FOUNDATIONS FOR THE ENERGY TRANSITION

ESMAP BUSINESS PLAN FY21-24

ESMAP
Energy Sector Management Assistance Program

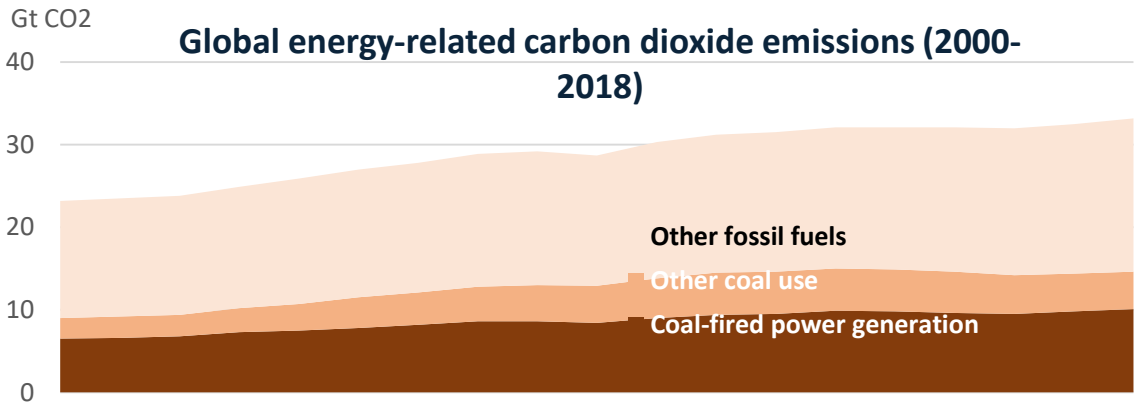
THE WORLD BANK
IBRD • IDA | WORLD BANK GROUP

Problem Statement

The energy transition will require the sector to adopt new service delivery models that leverage markets and disruptive technologies, and adapt regulation and incentives to ensure sustainable change.

Developing countries need appropriate planning, policies, and regulations to modernize the sector and avoid locking in carbon-intensive technologies.

The social and distributional impacts of change need to be managed while promoting job creation as the sector moves to a new paradigm. A focus on gender equality is also crucial.



Source: IEA, Global Energy & CO2 Status Report 2019

- A 1.5 C temperature pathway will require 32 GtCO2 lower emissions than current unconditional NDCs imply (UNEP, 2019)
- Global coal capacity however grew in every year between 2000 and 2017, and coal still generates 40-41% of electricity globally
- Global fossil fuel subsidies rose to $427 million in 2018 (IEA), despite progress in some countries
- Utility inefficiencies and low tariffs cost 1.8 percent of GDP to governments in Sub-Saharan Africa (Kojima, Trimble, 2016)
- Women are underrepresented in the power sector: studies show 15% in senior management*; 13% of workforce in 14 utilities**
- Smart meter penetration –a proxy for smart grid infrastructure- and Distributed Energy Resources are still very low in the developing world

*based on Index of Women in Power and Utilities, based on a survey of the top 100 power and utility companies by revenue (EY Global 2019),
**based on a USAID study from 2016. Shares ranged from just 1 percent in Pakistan to 30 percent in Ukraine

CONTEXT

External factors:

- Climate change has made it urgent for the energy sector to transition to zero carbon emissions.
- New technologies, digital development, and declining costs of renewables & storage offer opportunities to accelerate the energy transition, but are also disrupting existing models, creating winners and losers.
- Digitalization (i) increases the potential and value of flexible and demand-side resources, (ii) enables sector coupling, and (iii) allows real time monitoring of (technical/financial) flows and asset performance. Overall, digitalization can deliver higher flexibility, reliability, and efficiency (less steel, less fuel, less carbon emissions).

Lessons of experience:

From the external evaluation: "ESMAP's continued relevance will be related to its ability to engage with the broader processes of energy sector reform and sustainable energy transition, rather than be perceived as "just" a renewable energy, energy efficiency, and decentralized access program."

Rethinking Power Sector Reform recommends that:

- Delivering on the twenty-first century agenda of universal access and decarbonization calls for additional reform measures targeted explicitly at these objectives.
- The regulatory framework needs to be adapted to reflect the institutional context and to accommodate emerging technological trends.
- Greater emphasis should be placed on building institutional capacity for power sector planning and associated implementation.
- Wholesale power markets remain a viable option for countries that have put in place all the foundational measures; others may derive greater benefit from regional trade.

