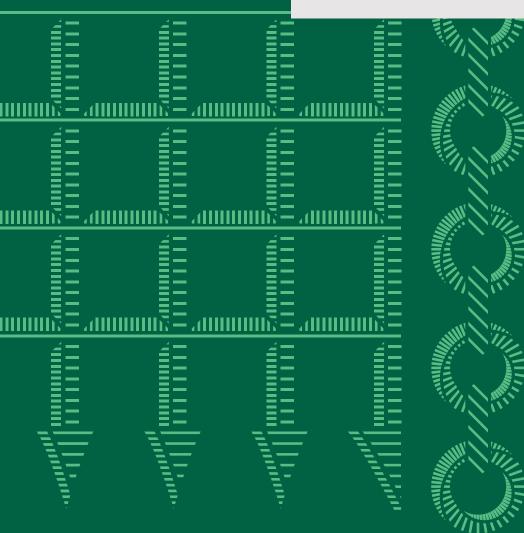




Empowering Development: Energy Access for Communities

Eighth Report of Session 2024-26

HC 849





International Development Committee

The International Development Committee is appointed by the House of Commons to scrutinise the work of the Foreign, Commonwealth & Development Office in respect of aid policy, and the expenditure of Official Development Assistance across UK Government Departments.

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Summary

Despite global progress, Sustainable Development Goal (SDG) 7 on universal access to affordable and clean energy remains out of reach for many, especially for marginalised populations.

Community-led energy initiatives, whereby local communities play a central role in designing, governing, and managing energy solutions that meet their own needs and priorities, are an essential addition to large-scale, centralised and often grid-based infrastructures. They promote ownership, inclusion, and long-term sustainability, reaching marginalised communities often overlooked by top-down projects, while also delivering broader social and economic benefits. Energy access is not merely a technological issue but a transformative force for education, health, gender equality, and economic empowerment. Community-led initiatives, when genuinely inclusive and co-designed, are valuable models. However, barriers such as short funding cycles and insufficient community engagement can undermine progress.

The UK's strategy on SDG 7 is at a crossroads. The UK has played a pivotal role in global energy access through innovative programmes and strategic investments. Yet challenges persist in inclusivity, localisation, and long-term sustainability. At the same time, tighter budgets have prompted a shift in development policy: resources must now be more carefully targeted, and the Government's "development reset" signals a change in direction. It is therefore an opportune moment to reflect, recalibrate strategy, and maximise the impact of UK efforts on global energy access, with a view to empowering local communities.

The UK's emphasis on research and innovation for global energy access is highly commendable. It must also be balanced with implementation and scaling of proven solutions. Vulnerable groups (especially women, people with disabilities¹ and displaced populations) require targeted support. Engagement should be meaningful—inclusive, participatory, and locally-led. Scalability should not be at the expense of inclusivity. Moreover,

In line with the sources cited, this Report refers to "people with disabilities". Other organisations, including Disability Rights UK, prefer "Disabled people". More information can be found here: Disability Rights UK, <u>Social Model of Disability: Language</u>, accessed 31 October 2025

environmental sustainability must be central; the Government could do more to increase synergies between energy access and climate change policies.

Looking ahead, the UK must safeguard its leadership role, deepen partnerships, and ensure continuity amid budgetary pressures. It should recognise the financial and strategic value of its development work, both in generating viable market opportunities for UK businesses and in providing insights that can support domestic energy policy and practice.

1 Introduction

- 1. In May 2025 we launched an inquiry into UK aid for community-led energy. Through our *In Development* process—which invited the public to suggest ideas of inquiries for our future work programme—we heard concerns from the development community about the delivery of locally-led development and the challenge of aligning climate and poverty eradication objectives.²
- 2. Aware of the urgency of the climate crisis and the tensions within the global energy access challenge—between scalability and inclusivity, between reaching the greatest number and those most left behind—we sought evidence on how the UK is contributing to Sustainable Development Goal (SDG) 7. The Goal aims to deliver "affordable, reliable, sustainable and modern energy for all" by 2030. With only five years left to achieve SDG 7, global progress on sustainable energy access remains too slow. 645 million people are still projected to lack access to electricity by 2030 and 1.8 billion will not have access to modern energy cooking services, deepening poverty and leaving many further behind.³ The international community now needs to scale up efforts rapidly.
- 3. We received 33 pieces of written evidence and held three oral evidence sessions, including an oral evidence session with the then Minister of State for International Development, Latin America and Caribbean (the Rt Hon Baroness Chapman of Darlington, now Minister of State for International Development and Africa). The energy access sector brings together a wide range of stakeholders, including Governments, philanthropic organisations, the private sector as well as research and innovation leaders. We heard from witnesses across these groups and would like to thank the many partners undertaking excellent, valuable, and deeply committed work in this area.
- 4. The report begins by setting out the rationale and guiding principles for future UK policy, before outlining a forward-looking model built around three core dimensions: local ownership and inclusive governance; clean energy aligned with climate goals; and innovation and knowledge for scale. It concludes with enabling conditions for success.

^{2 4}th Report - The 'In Development' process

³ IEA, IRENA, UNSD, World Bank and WHO, <u>Tracking SDG 7: The Energy Progress Report.</u> Executive Summary (2025), p 3–4

2 Energy Access as a Foundation for Development

Global energy access

- 5. The 2030 Agenda for Sustainable Development, adopted in 2015, established 17 Sustainable Development Goals (SDGs),⁴ including the first-ever universal goal on energy. SDG 7 aims to ensure "affordable, reliable, sustainable and modern energy for all" by 2030, with three specific targets:
 - i. ensure universal access to affordable, reliable and modern energy services;
 - ii. increase substantially the share of renewable energy in the global energy mix;
 - iii. double the global rate of improvement in energy efficiency.
- 6. Important progress has been made in improving energy access: globally, 92% of the world's population has access to electricity, up from 78% in 2000. However, in 2023, 666 million people still had no access to electricity. It is estimated that 80% of people without electricity live in just 24 countries (20 in Africa and 4 in Asia). Countries with the largest number of people lacking access are in Sub-Saharan Africa, including in Nigeria, the Democratic Republic of the Congo and Ethiopia that account for one-third of the world's population without electricity. 6
- 7. Access to cleaner fuels and energy-efficient modern stoves for cooking is progressing slowly. In 2022, 74% of the world's population had access to clean cooking fuels and technologies, up from 64% in 2015. However,

⁴ United Nations General Assembly, Resolution 70/1, 25 September 2015

⁵ IEA, IRENA, UNSD, World Bank and WHO, <u>Tracking SDG 7: The Energy Progress Report.</u> Executive Summary (2025), p 2

⁶ IEA, IRENA, UNSD, World Bank and WHO, <u>Tracking SDG 7: The Energy Progress Report.</u>
Executive Summary (2025), p 3

- approximately 2.1 billion people still cook on traditional biomass or polluting fuels.⁷ Health impacts are significant, resulting in 3.2 million premature deaths a year.⁸
- 8. The world is not on track to achieve SDG 7 by 2030. Based on current trends, the United Nations' progress report on SDG 7 foresees that:
 - i. 645 million people will still lack access to electricity by 2030;
 - ii. 1.8 billion people will not have access to clean cooking services in 2030;
 - iii. renewable energy is the fastest energy source today but remains far below what is necessary to achieve net zero by 2050.9
- 9. While the share of people without access to electricity is steadily declining, this is not the case for displaced populations. 94% of forcibly displaced people in camps globally lack meaningful access to electricity, and 81% rely on basic fuels such as firewood for cooking.¹⁰
- 10. International public finance for clean energy is concentrated among a small group of mainly European funders.¹¹ In 2023, 80% of flows were directed to just 29 countries¹² and reached \$21.6 billion (£17.7 billion).¹³ While there is no quantitative target for financial flows under SDG 7, developing countries received less in 2023 than in 2016, when international flows peaked at \$28.4 billion (£23.4 billion).¹⁴
- 11. Today, global energy access policy is entering a new phase: experience has grown, lessons are being learnt, and the 2030 deadline is drawing closer, all against a backdrop of tightening budgets. This moment calls for building on what has proven effective while making new, evidence-based choices to accelerate progress.

⁷ IEA, IRENA, UNSD, World Bank and WHO, <u>Tracking SDG 7: The Energy Progress Report.</u> Executive Summary (2025), p 2

⁸ World Health Organisation, Household Air Pollution Factsheet, accessed 27 October 2025

⁹ IEA, IRENA, UNSD, World Bank and WHO, <u>Tracking SDG 7: The Energy Progress Report.</u> Executive Summary (2025), p 8

¹⁰ UNITAR and GPA, <u>Humanitarian Energy Outlook</u> (2023) p 6. See also Mercy Corps (CLE0002)

¹¹ IEA, IRENA, UNSD, World Bank and WHO, <u>Tracking SDG 7: The Energy Progress Report.</u>

<u>Executive Summary</u> (2024), p 15. "International public finance" refers to ODA and other official flows transferred internationally to other countries.

