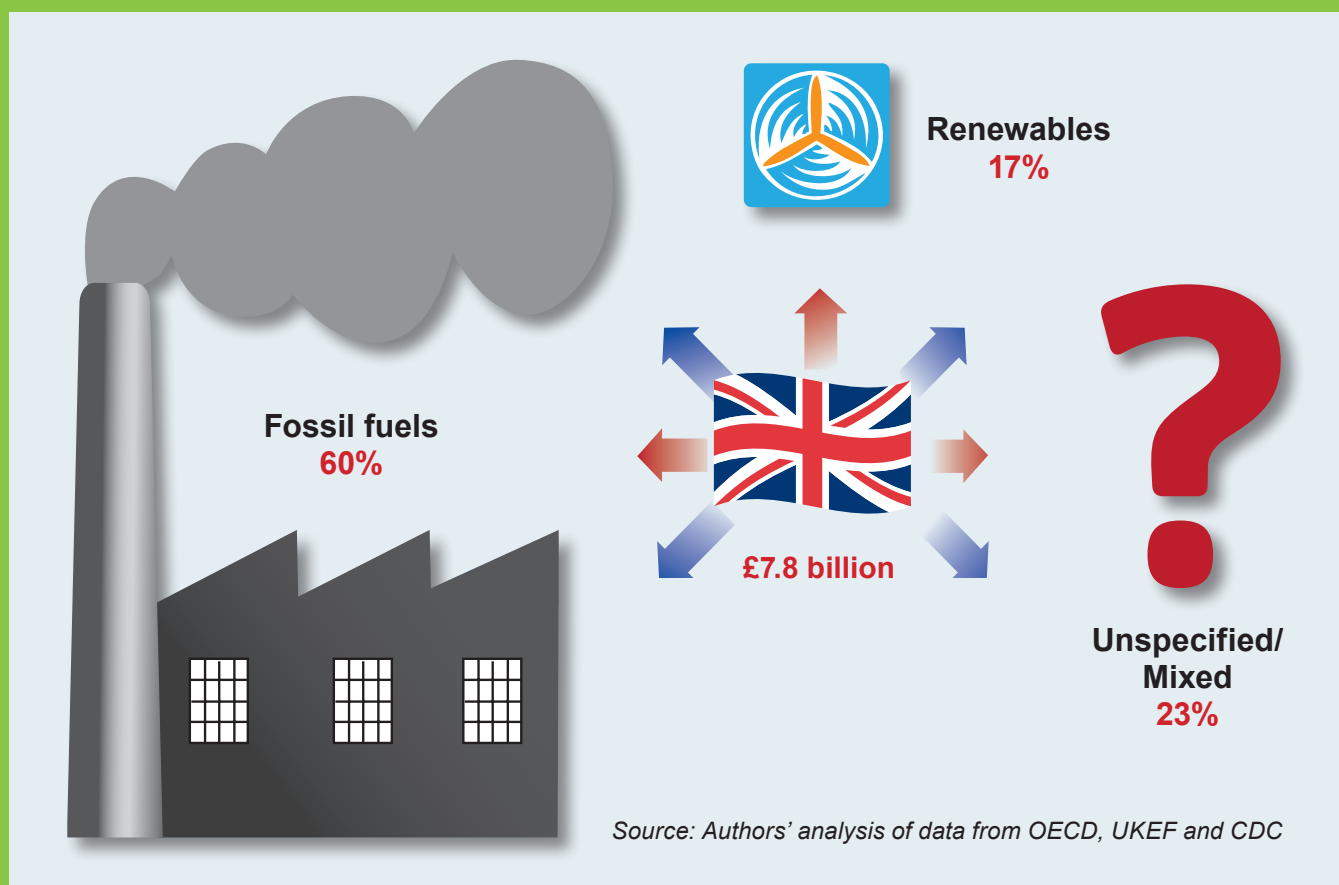


# UK support for energy 2010–2017: Protecting the climate and lifting people out of poverty?



## Acknowledgements

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## List of acronyms

CAFOD	Catholic Agency for Overseas Development
CDC	Commonwealth Development Corporation
COP	Conference of parties to the United Nations Framework Convention on Climate Change
DFID	Department for International Development
DRE	distributed renewable energy
EAC	Environmental Audit Committee
HIC	high impact country
IDC	International Development Committee
IPCC	Intergovernmental Panel on Climate Change
LDCs	least developed countries
LICs	low-income countries
MADCTs	more advanced developing countries and territories
ODA	official development assistance
ODI	Overseas Development Institute
OOF	other official flows
SDG	sustainable development goal
SEforALL	Sustainable Energy for All
UKEF	UK export finance
UMICs	upper-middle-income countries

# Contents

<b>Acknowledgments</b>	1
<b>List of acronyms</b>	1
<b>Executive Summary</b>	3
<b>Responding to the climate emergency</b>	3
<b>Supporting a low-carbon, inclusive energy shift – a win-win</b>	4
<b>Finance for energy access – the current picture</b>	5
<b>Increasing UK climate change action at home and overseas</b>	5
<b>The elephant in the room: UK support for fossil fuels in developing countries</b>	5
<b>UK support for energy in developing countries 2010–2017 – Key findings</b>	6
<b>Realignment of UK support for energy with its climate and development goals</b>	9
<b>Recommendations</b>	10
<b>Endnotes</b>	11

## Executive Summary

- Between 2010 and 2017, the UK provided support for energy in developing countries with a total value of £7.8 billion.
- 60% of the UK's support for energy in developing countries in this period was for fossil fuel energy.
- An estimated 97% of UKEF support went to fossil fuel development, principally oil and gas exploration and production in upper-middle-income countries.
- More ODA support for energy went to renewable energy than to fossil fuels, but almost a quarter of ODA support (22%) was for fossil fuel development.
- Less than 5% of overall support for energy and less than 12% of ODA support went to energy access for poor groups. More than 95% of the support for energy access was ODA.
- While the ODA support for energy access increased almost fivefold, the rate of increase in total ODA support for energy was much higher.