GLOBAL PROGRAM TO ACCELERATE THE ENERGY TRANSITION

Utilities and the regulatory environment need to adapt to leverage disruptive technologies	1 Utilities For the Energy Transition
Trade enhances grid flexibility, enabling integration of RE, and can lower costs of supply	2 Energy Markets, Connectivity & Regional Trade
Fossil fuel subsidy reform levels the playing field for RE and EE, and bolsters utility finances while reducing the fiscal burden of the sector	3 Energy Subsidy Reform Facility
Gender equality enables the sector to draw on the talents and potential of both men and women, as well as expanding the quality and reach of energy services	4 Closing Gender Gaps in Energy
Climate targets require exiting coal, yet the human and social costs of transition are significant, requiring commensurate support and planning	5 Supporting Coal Regions in Transition

ESMAP

1 UTILITIES FOR THE ENERGY TRANSITION

WHY

- Digitilization and decentralization of the power system allow better use of demand-side and flexibility resources, enabling integration of VRE, enhanced sectoral coupling (transport, heating), increasing access at lower cost and improving operational efficiency
- Yet low financial and technical performance of utilities slow the adoption of these technologies by utilities, and regulations often do not facilitate entry of complementary service providers (DERs, demand aggregators, private mini-grids, etc.)
- Wary of the reprecussions of DER and open access to the grid, incumbent utilities have resisted change rather than taking advantage of new opportunities
- Sector regulators need to recognize this and adapt regulation to foster adoption of – or leapfrogging to – new technologies and models

WHAT

- Address the political economy and social foundations of sector reform by engaging stakeholders across the sector and in the utilities
- Support utilities to take advantage of sector innovations and adapt their business processes and systems to leverage new, cleaner technologies
- Help policy-makers and regulators design policies that foster complementary service models, and regulation that allows cost recovery
- Promote investments in digitalized, flexible power systems that can integrate more RE, storage and demand response

HOW

Global Knowledge products on:

- business and regulatory models for utilities to leverage new technologies,
- project-ready technology and reform packages for World Bank operations,
- score card to assess utility modernization and identify potential opportunities

Digital Academy to identify and transfer emerging global knowledge, best practice, and deliver training to utilities in 5 key areas:

- smart grids,
- cloud infrastructure/common data platforms,
- digital platforms,
- big data, predictive analytics/AI,
- cybersecurity

Dedicated TA window
Support public utilities on:

- Procurement and O&M of digital technologies that improve sector flexibility and enable demand response,
- Integrated resource planning (including DER, transport, digital) and demand forecasting,
- Working with off-grid and mini grid companies, DER providers, demand aggregators, and other complementary service providers to improve service delivery

Support sector regulators to:

- Adapt regulation to encourage innovation by utilities
- Reform tariffs to promote energy efficiency and use of distributed resources that enhance grid operation

Stakeholder engagement to overcome resistance, foster a common vision for the future of the sector, and design short/medium term sector roadmaps (to be integrated into lending operations)

2 ENERGY MARKETS, CONNECTIVITY & REGIONAL TRADE

WHY

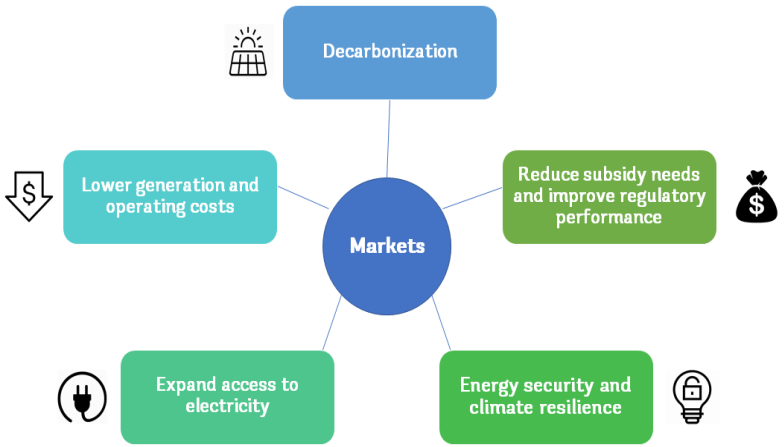
Markets, Connectivity & Trade are key enablers of the transition to clean energy, efficient systems, and affordable power

- Developing countries' policy makers need support to design and implement effective next frontier power markets that enhance incentives for efficiency and pricing competition. Regional power pools exist but need support to enable price/quality competition.
- **Decarbonization:** Functioning markets and incentive mechanisms can increase power sector flexibility and facilitate VRE integration. Regional connections and markets allow the exploitation of RE complementarity and enable large scale RE investments.
- **Low power costs:** Power trade reduces short term operating costs, reduces fuel costs and investment needs while existence of a pool of potential buyers following agreed rules attracts private developers.

WHAT

Creating enabling and conducive environment for energy sector transformation and decarbonization through:

- Designing and supporting implementation of tailored next-generation power markets
- Connecting individual markets and increasing the number of interconnected countries
- Increasing trade within national markets and in regional power pools
- Improving the countries' power supply infrastructure resilience to climate change shocks.