¹² IEA, IRENA, UNSD, World Bank and WHO, <u>Tracking SDG 7: The Energy Progress Report.</u> Executive Summary (2025), p 7

¹³ IEA, IRENA, UNSD, World Bank and WHO, <u>Tracking SDG 7: The Energy Progress Report.</u>

<u>Executive Summary</u> (2025), p 7

¹⁴ IEA, IRENA, UNSD, World Bank and WHO, <u>Tracking SDG 7: The Energy Progress Report.</u>
Executive Summary (2025), p 7

12. CONCLUSION

Despite notable global progress in expanding energy access, Sustainable Development Goal 7 on affordable and clean energy will not be met without renewed international commitment and targeted interventions. The UK is well placed to convene and coordinate with other donors, multilateral institutions, and private sector partners to drive progress at scale.

UK's contribution

- 13. The evidence we received has been largely complimentary about the UK's contribution to SDG 7, describing it in terms such as "positive" and "instrumental". The UK has been an "extremely important voice", not only through its financial contributions but also through its policy influence. It has consistently demonstrated leadership on energy access, supporting—and often putting on the global agenda—issues such as clean cooking, low-energy appliances, or energy for displaced populations. The efforts of successive Governments to advance energy access deserve recognition, with witnesses commending the FCDO's readiness to test creative solutions. Is
- 14. The UK's development aid has been supporting energy access since the 1990s, with a marked increase in decentralised energy initiatives since 2010. Most recently, the Government committed £1 billion through the Ayrton Fund to support clean energy research, development, and demonstration, as part of a wider £11.6 billion International Climate Finance package (between 2021–22 and 2025–26). The Ayrton Fund aims to deploy world-class innovations to cut global emissions, including through the following initiatives: the Transforming Energy Access (TEA) platform, which supports early-stage testing and scale-up of innovative technologies and business models; the Modern Energy Cooking Services (MECS) programme, promoting low-carbon, safe, and efficient cooking solutions; and the Low Energy Inclusive Appliances (LEIA) programme, improving access to affordable, energy-efficient household appliances.

¹⁵ Q26

¹⁶ Q36. See also SNV (CLE0025) describing it as "critical"; GOGLA (CLE0009) as "fundamental"; United Nations World Food Programme (CLE0012) as "transformative"; Q81 described as "impressive"

¹⁷ Q66

¹⁸ Qq80-81

¹⁹ Foreign, Commonwealth & Development Office (CLE0028) p 3

²⁰ Ayrton Fund, About, accessed 30 October 2025

²¹ Transforming Energy Access, Overview of TEA, accessed 30 October 2025

²² Modern Energy Cooking Services, About, accessed 30 October 2025

²³ Efficiency for Access, Low Energy Inclusive Appliances, accessed 30 October 2025

- 15. These initiatives have delivered tangible results: the Ayrton Fund has, according to the FCDO, directly benefited 37 million people in developing countries to date, avoided 8.4 million tonnes of CO₂ emissions,²⁴ and has leveraged £1.2 billion of additional public and private finance.²⁵
- 16. In addition, the FCDO supports country-level programmes that expand offgrid energy access. One example is the £38 million BRILHO programme that has to date delivered energy access for 3.4 million people through 395,000 solar home systems and 295,000 improved cookstoves in Mozambique.²⁶ It was awarded the Africa Changemaker—Energy Heroes Award 2025 by the Sustainable Energy for All initiative.²⁷

Definition of community-led energy

- 17. Community-led energy projects are playing an increasingly vital role in driving sustainable and equitable energy transitions. The term "community energy" is used in diverse and sometimes ambiguous ways, but broadly refers to energy systems in which communities play a central role in governing, managing, and sharing the benefits of energy use. Having its origins in models tested in the Global North, the concept has parallels in the international development context, where expressions such as offgrid electricity or local energy access are used to describe overlapping objectives and approaches. Community energy is typically distinguished from other energy models by the degree of participation and influence that community members have in both the development process and project outcomes. It is this principle—placing communities genuinely at the centre—that lies at the heart of the Committee's concerns.
- 18. Community energy encompasses a range of governance structures, from mini-grids to fully community-owned systems. In its limited form, community energy refers to initiatives developed with meaningful local engagement, using business models and mechanisms that give communities greater choice and agency. More commonly, it involves some level of community

²⁴ Foreign, Commonwealth & Development Office (CLE0036) p 1-2

²⁵ Q138

²⁶ BRILHO, About Us, accessed 30 October 2025

²⁷ SNV (CLE0025)

Professor Vanesa Castan Broto (Professor of Climate Urbanism at University of Sheffield) (CLE0015); Oxfam GB (CLE0026) p 1. See also UK Local Government Association, LGA Sustainability Briefing: Community Energy (2024).

²⁹ International Institute for Environment and Development (IIED), National Rural Electric Cooperative Association (NRECA) International (CLE0013) p 3

³⁰ Emily Creamer et al, <u>Community Energy: Entanglements of Community, State, and Private</u> Sector (2018) 12(7) Geography Compass

³¹ Energy Saving Trust (CLE0027) p 2

³² Modern Energy Cooking Services, FCDO Programme (CLE0017) p 1

- ownership, control, or benefit-sharing—whether through joint ownership and partnerships among community groups, private actors, and public authorities, or through direct community management.
- 19. Community-led initiatives intersect (but do not align) with the trend to expand decentralised energy, that is energy generated and used locally rather than relying solely on a central grid. Expanding the electricity grid is the most cost-effective way to increase access in densely populated areas, particularly in urban centres. In contrast, decentralised renewable energy offers a cost competitive solution to deliver electricity to remote rural areas, where many people still lack reliable access to power.³³ These decentralised systems include mini-grids that supply electricity to a small, localised group of customers, and standalone home systems, for instance a solar panel on an individual house. They increasingly rely on renewable forms of energy, including hydropower and solar technologies.³⁴ According to the UN's tracking report on SDG 7, there is "no viable path" to achieving SDG 7 without the accelerated deployment of decentralised solutions.³⁵

Role of ODA

- 20. As the Government reduces overall Official Development Assistance (ODA) spending, it has pledged to maintain its focus on climate, nature, humanitarian crises, and economic development, while mobilising private capital and reforming the multilateral system.³⁶ This focus is particularly important in the context of energy access, where ODA remains vital to reach communities that markets alone cannot serve.³⁷ The UN's tracking report on SDG 7 emphasized that public finance plays a pivotal role in providing energy to unserved and underserved areas, bridging affordability gaps, and mobilising private investment.³⁸ A blended finance approach is therefore essential, using grants and concessional capital to de-risk investment, support innovation, and bring successful pilots to scale.³⁹ In doing so, ODA helps ensure that community needs are met and that markets are created for long-term commercialisation.
- 21. Scaling up finance in the energy sector remains challenging, particularly for community-led projects. Many small-scale initiatives lack the maturity, risk profile, or scale to attract private capital, while mid-sized projects fall

³³ IEA, IRENA, UNSD, World Bank and WHO, Tracking SDG 7 Executive Summary (2024), p 11

³⁴ IEA, IRENA, UNSD, World Bank and WHO, Tracking SDG 7 Executive Summary (2024), p 10

³⁵ IEA, IRENA, UNSD, World Bank and WHO, Tracking SDG 7 Executive Summary (2024), p 20

Correspondence from the Minister of State for International Development, Latin America and the Caribbean relating to the Spending Review 2025: Official Development Assistance (ODA) - 12 June 2025

³⁷ Q37; Q56; Q129

³⁸ IEA, IRENA, UNSD, World Bank and WHO, Tracking SDG7 Executive Summary (2024), p 15

³⁹ Q51; Q75

into a "missing middle", namely too large for microfinance yet too small for institutional investors.⁴⁰ Investment levels in community energy projects have been insufficient to build a broad and sustainable network, as most funding is provided through short-term grants for individual initiatives, with limited access to private capital.⁴¹ Weak local capital markets and limited local currency financing further compound these barriers. Addressing them requires coordinated public-private action, including risk mitigation tools and more adaptive financing models, areas in which the UK Government has considerable expertise.

22. We share the concerns of the international development community about how funding cuts will impact their work.⁴² The FCDO's written submission acknowledged that budget cuts have impacted its work on energy access in the past:

there have been false starts and disappointments, not least when highly effective programmes (...) have regrettably had to be cancelled due to portfolio review/aid budget cuts.⁴³

However, we were pleased to hear the Minister's commitment to continuing successful energy access initiatives, particularly those that have proven effective because they are flexible and responsive to local needs.⁴⁴

23. CONCLUSION

We welcome the leadership shown by past governments in elevating underexplored aspects of global energy access, such as clean cooking and low-energy appliances, on the global agenda. This support has delivered tangible impact. As ODA resources tighten, the UK's impact will depend on sustaining effective energy access programmes and using public finance strategically to unlock private investment.