## Responding to the climate emergency

In 2018, the Intergovernmental Panel on Climate Change (IPCC) highlighted the urgency of limiting global warming to below 1.5°C to avoid its most disastrous impacts.<sup>1</sup> Global warming is already affecting some regions more than others,<sup>2</sup> and its impacts fall disproportionately on the poorest and most vulnerable people. Some estimates suggest that more than 120 million people will be at risk of being pushed into poverty due to climate change by 2030.<sup>3</sup> A warming climate is projected to slow down economic growth, erode food security, exacerbate existing poverty traps and create new ones.<sup>4</sup>

Climate change impacts combined with environmental stresses pose a growing threat to the livelihoods of poor communities, many of which are dependent on eco-system services. CAFOD analysis has found that four in ten (44 per cent) or 423 million of the people most vulnerable to a changing climate are already living in extreme poverty.<sup>5</sup>

A warming climate combined with intensifying destruction of eco-systems and loss of biodiversity is reversing progress made on poverty eradication in past decades and, if unchecked, will push the 2030 Sustainable Development Goals (SDGs) beyond reach.<sup>6</sup> This triple challenge is also putting extra pressure on an already strained humanitarian system.<sup>7</sup>

To address the unprecedented threat from global warming, the IPCC called for “rapid, far-reaching and unprecedented changes in all aspects of society”.<sup>8</sup>

Burning fossil fuels accounts for two thirds of global greenhouse gas emissions, and energy emissions are on the rise again after several years of trending downwards. Fossil fuel use is also the main cause of ambient (outdoor) air pollution, resulting in an estimated 4.2 million premature deaths globally every year.<sup>9</sup>

As a signatory to the Paris Climate Agreement in 2015, the UK pledged to make global finance flows “consistent with a pathway towards low greenhouse gas emissions and climate-resilient development”.<sup>10</sup> Phasing out public and private investment in fossil fuels and scaling up support over the next decades to reach 100 per cent renewable and efficient energy systems by 2050 will be critical for remaining under 1.5°C.<sup>11</sup>

The UK has acknowledged this by committing to phase out unabated coal-fired electricity generation at home by 2025, and to end support for public financing of new coal-fired power plants overseas, except in rare circumstances.<sup>12</sup> At COP23 in December 2017, the UK and Canada co-founded the Powering Past Coal Alliance to accelerate the phase-out of traditional coal power, while providing appropriate support for a just transition for workers and communities.<sup>13</sup>

## Supporting a low-carbon, inclusive energy shift – a win-win

A new sustainable development goal (SDG) on energy was adopted in 2015: SDG 7 on ensuring access to affordable, reliable, sustainable and modern energy for all by 2030. This confirmed the increasing understanding of the role modern energy can play in delivering other SDGs (including those on health, education, inclusive economic development and gender equality), as well as wider environmental sustainability.<sup>14</sup>

Just under 1 billion people (840 million) still have no access to electricity. Three billion – more than 40 per cent of the world’s population – lack clean cooking fuels and technologies, with devastating health impacts.<sup>15</sup> Indoor air pollution due to use of solid fuels and kerosene for cooking causes 3.8 million deaths annually, particularly impacting women and children under five.<sup>16</sup>

Eighty-seven per cent of people without electricity live in rural areas, far from centralised electricity grids, in what is called the ‘last mile’. A least-cost assessment indicates that for them to access electricity, over two-thirds of investment should be in distributed (off-grid and mini-grid) solutions powered by renewable energy (DRE).<sup>17</sup> As well as reducing negative health impacts, improving access to clean cooking solutions could reduce deforestation and the drudgery related to fuelwood collection (which is usually carried out by women and children).

The world is still not on track to achieve SDG 7: with business-as-usual financing and planning approaches, 650 million people will still have no electricity in 2030. Nine out of ten of them will be in sub-Saharan Africa.<sup>18</sup> As the **Box** below shows, there is a financing gap for energy access in the ‘high -impact countries’ (HICs) with the largest populations living in energy poverty,<sup>19</sup> particularly for the DRE and clean cooking solutions which are most needed. Increased international public finance could help plug this gap, especially given the affordability issues that prevent many energy-poor communities accessing modern energy.

Given the challenge, the Catholic Agency for Overseas Development (CAFOD) is calling on the UK to scale up its energy access investments, but also its support for integrated energy planning in HICs, so that access targets are integrated into wider sectoral planning, and for enabling policies to support renewable energy and clean cooking access. More inclusive and locally appropriate planning approaches are also needed to maximise sustainability of investments and impact across different SDGs.<sup>20</sup>

## Finance for energy access – the current picture

In 2018, the Sustainable Energy for All initiative (SEforALL) estimated the annual cost to reach SDG 7 by 2030 at \$52 billion for electricity access and \$4.4 billion for clean cooking access.<sup>21</sup> However, analysis shows that global investment in electricity access in the 20 HICs is just over half the amount needed (\$30.2 billion).<sup>22</sup> Only around one per cent of global flows for electricity investment in 2015–16 went to the DRE solutions needed by most energy-poor communities.

Progress on access to clean and efficient cooking solutions is even slower: in some countries, it is even declining.<sup>23</sup> Clean cooking is too often the ‘poor relation’ when it comes to energy access financing, despite the gendered impacts of energy poverty and its contribution to a global health crisis. Only \$30 million in financing for clean cooking, out of the estimated \$4.4 billion required, was recorded in 2014–15<sup>24</sup> and, from a low base, finance for clean cooking actually appears to be *decreasing*.<sup>25</sup> In light of the funding gap, some organisations have called on the multilateral development banks (MDBs) to increase energy access investments to at least 50 per cent of their annual energy financing and ensure at least a third of finance goes to DRE and clean cooking solutions.<sup>26</sup>

## Increasing UK climate change action at home and overseas

In response to the IPCC report, the UK Parliament declared a climate emergency in May 2019.<sup>27</sup> In June 2019, the UK government introduced a new emissions target of net-zero greenhouse gases by 2050,<sup>28</sup> the first G7 country to do so. The UK continues to allocate vital development and humanitarian aid to poorer countries for climate change action, including £5.8 billion to the International Climate Fund (ICF) for the period 2016–2021.<sup>29</sup>

Nevertheless, a recent inquiry by the International Development Committee (IDC) into UK aid for combating climate change found that greater efforts were needed to mainstream climate action into UK official development aid (ODA) and non-ODA support, as well as to maximise the poverty-reducing ‘co-benefits’ of climate action.<sup>30</sup> UK support for DRE and clean cooking access is an example of where UK investments could result in co-benefits for climate protection, environmental sustainability and poverty reduction, as discussed above.

In response to the IDC report, the new Secretary of State for International Development, Rory Stewart, accepted the need for “wholesale change” in DFID’s approach to climate action, pledging to “make tackling climate change increasingly central to DFID’s work”, and to ensure consideration of climate and environmental protection in every project DFID pursues.<sup>31</sup> He also announced a doubling of the amount DFID spends on climate and environment action over the next five years, from the £1.1 billion the department is currently expected to invest next year.<sup>32</sup>

## The elephant in the room: UK support for fossil fuels in developing countries

The Secretary of State’s renewed commitment to mainstream climate and environmental protection and to align all DFID support with these goals is significant and welcome.

However, research undertaken over several years by CAFOD in collaboration with the Overseas Development Institute (ODI), along with the findings of recent parliamentary inquiries, have highlighted that the UK’s support for energy in developing countries is inconsistent with supporting a low-carbon, inclusive energy shift.<sup>33</sup>

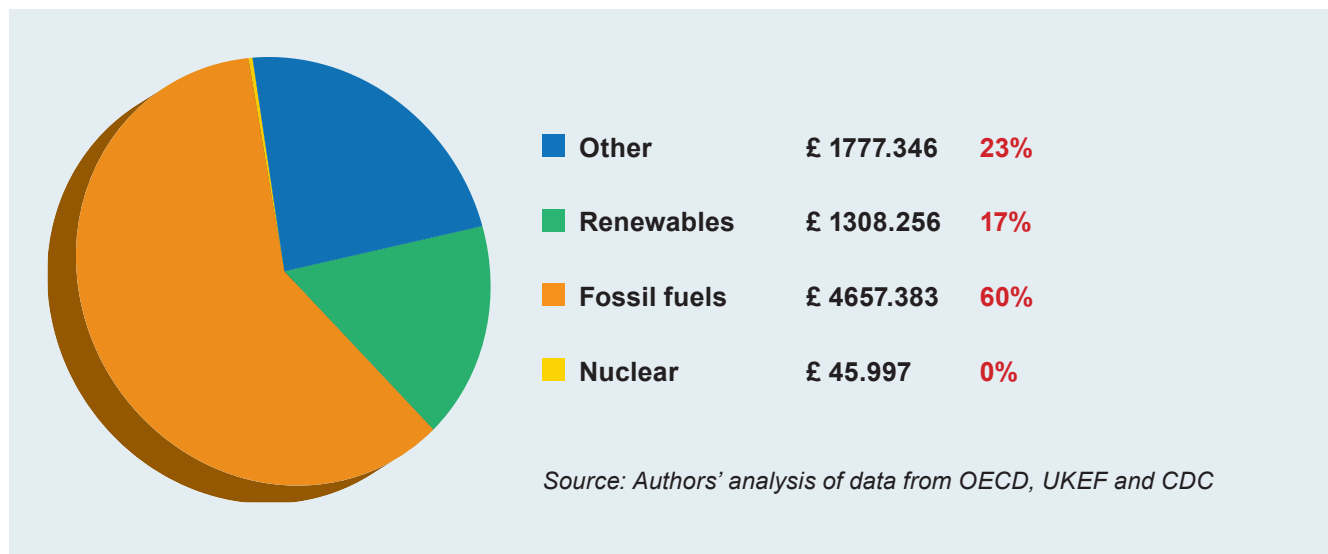
Since 2016, CAFOD has raised concerns over the UK’s patchy track record of ongoing UK support for fossil fuels – both ODA and non-ODA – while acknowledging increasing ODA support for renewable energy. The fact that almost 100 per cent of UK Export Finance (UKEF) energy support flows to fossil fuels is the ‘elephant in the room’, undermining UK international climate and development commitments.