24. RECOMMENDATION

The FCDO should ensure that resources directed towards championing sustainable energy access are protected amid competing budgetary demands. A steady commitment to blended finance, working with the private sector and locally responsive initiatives, should seek to help overcome financing barriers and ensure progress reaches those furthest behind.

⁴⁰ Smart Villages Research Group ltd (CLE0018) p 5

Community Energy and the Sustainable Energy Transition project, <u>The Role of Community</u> Energy in Mediating Sustainable Energy Transitions

⁴² Q26; Q45

⁴³ Foreign, Commonwealth & Development Office (CLE0028) p 6

⁴⁴ Q124; Q157

Mainstreaming energy in development

25. Energy access is a foundation for development, enabling progress in health, education, livelihoods, and climate resilience. The CEO of d-light, a social enterprise providing affordable solar energy products, explained this powerfully to the Committee:

We see when customers get access to solar (...) their lives are fundamentally transformed. The kids can now read longer in the evening. They are not breathing in dangerous fumes from kerosene. There is opportunity that has opened up. There is dignity that is created because they have access to the 21st century and the technology. They are connected. There are so many benefits and there has been a clear correlation between energy access and GDP growth and economic productivity (...).⁴⁵

Energy is not an end but rather a pre-condition for wider development. The written evidence submitted by Smart Villages Research Group explained:

It is extremely rare for communities or individuals to want energy for energy's sake. They want what the energy can do for them—an improved quality of life, a more healthy environment for cooking, children better able to do homework, youth acquiring new skills, the ability to start new businesses, no longer having to walk hours to access health services that require powered equipment, cold storage to reduce post-harvest losses, the ability to be better informed and improve their democratic engagement.⁴⁶

26. The Minister confirmed that energy access is, and will remain, a development priority.⁴⁷ This is welcome. At the same time, we trust that more could be done to embed energy access concerns in the wider development agenda. Indeed, the Committee heard that energy access initiatives are often pursued in isolation from other development initiatives in water, health, education, agriculture, and entrepreneurship.⁴⁸ This is disappointing because it means that the UK is missing opportunities to build synergies between programmes and to generate low-cost, high-value gains that could strengthen development outcomes.⁴⁹

⁴⁵ Q11

⁴⁶ Smart Villages Research Group ltd (CLE0018) p 3-4

⁴⁷ Q138

Smart Villages Research Group ltd (<u>CLE0018</u>) p 8; GOGLA (<u>CLE0009</u>) p 3; Mercy Corps (<u>CLE0002</u>) p 4

^{49 &}lt;u>Q71</u>; <u>Q75</u>; <u>Q105</u>; United Nations World Food Programme (<u>CLE0012</u>) p 7; WaterAid UK (<u>CLE0030</u>) section 4.1

27. CONCLUSION

Energy access is a foundational enabler of sustainable development. This should be acknowledged by embedding energy access more centrally in strategic planning and resource allocation. Evidence received by the Committee indicates that this is not currently happening, representing a missed opportunity to maximise the impact of limited funds.

28. RECOMMENDATION

The FCDO must embed energy access across development, climate and humanitarian policies. A departmental working group should be set up by the end of 2026 to coordinate delivery. The FCDO should also create targeted funding and measurable incentives for programmes that integrate energy access with other sectors, including health, water, and food systems.

3 Local Ownership and Inclusive Governance

Benefits of community energy projects

29. Community-led energy systems offer promising solutions to bring access to places that the grid cannot access. They can often be more inclusive, empowering, and resilient than top-down models.⁵⁰

Table 1: Benefits of community energy projects

Economic	Cheaper energy access for households and businesses
	Fosters local job creation
	Supports the local economy and green business development
Environmental	Provision of low-carbon energy supply
	Reduction in deforestation by removing reliance on wood as fuel
Health	Less reliance on health-damaging fuels
	Reliable energy access improves health services
	Enhances food security, for instance through solar irrigation
Social - gender equality	Empowers women by reducing manual labour and freeing their time
Social - education	Increases educational opportunities and better outcomes
	Supports skills development
	Increases knowledge about climate change
	Improves trust towards energy transition policies

Professor Vanesa Castan Broto (Professor of Climate Urbanism at University of Sheffield) (CLE0015)

Social - community	Offers services for marginalised areas or communities
	Fosters digital inclusion (eg. phone charging facilities)
	Enhances social cohesion
	Supports self-organisation and collective financial management
	Supports pride and joy related to collective action
	Encourages local innovation and leadership
	Enables local and democratic involvement

Source: Synthesis of evidence51

30. Financial, technical, legal, and social barriers continue to constrain the scaling-up of community-led systems.

Table 2: Barriers to scaling community-led energy projects

Technical	Disrepair due to skills and knowledge gaps
	Limited local manufacturing capabilities
Finance	High capital costs for buying and installing equipment
Legal	Inadequate policy, legislative and regulatory environment, built for the grid
Community	Social cohesion difficult to achieve
engagement	Lack of sustained community motivation

Source: Synthesis of evidence⁵²

The table builds on Professor Vanesa Castan Broto (Professor of Climate Urbanism at University of Sheffield) (CLE0015) and CESET Brief, The Role of Community Energy in Mediating Sustainable Energy Transitions. It also includes elements from inter alia Energy Saving Trust (CLE0027) p 3–4; GOGLA (CLE0009). See also Sokona et al. (2023). Just Transition: A Climate, Energy and Development Vision for Africa. Independent Expert Group on Just Transition and Development, p 36; Mulualem G. Gebreslassie, Development and Manufacturing of Solar and Wind Energy Technologies in Ethiopia (2021) 168

Renewable Energy p 107

The table builds on Foreign, Commonwealth & Development Office (CLE0028); UK–
Indonesia Partnership through MENTARI (CLE0029); Amollo Ambole et al, 'A Review of
Energy Communities in Sub-Saharan Africa as a Transition Pathway to Energy Democracy'
(2021) Sustainability

UK support for community-led energy projects

- 31. The FCDO offers support for localised energy systems, including for off-grid or mini-grid projects. However, the scale is difficult to assess, as it does not currently track funding in a way that allows direct comparison between localised and centralised energy systems. The reason given is that many programmes integrate multiple technologies and delivery models.⁵³
- 32. We assess that the rationale of community energy aligns well with this Government's "development reset" that takes the form of four "essential shifts" to transform development partnerships: from donor to investor, from service delivery to system support; from grants to expertise; from international intervention to local provision.⁵⁴ This alignment suggests that scaling community-led energy initiatives could serve as a practical model for implementing these shifts and achieving more locally driven, sustainable development outcomes.
- 33. British International Investment (BII) has invested over \$1 billion in the energy sector since 2017, supporting around 50 projects across renewable generation, transmission, storage, and distributed energy solutions that now provide clean power to more than 26 million people in sub-Saharan Africa. Through its higher-risk Catalyst portfolio, BII has notably expanded off-grid solar investments, 55 but it remains unclear how much of its work directly supports community-led energy initiatives.

34. CONCLUSION

The emphasis put by the FCDO and British International Investment (BII) on community-led energy is often implicit. The key concern is not the absence of the label, but whether localised energy systems are truly considered as a viable option and whether communities are genuinely placed at the centre of planning and implementation.

⁵³ Foreign, Commonwealth & Development Office (CLE0036), p 1

Correspondence from the Minister of State for International Development, Latin America and the Caribbean relating to the Spending Review 2025: Official Development Assistance (ODA) - 12 June 2025

⁵⁵ Foreign, Commonwealth & Development Office (CLE0028), p 5

35. RECOMMENDATION

The Government should be more transparent about how it enables local empowerment in energy projects and devise a better system of tracking projects that are community-led. It should allocate dedicated resources to support community-led energy initiatives as key vehicles for inclusive, locally driven development. BII, as a recipient of public funds, should similarly expand its investments to advance these efforts, including through technical support.

Meaningful community engagement

- 36. Projects are far more likely to fail when communities lack genuine involvement and ownership. ⁵⁶ Initiatives that are product-led rather than needs-led often prove unsustainable, as they fail to align with local realities—such as income patterns, energy uses, or cultural practices—undermining both service delivery and business models. ⁵⁷
- 37. We heard that challenges persist in how the FCDO translates its localisation agenda, defined as the transfer of funding and decision-making to local actors, into practice.⁵⁸ In its written evidence, the FCDO recognised that

local participation, local support and buy-in for projects, local benefits, and local leadership are clearly an important element of successful and sustainable energy projects.⁵⁹

It explained that "while not a formal requirement, meaningful consultation and participatory planning are important expectations for most ODA-funded activities" and acknowledged that "exactly how that is defined and factored in varies widely between countries, projects and communities". We agree that there is no one-size-fits-all approach. Meaningful community engagement requires time and investment to understand local priorities, social dynamics, and cultural contexts. It must extend beyond consultation with village leaders or men, to include women, young people, and other marginalised groups as co-creators.