Our latest research analyses UK support for energy disbursed to developing countries in the period 2010–11 to 2017–18 and includes the years after the UK’s adoption of the Paris Agreement and the SDGs in 2015. The key findings are outlined below. The full findings, including the source data and more information on the research methodology, can be found on our website.<sup>34</sup>

To summarise, the big picture over the eight-year period remains the same: despite increasing investment in low-carbon energy, the UK has provided ongoing – and increasing – support for fossil fuel development. Energy support through UKEF is almost exclusively geared towards fossil fuel investments and projects. In addition, while the UK is committed to support SDG 7, access to energy for poor people received less than five per cent of overall UK energy support. (The figure for ODA is more significant but still only 12 per cent of total support.)<sup>35</sup>

## UK support for energy in developing countries 2010–2017 – Key findings

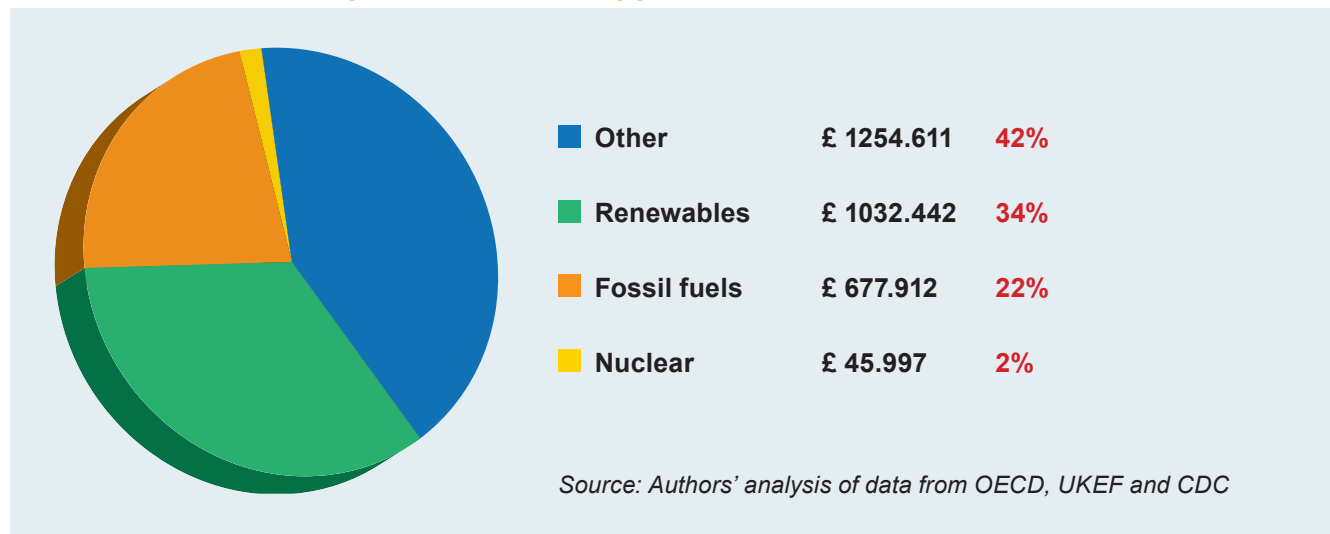
### 1. 60 per cent of UK support for energy went to fossil fuel development.



UK support for energy totalled £7.8 billion in this period, comprising both ODA and non-ODA support (including UKEF). Sixty per cent of UK energy support went to fossil fuel development. 17 per cent was for renewable energy. Around 23 per cent was in the ‘Other’ category, ie for sector-wide initiatives, projects involving both renewables and fossil fuels or where the source of energy could not be identified.

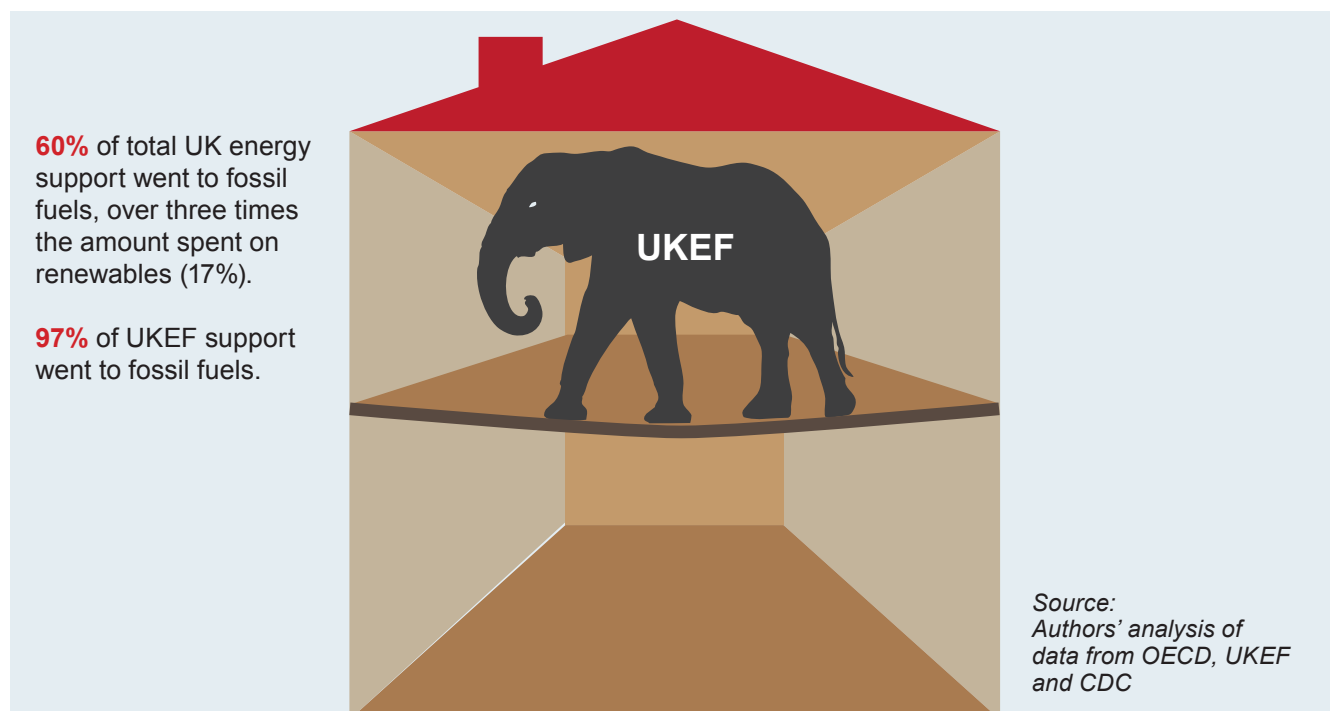
Between 2010 and 2017, there were upward trends for both total UK energy support and ODA energy support in developing countries. UKEF provided the most support for fossil fuels, primarily for oil and gas production.

## 2. More ODA support for energy went to renewable energy than to fossil fuels, but almost a quarter of ODA support was for fossil fuels.



When ODA support alone is considered, a greater share (34 per cent) was for renewable energy than for fossil fuels (22 per cent). However, a larger proportion (43 per cent) is in the 'Other' category (ie sector-wide initiatives, projects involving both renewables and fossil fuels or where the source of energy could not be identified). While an upwards trend can be identified in terms of ODA support for renewable energy over this period, the share of ODA for fossil fuels also increased. This is partly because the share categorised as 'Other' is reducing and may be due to changes in reporting rather than any change in practice.

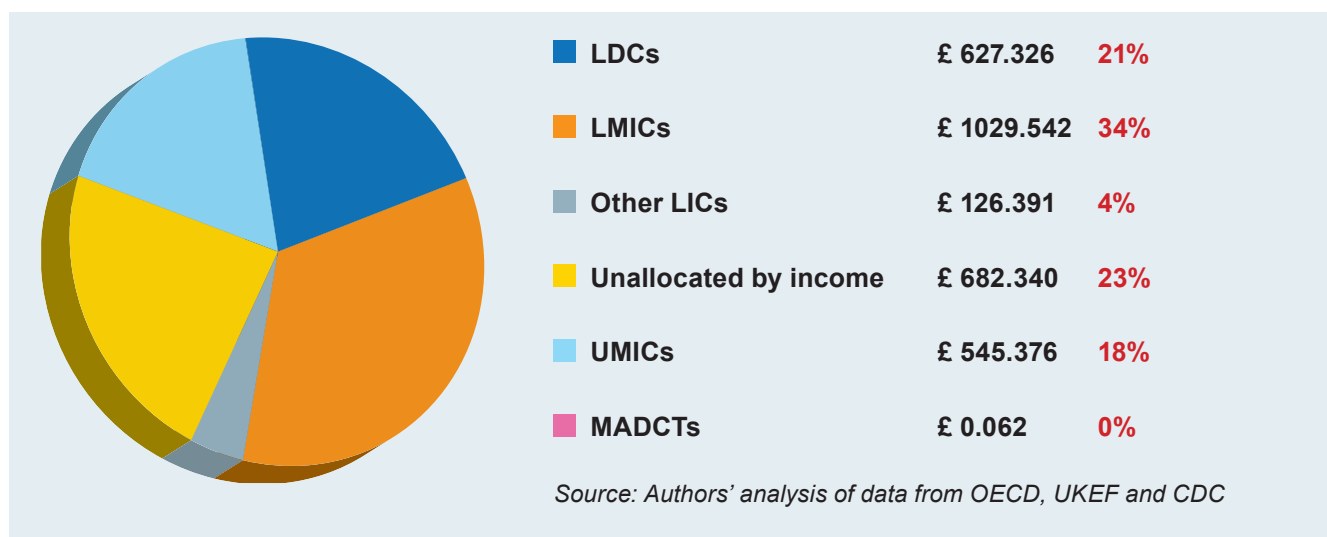
## 3. Almost 100 per cent of UKEF support for energy went to fossil fuels.



The UK provides three kinds of energy support: official development assistance (ODA), other official flows which do not meet ODA criteria (OOF) and UK export credit guarantees (UKEF).<sup>36</sup> Almost half of UK support for energy (46 per cent) was channelled via UKEF. Ninety-seven per cent of UKEF support for energy went to fossil fuels (16.5 per cent of all UKEF support for exports). Less than one per cent of UKEF support can be identified as going to renewable energy investments.