38. The FCDO was somewhat cautious and limiting when it told us that local participation "can be hard to mandate, given that the body of evidence about what works is still being established globally". ⁶³ We accept that rigid

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56 Q18
57 Q17
58 Q38; Q45
59 Foreign, Commonwealth & Development Office (CLE0028), p 3
60 Foreign, Commonwealth & Development Office (CLE0036), p 3
61 Foreign, Commonwealth & Development Office (CLE0028), p 3
62 Q66
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⁶³ Foreign, Commonwealth & Development Office (CLE0028), p 3

- requirements cannot be imposed, but this should not be used as an excuse for inaction. Witnesses urged the FCDO to make meaningful, upfront and ongoing engagement with communities a requirement for funding.⁶⁴
- 39. Two key points emerged regarding meaningful community engagement. First, witnesses warned against underestimating communities' capacity to self-organise. Assumptions of limited capability can prevent more locally grounded approaches. While internal differences within communities are inevitable, evidence indicates that underlying needs and values often converge more than is assumed. Close collaboration with local actors is therefore essential—to define what "community" means in each context, to avoid reinforcing exclusionary practices, and to identify preferences. We also received evidence and recognise that not all communities will want to manage their own systems.
- **40.** Second, witnesses observed that communities are often consulted but rarely empowered as co-designers, with limited influence over key decisions. As SolarAid noted, meaningful engagement continues to lack sufficient time and investment. As Avoiding tokenistic participation requires treating communities and implementing partners alike as active agents shaping their own futures rather than passive recipients of externally driven projects. Second Seco
- 41. Few cases of project underperformance were reported during the inquiry, reflecting both strong past work and a missed opportunity to learn from what has not worked. Lessons from less successful initiatives are not being systematically captured or shared, weakening future programme design. The Minister acknowledged the need to raise the profile of monitoring, evaluation, and learning across the system⁷⁰—especially vital in a constrained budget context, to retain expertise and strengthen the UK's global contribution when ODA eventually increases.

⁶⁴ Smart Villages Research Group ltd (<u>CLE0018</u>) p 11; Stephanie Hirmer; Marissa Bergman; Gerald Arhin; Beatrice Stockport; Aura Soriano; Alycia Leonard; Geoff Morgan (<u>CLE0021</u>) p 7

⁶⁵ Q45

⁶⁶ Q21

⁶⁷ Alycia Leonard (Senior Research Associate at University of Oxford); Beatrice Stockport (Researcher at University of Oxford); Miguel Sanchez-Lopez (Researcher at University of Oxford); Pu Yang (Researcher at University College London); Amelia Standing (DPhil Student at University of Oxford); Tonny Kukeera (Lecturer at University of Manchester); Malcolm McCulloch (Professor at University of Oxford); Stephanie Hirmer (Associate Professor at University of Oxford) (CLE0010) p 3–4; Qq133–134

⁶⁸ SolarAid (CLE0003) p 1

⁶⁹ ICLEI - Local Governments for Sustainability - Africa (ICLEI Africa) (CLE0024) p 4; Stephanie Hirmer; Marissa Bergman; Gerald Arhin; Beatrice Stockport; Aura Soriano; Alycia Leonard; Geoff Morgan (CLE0021) p 6–7

⁷⁰ Q153

42. Evidence points to a gap between reporting and compliance demands and the capacity of local implementers, limiting the ability of local organisations to engage effectively. As our recent report on the FCDO's approach to value for money recommended, the UK should help smaller organisations with monitoring, evaluation, and learning processes, while recognising and accommodating the limits of the data and reporting they can reasonably provide. The data are provided to the data are provided

43. CONCLUSION

Energy access projects and programmes are more likely to succeed when they are genuinely co-designed with local stakeholders, inclusive of marginalised groups, and supported by long-term capacity-strengthening.

44. CONCLUSION

Energy projects are often technology-driven, which heightens the risks associated with limited local ownership and maintenance capacity. Emphasis should not be placed on rapid deployment or narrow output targets, but rather on meaningful community involvement. When engagement is top-down or superficial, legitimacy, sustainability, and long-term impact are compromised.

45. RECOMMENDATION

The Government should make inclusive community participation across all stages of design, governance, and implementation a condition of UK funding for energy access. This should involve recognising and resourcing communities, particularly marginalised groups, as decision-makers.

46. RECOMMENDATION

We recognise that there is sometimes a gap between the accountability expectations of donors and the capacity of local implementers. We recommend that in the next six months the FCDO reviews its accountability frameworks ensuring they are fit for purpose and makes sure resources are available to support local implementers to meet the appropriate and realistic requirements and develop their ability to handle international funding.

Oxfam GB (CLE0026) para 49; Kaboni Ltd, Kaboni Energy Limited (CLE0011) p 3; InfraFund ("InfraNetZero LTD") (CLE0023) p 5

⁷² International Development Committee, <u>Assessing Value</u>, <u>Ensuring Impact: The FCDO's Approach to Value for Money</u>, 29 October 2025, para 103

47. RECOMMENDATION

The FCDO should systematically document and analyse successes and failures of community-led energy projects, including technical, social, and financial aspects, through annual learning reviews and case studies. Findings should be shared internally and with external partners to inform the design, governance, and scaling of future programmes.

Vulnerable communities

- **48.** Community-led energy has the potential to drive inclusion, particularly for women, people with disabilities, and other marginalised groups who are often disproportionately affected by energy poverty. Yet, these groups are still too often treated as passive recipients rather than decision-makers.
- **49.** Energy inequalities and injustices disproportionately affect women, who often face greater risks of energy poverty due to lower incomes, caregiving responsibilities, and limited participation in decision-making. As Mercy Corps, a global non-governmental, humanitarian aid organisation, explained:

In many regions, the burden of energy poverty disproportionately falls on women and girls, who are often responsible for gathering fuel and managing household energy needs. Food preparation, cleaning and washing clothes, water and firewood collection are all hugely time consuming and without electrification of pathways, collection can make women vulnerable to gender-based violence. This burden not only impacts their health and safety but also limits their opportunities for education, income generation, and participation in community life.⁷³

50. In May 2025, the UK Government released a guidance note for integrating gender, disability and social inclusion (GEDSI) into climate finance, including in relation to the clean energy sector.⁷⁴ Its effectiveness will depend on how it is applied in practice.⁷⁵ The Minister acknowledged that gender considerations need to be embedded more systematically at the design stage of programmes and projects.⁷⁶

⁷³ Mercy Corps (CLE0002) p 6; Q123

⁷⁴ UK International Climate Finance Gender Equality, Disability and Social Inclusion (GEDSI)
Guidance, 16 May 2025

⁷⁵ CARE International UK (CLE0035) section 2

⁷⁶ Q143

51. While women play a growing, yet still limited, role in the energy sector,⁷⁷ other marginalised groups (such as people with disabilities, youth, ethnic minorities, Indigenous peoples, migrants, and LGBT+ communities) remain largely neglected.⁷⁸ People with disabilities are especially vulnerable to energy poverty, with many relying on unsafe energy sources despite growing needs for power-dependent assistive technologies.⁷⁹ Intersectional groups, such as women living in poverty or trans people with disabilities, face compounded barriers that conventional frameworks rarely address.⁸⁰ Witnesses noted that FCDO projects often struggle to engage marginalised communities.⁸¹ Despite the Minister's attempt at reassurance,⁸² we remain concerned that cuts to aid budgets further threaten progress, with inclusion-focused initiatives often among the first to be scaled back.⁸³

52. CONCLUSION

Inclusion is central to the effectiveness, sustainability, and legitimacy of community energy initiatives. Projects designed and governed with the active participation of women, people with disabilities, and other under-represented groups are more likely to deliver meaningful, lasting benefits and to reflect the priorities of the communities they serve. The Government's publication of International Climate Finance gender equality, disability and social inclusion (GEDSI) guidance in May 2025 is a welcome initial step towards these goals.

53. RECOMMENDATION

The FCDO should ensure women are central to community energy projects by supporting their leadership, and designing interventions around their needs, so they act as agents of change rather than just beneficiaries. It should report on the extent to which the recommendations of the GEDSI guidance note are implemented by June 2026.

Dr Giulia Mininni (Research Associate at The University of Manchester); Professor Saska Petrova (Professor at The University of Manchester); Dr Lin Zhang (Research Associate at The University of Manchester) (CLE0006), p 1

⁷⁸ Newcastle University, Sightsavers (CLE0019) p 1

⁷⁹ Stephanie Hirmer; Marissa Bergman; Gerald Arhin; Beatrice Stockport; Aura Soriano; Alycia Leonard; Geoff Morgan (CLE0021) p 5–6

⁸⁰ Q29

⁸¹ Q29

⁸² Q144

⁸³ Q26

54. RECOMMENDATION

The FCDO should require community energy projects to actively involve people with disabilities in project design and governance, provide accessible technical and capacity-building support, and report on disability-disaggregated outcomes.