#### 4. Most UK support went to upper-middle-income countries (UMICs).



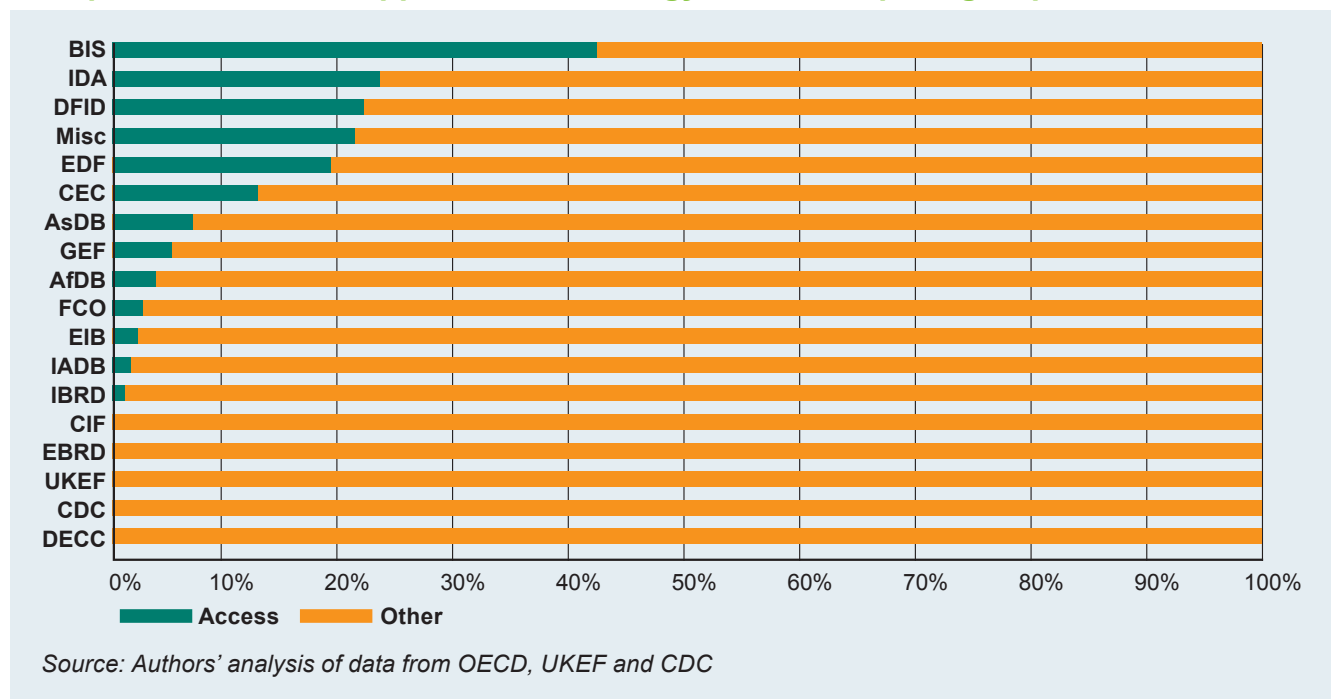
More than half of the UK's support for energy went to upper-middle-income countries (UMICs). Most people without access to modern energy services live in lower-middle-income countries (LMICs), which received about 30 per cent of the UK's support. Only ten per cent of the UK's support for energy went to least developed and low-income countries (LDCs and LICs). In terms of ODA support alone, a larger proportion went to LDCs and LICs (25 per cent). More than half of ODA for energy went to middle-income countries – 34 per cent to LMICs and 21 one per cent to UMICs.

#### 5. The top recipient of UK energy support was Brazil, accounting for a third of UK energy support.

Rank	Top recipients of UK energy support (countries)	Value of total support (£ million)	Top recipients of ODA energy support (countries)	Value of ODA (£ million)
1	Brazil	2317.707	Nigeria	195.040
2	Ghana	460.717	Tunisia	169.374
3	Russian Federation	420.256	Bangladesh	163.228
4	Turkey	367.087	Pakistan	95.945
5	Vietnam	301.006	Ghana	83.775
6	India	293.538	Egypt	83.312
7	Egypt	268.215	Ecuador	81.122
8	Nigeria	214.636	Morocco	79.014
9	Iraq	186.665	Honduras	77.482
10	Bangladesh	180.860	Uganda	69.660

Source: Authors' analysis of data from OECD, UKEF and CDC

## 6. Less than 5 per cent of overall support for energy and less than 12 per cent of ODA support went to energy access for poor groups.



ODA accounted for more than 95 per cent of energy access support. While the annual amount of ODA access support increased steadily between 2010 and 2017, this rate was considerably lower than the rate of increase in overall ODA support for energy. Regionally, sub-Saharan Africa received the largest share of support (41 per cent).

It should be noted that, given the limited data available and the reporting issues,<sup>37</sup> our figures are estimates. Clearer reporting, especially on projects' relation to key indicators such as energy access, is needed for an accurate assessment of UK support.

### Realignment of UK support for energy with its climate and development goals

Given the findings of our research, CAFOD is calling for a moratorium on any new ODA investments in fossil fuels and a review of current energy investments. UKEF should also urgently overhaul its energy support, in line with the recommendations of the recent Environmental Audit Committee (EAC) inquiry and following emerging good practice in other export credit agencies (see below and **Recommendations**).

In June, the IDC report into UK aid for combating climate change also drew attention to the inconsistency of "continued ODA support for fossil fuels without apparent, comprehensive strategies in place for transitioning beyond these forms of energy; and [...] the lack of coherence on climate change across government policy, demonstrated by the support of UK Export Finance for fossil fuel economies in developing countries".<sup>38</sup>

Reporting in the same month, an inquiry by the EAC into UKEF financing for fossil fuel projects found that UKEF played a significant role in enabling fossil fuel projects by removing risk and sending investor signals to the market, thereby promoting lock-in of developing countries to polluting, high-carbon energy systems.<sup>39</sup> The EAC called on UKEF to end support for new fossil fuel projects by 2021 and align its support with achieving net-zero emissions by 2050.

On 8 July 2019, Secretary of State Rory Stewart said he “felt strongly” that DFID support should not be going to fossil fuels.<sup>40</sup> Momentum is gathering for the UK government to address urgently the elephant in the room. Going forward, all UK ODA and non-ODA support for energy in developing countries should be urgently realigned with promoting a shift or leapfrogging to low-carbon and inclusive energy systems.

## Recommendations

### ODA support for energy

1. Place a moratorium with immediate effect on any new UK ODA investments in fossil fuels at all stages of energy delivery and through all channels, including indirect investments by the Commonwealth Development Corporation (CDC).
2. Review any existing fossil fuel investments, using a transparent methodology. Where there is a business case that energy investments are needed for poverty reduction, alternative low-carbon energy investments should be identified. The results of this review should be announced by COP25 in December 2019.