Inclusivity and value for money

- 55. The question of how value for money is assessed is particularly important in the context of community energy. Current evaluation methods often rely on short-term indicators, such as cost per connection or cost per kilowatt-hour, which fail to reflect broader social, environmental, and developmental outcomes. This narrow focus overlooks impacts such as emissions reductions, job creation, gender inclusion, and long-term community resilience. Even where financial returns are modest, community energy can deliver substantial public value and should be recognised as both a public good and a component of the human right to energy. We welcome the Minister's acknowledgement that more must be done to better capture and value these long-term social benefits.
- 56. In this context, access to disaggregated data on how energy systems affect women, persons with disabilities, and other marginalised groups is crucial for supporting inclusive planning, yet such data remains limited. We previously highlighted this gap in our report on disability-inclusive development. While recognising that data collection may not always be feasible, witnesses emphasised that efforts should be made to strengthen and expand it. 90

⁸⁴ SolarAid (CLE0003) p 3; Smart Villages Research Group ltd (CLE0018) p 1

Stephanie Hirmer; Marissa Bergman; Gerald Arhin; Beatrice Stockport; Aura Soriano; Alycia Leonard; Geoff Morgan (CLE0021) p 8–9

Alycia Leonard (Senior Research Associate at University of Oxford); Beatrice Stockport (Researcher at University of Oxford); Miguel Sanchez-Lopez (Researcher at University of Oxford); Pu Yang (Researcher at University College London); Amelia Standing (DPhil Student at University of Oxford); Tonny Kukeera (Lecturer at University of Manchester); Malcolm McCulloch (Professor at University of Oxford); Stephanie Hirmer (Associate Professor at University of Oxford) (CLE0010) p 6–7; see also Mini-grids Partnership, State of the Global Mini-Grids Market Report (2024) p 18

⁸⁷ Q147

⁸⁸ IDC, FCDO and Disability-inclusive Development, January 2025, conclusions and recommendations 8,9,16, 17.

⁸⁹ Foreign, Commonwealth & Development Office (CLE0036), p 3

⁹⁰ Stephanie Hirmer; Marissa Bergman; Gerald Arhin; Beatrice Stockport; Aura Soriano; Alycia Leonard; Geoff Morgan (CLE0021) p 4–5; Energy Saving Trust (CLE0027) p 12

57. CONCLUSION

Conventional value-for-money frameworks overlook long-term social benefits, which undervalues inclusive, community-led approaches. The Government's efforts to advance inclusivity are further constrained by the limited availability of disaggregated data on how energy systems affect women, people with disabilities, or other marginalised groups.

58. RECOMMENDATION

The FCDO should adopt a multi-dimensional evaluation framework for community-led energy projects, that accounts for long-term equity, accessibility, and system legitimacy, by June 2026. To do so, it should support the collection of broader impact metrics through appropriate incentives. This should be the case irrespective of who is delivering the project funded by UK ODA, including development finance institutions.

4 Clean Energy for Climate

Climate mitigation

- 59. Deep, rapid, and sustained emission reductions are essential to limit global warming to 1.5°C above pre-industrial levels, in line with the 2015 Paris Agreement. Delivering this target hinges on transforming the energy sector to reach net zero by 2050, replacing fossil fuels with renewable sources such as solar, wind, and hydropower. 22
- 60. The global energy transition demands a careful balance between security, affordability, and environmental sustainability. Yet a key risk is that the drive toward transition may leave behind communities with low energy use, 93 while in many low-income countries, mini-grids still rely on fossil fuels—providing electricity that is both polluting and costly.94
- 61. The relationship between energy access and climate change is often oversimplified. The Minister suggested that the primary measure of success in energy access is whether the objectives of the Paris Agreement are achieved. 95 While meeting these goals does indeed require a rapid shift away from fossil fuels, it is important to recognise that the hardest-to-reach communities contribute very little to global emissions, and the primary goal is to reduce energy poverty. 96
- 62. Although the FCDO frequently refers to "clean" energy, the term is never defined. When asked, we were told that FCDO uses "a broad definition across all uses of energy". ⁹⁷ We are concerned that this lack of clarity may allow ODA projects with significant emissions to be presented as clean, and that it fails to reflect how the environmental impact of different energy sources varies across contexts.

⁹¹ Paris Agreement (2015), art 2; Intergovernmental Panel on Climate Change (IPCC), Special Report on Global Warming of 1.5°C: Summary for Policymakers (2018) para C.2.

⁹² International Energy Agency, Net Zero by 2050 (2021) p 14

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⁹⁴ Mini-grids Partnership, State of the Global Mini-Grids Market Report (2024)

⁹⁵ Q128

⁹⁶ Oxfam GB (CLE0026) p 1

⁹⁷ Q149. See also Shell's definition in Q93

- 63. Trade-offs—including between poverty alleviation and climate mitigation—are often unavoidable, but they must be openly acknowledged, carefully assessed, and transparently managed. Professor Ed Brown, Research Director of Modern Energy Cooking Services, explained that transition fuels are not fully low-carbon but serve as a step away from high-emission fuels, providing some environmental or health benefits while the energy system moves toward full decarbonisation. Emilie Carmichael of the Energy Saving Trust highlighted that some appliances are not necessarily as clean as they appear when embodied carbon is taken into account, emphasising the importance of conducting full lifecycle assessments.
- 64. Moreover, we have also been made aware of the risks of unintended consequences arising from well-intentioned interventions. Emilie Carmichael, for instance, described a cold-room facility deployed with farming co-operatives to support avocado exports. While this may increase farmers' incomes through access to export markets, it does not necessarily enhance domestic food security and may encourage unsustainable farming practices.¹⁰⁰

65. CONCLUSION

The Government should not hide behind the complexities of the global clean energy transition. Aid must advance poverty alleviation while also contributing to climate mitigation and adaptation. While these objectives can sometimes pull in different directions, trade-offs should be openly acknowledged, publicly debated, and addressed through deliberate and transparent policy choices. This is not happening at present.

66. RECOMMENDATION

In its response to this report, the Government should provide a clear definition of "clean energy" for ODA purposes, explicitly stating the energy sources supported, and their climate and other environmental impacts. This should also be published on the FCDO's website.

⁹⁸ Q94

⁹⁹ Q95. "Embodied carbon" refers to the total amount of greenhouse gas emissions released during the entire lifecycle of a product or material, including from the extraction of raw materials, manufacturing, and transportation, to installation, maintenance, and disposal.

¹⁰⁰ Q105

67. RECOMMENDATION

The Government should require all energy access projects to include a clear assessment of trade-offs in funding bids, alongside a plan for monitoring impacts and communicating risks to stakeholders.

Climate adaptation

68. As climate impacts intensify, access to reliable, affordable, and clean energy is increasingly recognised as a cornerstone of climate adaptation. Off-grid renewable systems can deliver significant adaptation benefits, providing flexible energy services during climate-induced migration and ensuring more resilient electricity supply in the face of shocks such as droughts and floods. 101 Yet, in the UK, and globally, aid strategies continue to treat energy access and climate adaptation as separate priorities. Witnesses stressed that the linkage between the two needs to be made "far more directly" to build resilience and deliver greater impact. 102

69. CONCLUSION

The Government has not always fully recognised the synergies between energy access and climate adaptation, leading to siloed programming, despite the central role of resilient energy systems in supporting adaptation efforts.

70. RECOMMENDATION

The Government must explore the synergies between global energy access and climate adaptation more fully. This could be done by facilitating collaborative research networks internationally to strengthen the knowledge base. Relevant Government programmes should also collaborate to identify options for deeper integration and progress should be tracked through a joint monitoring framework.