### Non-ODA support for energy

3. Commit to end UKEF support to fossil fuel projects by 2021, following the EAC recommendation and building on the UK’s leadership in the Powering Past Coal Alliance.
4. Undertake a strategic review of current UKEF energy support including consideration of appropriate support for a just transition for workers and communities at home and abroad who may be affected by a phase-out of UKEF fossil fuel support. The results of the review and the phase-out plan to be announced before COP26 in December 2020.

### UK support for energy access

5. Scale up significantly energy access as a proportion of UK energy support to help meet the current access financing gap.
6. Focus support on those countries with the largest populations living without access to clean cooking or electricity – the ‘high-impact countries’ (HICs).
7. Prioritise investments in DRE and clean and efficient cooking fuels and technologies as the least-cost solutions for most energy-poor people.
8. Provide more support for research and demonstration of effective financing and business models, enabling policies and integrated and inclusive planning and delivery of services to scale up energy access for poor and vulnerable groups.

### All forms of UK support for energy

9. Going forward, adopt a ‘whole-portfolio’ investment approach to ensure UK energy support via all channels, both ODA and non-ODA, is fully aligned with achieving net-zero emissions by 2050 and with implementing the SDGs.
10. Adopt a clear and consistent screening process for individual energy investments, with robust safeguards for mitigating climate, environmental and social risks and mandatory human rights due diligence for companies seeking export finance. This should apply to indirect investments, such as those made by CDC, as well as to direct investments, with transparent reporting on impacts, including energy access impacts.

## Endnotes

1. IPCC (2018) *Global Warming of 1.5 °C: an IPCC special report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty*.
2. The Southern African interior region has already reached 2°C of global heating, with corresponding impacts on production of food crops. “At 3°C of global warming, there is the potential for the total collapse of the maize crop in southern Africa. Remember, 3°C of global warming is 6°C regionally. At that number, there will also be a total collapse of the livestock industry.” Engelbrecht, F., Adegoke, J., Bopape, M.J., Naidoo, M., Garland, R., Thatcher, M., McGregor, J., Katzfey, J., Werner, M., Ichoku, C. and Gatebe, C. (2015) Projections of rapidly rising surface temperatures over Africa under low mitigation. *Environmental Research Letters*, 10(8), p.085004.
3. International Bank for Reconstruction and Development / The World Bank (2015) *Shock Waves: Managing the Impacts of Climate Change on Poverty*: <https://openknowledge.worldbank.org/bitstream/handle/10986/22787/9781464806735.pdf?sequence=13&isAllowed=y>
4. IPCC (2014) *Climate Change 2014: Synthesis Report. Contribution of Working Groups I, II and III to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change*.
5. CAFOD (2014) *Pushing people over the edge*.
6. The World Bank estimated the cost of extreme natural disasters is equivalent to a global \$520 billion loss in annual consumption and forces some 26 million people into poverty each year. World Bank Group (2016): <https://www.worldbank.org/en/news/feature/2016/11/14/breaking-the-link-between-extreme-weather-and-extreme-poverty>
7. “Each year, an ever-larger proportion of life-saving humanitarian needs remains unmet, despite greater funding contributions.” World Humanitarian Summit (2016) *Restoring Humanity: Global Voices Calling for Action*.
8. IPCC (2018), op.cit. *Summary for Policymakers*.
9. World Health Organisation (2018) *Ambient Air Pollution*: <https://www.who.int/airpollution/ambient/en/>
10. United Nations (2015) *Paris Agreement*, Article 2 1c.
11. Ecofys analysis suggests that on business-as-usual emissions, the carbon budget will be exceeded in one or two decades. They suggest a decarbonisation scenario whereby 100 per cent of the electricity is generated by renewable sources by 2040 but note: “Regardless of the rapid decarbonisation, the 1.5°C carbon budget is most likely still exceeded. For example, a remaining carbon budget of 400 GtCO<sub>2</sub> as of 2016 would require additional negative emissions of around 4 Gt per year for the remainder of the century, such as afforestation, reforestation, and soil carbon sequestration.” Ecofys (2018) *Energy transition within 1.5°C. A disruptive approach to 100% decarbonisation of the global energy system by 2050*.
12. Department of Energy and Climate Change (2013) *UK urges the world to prepare for action on climate change and puts brakes on coal fired power plants*: <https://www.gov.uk/government/news/uk-urges-the-world-to-prepare-for-action-on-climate-change-and-puts-brakes-on-coal-fired-power-plants>. The UK has established strict requirements for its ‘rare circumstances’ exception, including that the project must: (a) be located in an IDA-only eligible country; (b) prove it will reduce poverty; (c) have shown that low-carbon alternatives are not feasible; and (d) be part of a credible low-carbon development pathway; and (e) use best available technology.
13. Department for Business, Energy and Industrial Strategy (BEIS), 5 November 2018: <https://www.gov.uk/government/publications/powering-past-coal-alliance-declaration/powering-past-coal-alliance-partners>
14. Sustainable Energy for All (2017) *Why Wait? Seizing the Energy Access Dividend*: [https://www.seforall.org/sites/default/files/Why\\_Wait-Full.pdf](https://www.seforall.org/sites/default/files/Why_Wait-Full.pdf)
15. IEA, IRENA, UNSD, WBG & WHO (2019) *Tracking SDG 7: The Energy Progress Report 2019*: <https://trackingsdg7.esmap.org/>
16. WHO (2018) *Household air pollution and health*: <https://www.who.int/news-room/fact-sheets/detail/household-air-pollution-and-health>
17. “51% of the 1.2 billion people who should gain access by 2030 could be electrified in a least-cost way through clean decentralized systems; in rural areas, this share reaches 77%.” IEA, IRENA, UNSD, WBG & WHO (2019) op.cit.
18. Ibid.
19. ‘High-impact countries’ are the countries which have the largest population living without access to clean cooking or electricity, and so where progress would have the biggest impact on meeting SDG 7. These 20 countries with the highest levels of electricity and cooking poverty together account for nearly 80 per cent of those living without access to sustainable energy. For electricity access, these countries