¹⁰¹ Q53. See also International Energy Agency, Climate Resilience for Energy Security (2022) p 9–14

¹⁰² Qq53-54. See also WaterAid UK (CLE0030) section 4.4

5 Research and Innovation for Scale

- 71. The UK's aid strategy on energy access is widely valued for its strong emphasis on research, innovation, and partnerships. ¹⁰³ It links FCDO's global programmes with local expertise and supporting context-sensitive, locally owned initiatives that build lasting capacity. ¹⁰⁴ It aligns with the international consensus that achieving energy access in a net zero world requires the rapid deployment of available technologies and the development of new ones. ¹⁰⁵
- 72. However, the lack of a coordinated approach to Research &Development (R&D) ODA spend across Departments is concerning;¹⁰⁶ siloed thinking leads to duplications and inefficiencies. As the Minister recognised,

The money needs to be with the people who are best equipped to spend it to get the outcomes that we as a Government want to see.¹⁰⁷

She added that this should be the case even if it means funds move between Departments. 108

73. Moreover, the focus on technological advances should not risk diverting funds from more direct poverty reduction efforts. The Center for Global Development commented in relation to the Ayrton Fund:

the causal chain from spending additional money on R&D (...) to reduced poverty, is long and uncertain (not least, the R&D has to deliver technologies that are subsequently adopted and have a significant impact on emissions). It requires heroic assumptions about the impact that "UK inventors" can have on emissions.¹⁰⁹

¹⁰³ Q70; Q71; Q73

¹⁰⁴ Q81; Q87

¹⁰⁵ International Energy Agency, Net Zero by 2050 (2021) p 15

¹⁰⁶ Qq151-152

¹⁰⁷ Qq151-152

¹⁰⁸ Qq151-152

Euan Ritchie, Lee Robinson and Charles Kenny, <u>Is the Ayrton Fund A High Impact Way to</u> Spend UK ODA? (Center for Global Development, 2019), accessed 27 October 2025

74. Witnesses highlighted the need to strengthen support for implementing and scaling community-based energy systems, emphasising that funding should focus more on deployment and effective use of existing solutions rather than constant pursuit of new innovations. FCDO's Chris Taylor acknowledged that the balance might now be tilting more towards investment rather than research and development. Lasting progress depends on coupling innovation with in-country support, including by developing local technical skills, legal and regulatory systems, and manufacturing ecosystems.

75. CONCLUSION

The Government's aid strategy rightly emphasises research and innovation, leveraging FCDO's distinctive ability to connect global expertise with local knowledge and fostering strong partnerships with the UK research community. However, overreliance on innovation carries risks that need to be acknowledged and mitigated.

76. RECOMMENDATION

The Government should maintain its commitment to research and innovation while increasing investment in the operationalisation of existing, effective energy solutions. Funding mechanisms must bridge the gap between early-stage R&D and market-ready technologies, providing opportunities for commercialisation and ensuring sustained support for community-based systems.

77. Community-led energy projects face major barriers from policy and regulatory environments designed for grid-based systems, including lengthy licensing processes, weak integration into national and local energy strategies, and fragmented regulations that overlook social and developmental dimensions. He

78. RECOMMENDATION

The Government should, where appropriate, work with ODA-recipient governments to develop policy, regulatory frameworks and viable, scalable models that enable community energy projects, drawing on UK expertise.

¹¹⁰ Q71; Q73; Q106

¹¹¹ Q136

Foreign, Commonwealth & Development Office (<u>CLE0028</u>), p 5–6; UK–Indonesia Partnership through MENTARI (<u>CLE0029</u>) p 3

¹¹³ ICLEI - Local Governments for Sustainability - Africa (ICLEI Africa) (CLE0024) p 6

¹¹⁴ Climate and Energy Policy Initiative (CLE0033) p 8; Smart Villages Research Group ltd (CLE0018) p 9

- 79. Encouraging grassroots innovation and building local capacity are essential to developing energy solutions that reflect community needs. As Malawian innovator William Kamkwamba noted, "Talent is universal, but opportunities are not". Empowering young people to design local solutions, while strengthening skills in technology, operation, and governance, can support local companies and help communities manage energy systems more effectively and sustainably. 116
- 80. Witnesses called for more bottom-up approaches to funding, emphasising the need to tap into the expertise of Global South academics and local knowledge. As Dr Alycia Leonard of the University of Oxford noted, "knowledge knows no borders". 117 Yet limited open and accessible funding opportunities restrict participation and innovation, underscoring the need for more flexible mechanisms. 118

81. CONCLUSION

Sustained progress in community energy depends on fostering local innovation and building robust capacity at multiple levels, from grassroots technical skills to manufacturing ecosystems.

82. RECOMMENDATION

The Government should use its convening power to foster grassroots innovation by creating platforms for young people and local communities to co-design energy solutions. This could involve facilitating partnerships, research exchanges, and mentorship programmes between UK institutions and counterparts in lower-income countries.

¹¹⁵ Q

¹¹⁶ Q20; GOGLA (CLE0009) p 3; UK-Indonesia Partnership through MENTARI (CLE0029) p 6

¹¹⁷ Q25

¹¹⁸ Smart Villages Research Group ltd (CLE0018) p 5-6

6 Enabling Conditions for Success

Predictability

- **83.** Predictable, long-term funding is essential for effective energy access work. Community engagement takes time and needs to be done carefully, with approaches tailored to each context.
- 84. Short donor timelines often clash with the time needed to build genuine local ownership.¹¹⁹ Despite some FCDO efforts to offer longer-term support,¹²⁰ uncertain funding cycles continue to hinder progress and sustained collaborations.¹²¹
- **85.** Community-led energy can support the Government's move from "service delivery to system support". But it requires long-term, flexible finance that matches the realities of building and maintaining local systems. ¹²² It is concerning to learn that, of the 150 million off-grid solar products sold across sub-Saharan Africa, an estimated 110 million are no longer functioning. ¹²³

86. CONCLUSION

Without predictable support, both the quality and effectiveness of UK-funded energy access initiatives, as well as the expertise built up through years of engagement, are at risk. We recognise the importance of the new arrangements for ODA allocations in improving predictability at the departmental level. However, we would like to see this directly translated into greater programming predictability, to allow for stable planning, sustained partnerships, and long-term impact. Projects should be supported over their full life cycle to ensure the long-term success of UK support.

¹¹⁹ Mercy Corps (CLE0002) p 6; Q48. See also Mini-grids Partnership, State of the Global Mini-Grids Market Report (2024) p 17

¹²⁰ Q81; UK-Indonesia Partnership through MENTARI (CLE0029) p 3

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Dr Amy Penfield (Senior Lecturer in Social Anthropology at University of Bristol); Dr Sam Williamson (Senior Lecturer in Electrical Engineering at University of Bristol); Dr Wilson Macedo (Professor in Engineering at Federal University of Para, Brazil) (CLE0004) p 5; Q20

¹²³ SolarAid, Off Grid Solar Repair in Africa: from Burden to Opportunity (2023) p 5.

87. RECOMMENDATION

The Government should commit to multi-year funding structures that support projects across their full life cycle. This should include not only initial deployment but also ongoing maintenance, technical assistance, and governance support. The aim is to ensure that local communities can benefit from energy systems over the long term and are able to become self-sustaining as soon as possible.

Partnerships

- 88. The Government's development reset emphasises multilateral investment, reflecting a view that such channels are more efficient for tackling global challenges. 124 34% of Ayrton Fund spending has been routed through multilaterals. 125 Should the Fund continue after 2026, it is unclear whether this share will grow, and, if so, whether reductions elsewhere might be required.
- **89.** The UK's emphasis on multilateral investment risks clashing with its stated goal of supporting locally-led solutions. The Minister highlighted a tension between multilateral and local approaches, noting the importance of

doing less through international organisations and more locally led work because it is better value for money and usually you end up with a better product.¹²⁶

Multilateral banks tend to prioritise large-scale, top-down projects and private investment, which can limit support for community-driven initiatives. While increased support for off-grid energy systems—such as through the Mission 300 initiative, which aims to electrify 300 million people by 2030 with nearly half of connections expected from off-grid systems encouraging, the challenge remains to ensure that UK influence in shaping such initiatives effectively balances scale with local empowerment. 129

¹²⁴ Correspondence from the Minister of State for International Development, Latin America and the Caribbean relating to the Spending Review 2025: Official Development Assistance (ODA) - 12 June 2025

Foreign, Commonwealth & Development Office (CLE0036), p 2

¹²⁶ Q146

Foreign, Commonwealth & Development Office (CLE0028); Advance Consulting B.V. (CLE0008) p 2; Village Infrastructure Angels Ltd (CLE0014) p 3; Smart Villages Research Group ltd (CLE0018) p 6; Energy Saving Trust (CLE0027) p 5

World Bank Blogs, Mission 300: Unlocking Capital for Off-grid Solutions in Africa, 8 April 2025, accessed 30 October 2025

¹²⁹ Foreign, Commonwealth & Development Office (CLE0036), p 5

90. Bilateral programmes on energy access remain a unique avenue to drive innovation and deliver visible, lasting benefits for partner communities. It also allows the UK to build on its significant experience in this area. UK bilateral programmes show clear value and impact, regardless of whether they are managed centrally or in-country. The Minister's emphasis on tailoring bilateral programming to in-country needs is welcome. At the same time, energy access should be consistently treated as a strategic development priority, rather than allowed to slip down the agenda amid competing demands.

91. RECOMMENDATION

The Government should ensure that funding through multilaterals offers opportunities to scale community energy projects. It should take a global leadership role to guarantee that communities benefit from energy access projects in ways that empower them. This could include facilitating the development of best practice guidelines, encouraging knowledge sharing on successful models and supporting co-designed pilot initiatives that demonstrate replicable approaches.