- are: Afghanistan, Angola, Bangladesh, Burkina Faso, DR Congo, Ethiopia, India, Kenya, DPR Korea, Madagascar, Malawi, Mozambique, Myanmar, Niger, Nigeria, Philippines, Sudan, Tanzania, Uganda and Yemen. For cooking access, these countries are: Afghanistan, Bangladesh, China, DR Congo, Ethiopia, India, Indonesia, Kenya, DPR Korea, Madagascar, Mozambique, Myanmar, Nepal, Nigeria, Pakistan, Philippines, Sudan, Tanzania, Uganda and Vietnam.
20. For further discussion, see CAFOD, Christian Aid, ODI et al (2017) *FAQs: coal and energy poverty*: <https://www.odi.org/coal-and-poverty-faq-energy-access> With regards to the importance of more inclusive planning approaches, see Garside & Wykes (2018) *The Energy Delivery Model Toolkit*, CAFOD & IIED.
  21. Sustainable Energy for All (2018) *Energizing Finance: Understanding the Landscape 2018*: <https://www.seforall.org/energizingfinance>
  22. Figures for 2015–16, financing from all sources (public, private, domestic and international).
  23. International Energy Agency (2017) *Energy Access Outlook 2017: From Poverty to Prosperity, World Energy Outlook Special Report, 2017*: <https://webstore.iea.org/weo-2017-special-report-energy-access-outlook>
  24. Ibid. Just under 80 per cent of the finance for electricity access flowed to three countries in South-East Asia – India, Philippines and Bangladesh – in the reporting period 2015–16.
  25. Over 2013–14 figures. See Sustainable Energy for All (2018) op.cit.
  26. See Lee, A (2018) *Shortchanging Energy Access: A Progress Report on Multilateral Development Bank Finance*. Oil Change International and The Big Shift.
  27. BBC News, “UK Parliament declares climate change emergency”, 1 May 2019: <https://www.bbc.co.uk/news/uk-politics-48126677>
  28. See: <https://www.gov.uk/government/news/uk-becomes-first-major-economy-to-pass-net-zero-emissions-law>
  29. See: <https://www.gov.uk/guidance/international-climate-finance>
  30. International Development Committee (2018) *UK aid for combating climate change*, 30 April 2018, HC 1432 2017–19, para 173: <https://publications.parliament.uk/pa/cm201719/cmselect/cmintdev/1432/1432.pdf>
  31. See: [https://www.gov.uk/government/news/rory-stewart-comments-on-idc-report-into-use-of-uk-aid-to-tackle-climate-change?utm\\_source=1f23c3c9-d46b-4ec1-98ab-a55b6a725e09&utm\\_medium=email&utm\\_campaign=govuk-notifications&utm\\_content=immediate](https://www.gov.uk/government/news/rory-stewart-comments-on-idc-report-into-use-of-uk-aid-to-tackle-climate-change?utm_source=1f23c3c9-d46b-4ec1-98ab-a55b6a725e09&utm_medium=email&utm_campaign=govuk-notifications&utm_content=immediate)
  32. See: <https://dfidnews.blog.gov.uk/2019/05/29/doubling-dfids-investment-on-climate-change-and-the-environment/>
  33. See: <https://cafod.org.uk/About-us/Policy-and-research/Climate-change-and-energy/Sustainable-energy/Analysis-UK-support-for-energy>
  34. Ibid.
  35. It should be noted that the figures for UK access support are based on the limited available public data. DFID does not publish which programmes or projects contributed to the number of people with improved access to clean energy, either in its departmental Annual Reports or in ICF reports. It is therefore not possible to assess expenditure (disbursements) that delivered improved access to clean energy using data from HMG. Assessing expenditure to support access to modern energy services is also difficult using OECD data. There is no code or category in the OECD’s Creditor Reporting System (CRS) for access to energy. It is therefore not possible to tell directly from published aid statistics how much support has been given to improving access to energy services. DFID’s own reporting does not show how much of the spend on energy is for energy access, though it does provide numbers in its Annual Report on how many people have benefited through improved access to energy. Information from individual projects must therefore be used to assess how much support is provided to improve access to energy.
  36. It should be noted that the UKEF figure represents the total maximum liability on UK public finance ie the value of the exports and projects guaranteed or insured, and thus subsidised by UKEF, not the (estimated) amount of subsidy. This amount is difficult to calculate and there is no consensus on how this should be done. In theory it should be the aggregation of differences between the government borrowing rate and the commercial interest rate that each exporter would have paid to access support in the financial market.
  37. For further information, see the note on the research methodology on our website: <https://cafod.org.uk/About-us/Policy-and-research/Climate-change-and-energy/Sustainable-energy/Analysis-UK-support-for-energy>
  38. International Development Committee (2018), op.cit.
  39. Environmental Audit Committee (2018) *UK Export Finance*, 4 June 2018, HC 1804 2017–19, para 173: <https://publications.parliament.uk/pa/cm201719/cmselect/cmenvaud/1804/1804.pdf>
  40. Rory Stewart comments at the launch of the cross-party *People and Nature* campaign, 8 July 2019: <https://www.peopleandnature.co.uk/>