Public benefits

- **92.** Achieving universal energy access is both a global development imperative and a strategic UK interest. UK overseas clean energy initiatives offer both immediate investment opportunities for UK businesses and longer-term benefits by fostering stable, prosperous partners in lower-income countries, reducing taxpayer burden and expanding trade.¹³¹
- 93. Achieving universal energy access also offers lessons for the UK's own transition to net zero. Witnesses emphasised the importance of two-way global learning. Community energy sits at the core of the Government's ambition for clean power by 2030 and will play a central role in the future of Great British Energy, the new publicly owned energy investment company. The UK's experience of delivering community energy support domestically can provide valuable lessons for programmes delivered through UK aid internationally. 133

¹³⁰ Q135

¹³¹ Q132; Qq158-159

¹³² See Energy Security and Net Zero Committee, "<u>Unlocking Community Energy at Scale</u>", inquiry launched 11 November 2024

¹³³ Energy Saving Trust (CLE0027) p 7

94. Equally, innovations and experiences from low and middle-income countries can offer valuable insights to inform the UK's domestic energy agenda.¹³⁴ Our evidence suggested that the UK could learn from international practices on product repairability,¹³⁵ as well as from societal and cultural approaches to energy transitions.¹³⁶ Stronger knowledge exchange between overseas programmes and UK initiatives could improve outcomes in both contexts.

95. CONCLUSION

The Government should embrace the financial and strategic value of its development work, both in generating viable market opportunities and in providing insights that can strengthen domestic energy policy and practice.

96. RECOMMENDATION

The Government should formalise a mechanism for systematic two-way learning between domestic and international energy initiatives and formally identify ways UK businesses could grow their international footprint through community energy investments. It should be in place by June 2026.

¹³⁴ Community Energy Scotland (CLE0032) p 3; Q33; Q92

¹³⁵ Q92. Improving repairability is essential to extend the lifespan of energy products, reduce electronic waste, and ensure that off-grid and low-income communities can maintain access to energy without relying on costly replacements.

¹³⁶ Q92

Conclusions and recommendations

Energy Access as a Foundation for Development

- 1. Despite notable global progress in expanding energy access, Sustainable Development Goal 7 on affordable and clean energy will not be met without renewed international commitment and targeted interventions. The UK is well placed to convene and coordinate with other donors, multilateral institutions, and private sector partners to drive progress at scale. (Conclusion, Paragraph 12)
- 2. We welcome the leadership shown by past governments in elevating underexplored aspects of global energy access, such as clean cooking and low-energy appliances, on the global agenda. This support has delivered tangible impact. As ODA resources tighten, the UK's impact will depend on sustaining effective energy access programmes and using public finance strategically to unlock private investment. (Conclusion, Paragraph 23)
- 3. The FCDO should ensure that resources directed towards championing sustainable energy access are protected amid competing budgetary demands. A steady commitment to blended finance, working with the private sector and locally responsive initiatives, should seek to help overcome financing barriers and ensure progress reaches those furthest behind. (Recommendation, Paragraph 24)
- 4. Energy access is a foundational enabler of sustainable development. This should be acknowledged by embedding energy access more centrally in strategic planning and resource allocation. Evidence received by the Committee indicates that this is not currently happening, representing a missed opportunity to maximise the impact of limited funds. (Conclusion, Paragraph 27)
- 5. The FCDO must embed energy access across development, climate and humanitarian policies. A departmental working group should be set up by the end of 2026 to coordinate delivery. The FCDO should also create

targeted funding and measurable incentives for programmes that integrate energy access with other sectors, including health, water, and food systems. (Recommendation, Paragraph 28)

Local Ownership and Inclusive Governance

- 6. The emphasis put by the FCDO and British International Investment (BII) on community-led energy is often implicit. The key concern is not the absence of the label, but whether localised energy systems are truly considered as a viable option and whether communities are genuinely placed at the centre of planning and implementation. (Conclusion, Paragraph 34)
- 7. The Government should be more transparent about how it enables local empowerment in energy projects and devise a better system of tracking projects that are community-led. It should allocate dedicated resources to support community-led energy initiatives as key vehicles for inclusive, locally driven development. BII, as a recipient of public funds, should similarly expand its investments to advance these efforts, including through technical support. (Recommendation, Paragraph 35)
- 8. Energy access projects and programmes are more likely to succeed when they are genuinely co-designed with local stakeholders, inclusive of marginalised groups, and supported by long-term capacity-strengthening. (Conclusion, Paragraph 43)
- 9. Energy projects are often technology-driven, which heightens the risks associated with limited local ownership and maintenance capacity. Emphasis should not be placed on rapid deployment or narrow output targets, but rather on meaningful community involvement. When engagement is top-down or superficial, legitimacy, sustainability, and long-term impact are compromised. (Conclusion, Paragraph 44)
- 10. The Government should make inclusive community participation across all stages of design, governance, and implementation a condition of UK funding for energy access. This should involve recognising and resourcing communities, particularly marginalised groups, as decision-makers. (Recommendation, Paragraph 45)
- 11. We recognise that there is sometimes a gap between the accountability expectations of donors and the capacity of local implementers. We recommend that in the next six months the FCDO reviews its accountability frameworks ensuring they are fit for purpose and makes sure resources are available to support local implementers to meet the appropriate and realistic requirements and develop their ability to handle international funding. (Recommendation, Paragraph 46)

- 12. The FCDO should systematically document and analyse successes and failures of community-led energy projects, including technical, social, and financial aspects, through annual learning reviews and case studies. Findings should be shared internally and with external partners to inform the design, governance, and scaling of future programmes. (Recommendation, Paragraph 47)
- 13. Inclusion is central to the effectiveness, sustainability, and legitimacy of community energy initiatives. Projects designed and governed with the active participation of women, people with disabilities, and other underrepresented groups are more likely to deliver meaningful, lasting benefits and to reflect the priorities of the communities they serve. The Government's publication of International Climate Finance gender equality, disability and social inclusion (GEDSI) guidance in May 2025 is a welcome initial step towards these goals. (Conclusion, Paragraph 52)
- 14. The FCDO should ensure women are central to community energy projects by supporting their leadership, and designing interventions around their needs, so they act as agents of change rather than just beneficiaries. It should report on the extent to which the recommendations of the GEDSI guidance note are implemented by June 2026. (Recommendation, Paragraph 53)
- **15.** The FCDO should require community energy projects to actively involve people with disabilities in project design and governance, provide accessible technical and capacity-building support, and report on disability-disaggregated outcomes. (Recommendation, Paragraph 54)
- 16. Conventional value-for-money frameworks overlook long-term social benefits, which undervalues inclusive, community-led approaches. The Government's efforts to advance inclusivity are further constrained by the limited availability of disaggregated data on how energy systems affect women, people with disabilities, or other marginalised groups. (Conclusion, Paragraph 57)
- 17. The FCDO should adopt a multi-dimensional evaluation framework for community-led energy projects, that accounts for long-term equity, accessibility, and system legitimacy, by June 2026. To do so, it should support the collection of broader impact metrics through appropriate incentives. This should be the case irrespective of who is delivering the project funded by UK ODA, including development finance institutions. (Recommendation, Paragraph 58)

Clean Energy for Climate

- 18. The Government should not hide behind the complexities of the global clean energy transition. Aid must advance poverty alleviation while also contributing to climate mitigation and adaptation. While these objectives can sometimes pull in different directions, trade-offs should be openly acknowledged, publicly debated, and addressed through deliberate and transparent policy choices. This is not happening at present. (Conclusion, Paragraph 65)
- 19. In its response to this report, the Government should provide a clear definition of "clean energy" for ODA purposes, explicitly stating the energy sources supported, and their climate and other environmental impacts. This should also be published on the FCDO's website. (Recommendation, Paragraph 66)
- **20.** The Government should require all energy access projects to include a clear assessment of trade-offs in funding bids, alongside a plan for monitoring impacts and communicating risks to stakeholders. (Recommendation, Paragraph 67)
- 21. The Government has not always fully recognised the synergies between energy access and climate adaptation, leading to siloed programming, despite the central role of resilient energy systems in supporting adaptation efforts. (Conclusion, Paragraph 69)
- 22. The Government must explore the synergies between global energy access and climate adaptation more fully. This could be done by facilitating collaborative research networks internationally to strengthen the knowledge base. Relevant Government programmes should also collaborate to identify options for deeper integration and progress should be tracked through a joint monitoring framework. (Recommendation, Paragraph 70)

Research and Innovation for Scale

- 23. The Government's aid strategy rightly emphasises research and innovation, leveraging FCDO's distinctive ability to connect global expertise with local knowledge and fostering strong partnerships with the UK research community. However, overreliance on innovation carries risks that need to be acknowledged and mitigated. (Conclusion, Paragraph 75)
- **24.** The Government should maintain its commitment to research and innovation while increasing investment in the operationalisation of existing, effective energy solutions. Funding mechanisms must bridge the gap between early-

- stage R&D and market-ready technologies, providing opportunities for commercialisation and ensuring sustained support for community-based systems. (Recommendation, Paragraph 76)
- 25. The Government should, where appropriate, work with ODA-recipient governments to develop policy, regulatory frameworks and viable, scalable models that enable community energy projects, drawing on UK expertise. (Recommendation, Paragraph 78)
- **26.** Sustained progress in community energy depends on fostering local innovation and building robust capacity at multiple levels, from grassroots technical skills to manufacturing ecosystems. (Conclusion, Paragraph 81)
- 27. The Government should use its convening power to foster grassroots innovation by creating platforms for young people and local communities to co-design energy solutions. This could involve facilitating partnerships, research exchanges, and mentorship programmes between UK institutions and counterparts in lower-income countries. (Recommendation, Paragraph 82)

Enabling Conditions for Success

- 28. Without predictable support, both the quality and effectiveness of UK-funded energy access initiatives, as well as the expertise built up through years of engagement, are at risk. We recognise the importance of the new arrangements for ODA allocations in improving predictability at the departmental level. However, we would like to see this directly translated into greater programming predictability, to allow for stable planning, sustained partnerships, and long-term impact. Projects should be supported over their full life cycle to ensure the long-term success of UK support. (Conclusion, Paragraph 86)
- 29. The Government should commit to multi-year funding structures that support projects across their full life cycle. This should include not only initial deployment but also ongoing maintenance, technical assistance, and governance support. The aim is to ensure that local communities can benefit from energy systems over the long term and are able to become self-sustaining as soon as possible. (Recommendation, Paragraph 87)
- 30. The Government should ensure that funding through multilaterals offers opportunities to scale community energy projects. It should take a global leadership role to guarantee that communities benefit from energy access projects in ways that empower them. This could include facilitating the development of best practice guidelines, encouraging knowledge sharing on successful models and supporting co-designed pilot initiatives that demonstrate replicable approaches. (Recommendation, Paragraph 91)

- 31. The Government should embrace the financial and strategic value of its development work, both in generating viable market opportunities and in providing insights that can strengthen domestic energy policy and practice. (Conclusion, Paragraph 95)
- 32. The Government should formalise a mechanism for systematic two-way learning between domestic and international energy initiatives and formally identify ways UK businesses could grow their international footprint through community energy investments. It should be in place by June 2026 (Recommendation, Paragraph 96)

Formal minutes

Tuesday 11 November 2025

Members present:

David Mundell, in the Chair

Tracy Gilbert

Noah Law

Brian Mathew

James Naish

Empowering Development: Energy Access for Communities

Draft Report (Empowering Development: Energy Access for Communities), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 96 read and agreed to.

Summary agreed to.

Resolved, That the Report be the Eighth Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available (Standing Order No. 134).

Adjournment

[Adjourned till Tuesday 18 November at 1.30 p.m.]

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the inquiry publications page of the Committee's website.

Tuesday 10 June 2025

Nedjip Tozun, Chief Executive Officer, D.light; **William Kamkwamba**, Founder, Moving Windmills Project Q1–13

Dr Alycia Leonard, Senior Research Associate, University of Oxford; **Sarah Roberts**, Chief Executive Officer, Practical Action

O14–34

Tuesday 24 June 2025

Dr Kate Steel, Co-Founder and Chief Executive Officer, Nithio; **Mr David Nicholson**, Chief Climate Officer, Mercy Corps; **Dr Melita Lazell**, Associate Professor in Political Economy & Development, University of Portsmouth

Q35-77

Professor Ed Brown, Research Director, Modern Energy Cooking Services, Loughborough University; **Ms Emilie Carmichael**, Head of International, Energy Saving Trust; **Juliette Keeley**, Chief Impact Officer, Shell Foundation

Q78-107

Tuesday 16 September 2025

The Rt Hon. the Baroness Chapman of Darlington, Minister of State for International Development, Latin America and the Caribbean, Foreign, Commonwealth & Development Office; Steven Hunt, Senior Energy Innovation Advisor, Research and Evidence Directorate, Foreign, Commonwealth & Development Office; Chris Taylor, Deputy Director for Clean Transitions, Energy, Climate & Environment Directorate, Foreign, Commonwealth & Development Office Q108–159

Published written evidence

The following written evidence was received and can be viewed on the inquiry publications page of the Committee's website.

CLE numbers are generated by the evidence processing system and so may not be complete.

1	Advance Consulting B.V.	CLE0008
2	Broto, Professor Vanesa Castan (Professor of Climate Urbanism, University of Sheffield)	CLE0015
3	Broto, Professor Vanesa Castan (Professor of Climate Urbanism, University of Sheffield)	CLE0020
4	CARE International UK	CLE0035
5	Climate and Energy Policy Initiative	CLE0033
6	Community Energy Scotland	CLE0032
7	Energy Saving Trust	CLE0027
8	Foreign, Commonwealth & Development Office	CLE0036
9	Foreign, Commonwealth & Development Office	CLE0028
10	GOGLA	CLE0009
11	Hirmer, Stephanie; Bergman, Marissa; Arhin, Gerald; Stockport, Beatrice; Soriano, Aura; Leonard, Alycia; and Morgan, Geoff	CLE0021
12	ICLEI - Local Governments for Sustainability - Africa (ICLEI Africa)	CLE0024
13	InfraFund ("InfraNetZero LTD")	CLE0023
14	International Institute for Environment and Development (IIED); and National Rural Electric Cooperative Association (NRECA) International	CLE0013
15	Kaboni Ltd; and Kaboni Energy Limited	CLE0011
16	Leonard, Alycia (Senior Research Associate, University of Oxford); Stockport, Beatrice (Researcher, University of Oxford); Sanchez-Lopez, Miguel (Researcher, University of Oxford); Yang, Pu (Researcher, University College London); Standing, Amelia (DPhil Student, University of Oxford);	

	Kukeera, Tonny (Lecturer, University of Manchester); McCulloch, Malcolm (Professor, University of Oxford); and	0.5000
	Hirmer, Stephanie (Associate Professor, University of Oxford)	<u>CLE0010</u>
17	Mercy Corps	CLE0002
18	Mininni, Dr Giulia (Research Associate , The University of Manchester); Petrova, Professor Saska (Professor, The University of Manchester); and Zhang, Dr Lin (Research Associate , The University of Manchester)	CLE0006
19	Modern Energy Cooking Services, FCDO Programme	CLE0017
20	Newcastle University; and Sightsavers	CLE0019
21	Oxfam GB	CLE0026
22	Oxford Policy Management (OPM)	CLE0005
23	Penfield, Dr Amy (Senior Lecturer in Social Anthropology, Univeristy of Bristol); Williamson, Dr Sam (Senior Lecturer in Electrical Engineering, University of Bristol); and Macedo, Dr Wilson (Professor in Engineering, Federal Univeristy of Para, Brazil)	CLE0004
24	Practical Action	CLE0007
25	SNV	
		CLE0025
26	Shell Foundation	CLE0022
27	Smart Villages Research Group ltd	CLE0018
28	SolarAid	CLE0003
29	UK–Indonesia Partnership through MENTARI	CLE0029
30	United Nations World Food Programme	CLE0012
31	Village Infrastructure Angels Ltd	CLE0014
32	Waller, Dr Alex (Visiting Professor of Environmental Ethics Education, American University of Sovereign Nations Fellow, Global Justice Program Academics Stand Against Poverty, Yale University)	CLE0034
33	WaterAid UK	CLE0030

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the <u>publications page</u> of the Committee's website.

Session 2024-26

Number	Title	Reference
7th	Assessing Value, Ensuring Impact: The FCDO's	HC 422
	Approach to Value for Money in Official	
	Development Assistance	
6th	The FCDO's Approach to Displaced People	HC525
5th	Protection not permission: The UK's role in	HC 526
	upholding international humanitarian law and	
	supporting the safe delivery of humanitarian aid	
4th	The 'In Development' process	HC 333
3rd	The Government's efforts to achieve SDG2: Zero	HC 515
	Hunger	
2nd	Israel and the Occupied Palestinian Territory	HC 373
1st	Appointment of the Chief Commissioner of the	HC 448
	Independent Commission for Aid Impact	
5th	Protection not permission: The UK's role in	HC 1301
Special	upholding international humanitarian law and	
	supporting the safe delivery of humanitarian aid:	
	Government Response	
4th	The Government's efforts to achieve SDG2: Zero	HC 923
Special	Hunger: Government Response	
3rd	Israel and the Occupied Palestinian Territory:	HC 797
Special	Government Response	
2nd	The UK Small Island Developing States Strategy:	HC 597
Special	Government Response	
1st	FCDO and disability-inclusive development:	HC 568
Special	Government Response	