HOW

Global knowledge

Design next generation commercial agreements and market tools facilitating transition to energy markets and increasing price and quality competition

- Adapt power markets, policies and regulations to utilize opportunities from emerging disruptive technologies
- Increase system flexibility by developing and implementing efficient ancillary service markets
- Design mechanisms to tackle stranded assets
- Develop trade benefit-sharing methodology, and assess and develop tailored market solutions

Support for market deployment

- Prepare quality regional RE and interconnection projects
- Support countries in transition toward wholesale markets, technical and regulatory harmonization for regional power pools
- Develop countries' and regional grid codes

Capacity building

- Facilitate South-South Knowledge Exchange, particularly on regional power pools and markets
- Establish and maintain global Community of Practice
- Establish regional centers of expertise and shareholders' engagement activities
- Leverage existing region-specific TF support (e.g. AREP in Southern Africa and CASA-1000 in Central/South Asia,) to build global knowledge of expertise and track progress in enabling markets, trade, and private participation

3 ENERGY SUBSIDY REFORM FACILITY

WHY

Removing subsidies while ensuring energy is sustainable, affordable, and reliable remains a complex undertaking and a political economy challenge; it requires a holistic approach that includes:

- Carefully assessing political economy and gauging public opinion to build support for the reforms
- Engaging in effective communication on why reforms are needed and what benefits reforms could bring
- Setting prices right to reflect actual costs of energy
- Ensuring sector planning to deliver zero-carbon electricity to consumers at lowest possible cost
- Putting in place legal and regulatory framework to implement results of least-cost planning
- Putting in place efficient and effective social protection mechanisms to ensure energy remains affordable for the poor and vulnerable during and after reforms
- Optimizing utilities' performance to reduce operating costs
- Facilitating demand and supply energy efficiency to reduce energy use and improve firms' competitiveness

WHAT

Support governments, utilities, and regulators, to design and implement a comprehensive package of sustainable energy subsidy reforms that will:

- Improve financial viability of energy sector
- Reduce fiscal transfers to energy utilities
- Protect the poor from negative impacts of the reforms and ensure post-reforms' affordability of energy for most vulnerable
- Incentivize efficient, unsubsidized develop ment of all available energy resources

HOW

- Leverage existing relationships between WBG and clients
- Continue close collaboration across World Bank Energy and Extractives, Macroeconomic and Fiscal Management, Social Protection, Poverty, Transport, and Agriculture Global Practices
- Continue existing partnerships (IMF, OECD, GSI/IISD, IEA) and establish new ones (EC)
- BETF to support Technical Assistance and Knowledge

Support governments to:

- develop communication strategies, effective messages on reforms
- evaluate sector subsidies; identify viable options/ timelines for their removal
- assess efficiency of public spending, define ways to optimize it
- strengthen social safety nets to protect the poor from negative impacts of reform and ensure they can still afford energy
- develop policies incentivizing zero carbon source development, energy efficiency, as part of the reform
- develop necessary procedures to competitively attract private investment in energy

Support utilities to:

- identify, adopt, use cutting-edge tools to improve operational performance
- Identify, adopt, use cutting-edge tools to incentivize efficiency of energy use
- RETF for governments to implement communication strategies and recommendations for public information campaigns developed with BETF support to address complex political economy issues of subsidy reforms

4 CLOSING GENDER GAPS IN ENERGY SECTOR EMPLOYMENT, ENTREPRENEURSHIP AND ACCESS

WHY

- Focusing on gender equality is core to development - it is smart economics. No country, community, or economy can achieve its potential or meet the challenges of the 21st century without the full and equal participation of women and men, girls and boys.
- Addressing gender diversity has far-reaching benefits e.g., improving gender balance has been seen to enhance financial performance of entities, improve development outcomes, stimulate innovation, and result in safer work environments.
- However, policy makers lack data, tools, and sufficient support to design energy programs and interventions that can address gender gaps.
- Sector remains male dominated with pay gaps, limited female talent retention, lack of access to finance for female-owned enterprises, and inadequate attention to women's needs and preferences in energy technology and services, etc.
- Policy interventions and investment to address gender diversity and equity in the energy sector are generally minimal and underfunded.

WHAT

- Re-shape strategies and policies at country level to recognize gender gaps in the energy sector and ensure decision makers know why the gaps in employment, entrepreneurship and access matter for development.
- Help CEOs and HR departments collect relevant data to inform decision making and enable targets to be set.
- Support ministries, utilities and companies to take advantage of best-practices and adapt their business processes and systems to close gaps between men and women.
- Design targeted programs within public sector institutions on various issues, such as e.g. women's leadership in low-carbon development, business training for female-owned businesses, etc. Promote public and private sector investments that expand opportunities for women in the energy sector.
- Tailor operational support to country circumstances and use 6 World Bank regional gender and energy programs to deliver results as well as increased outcomes on the Gender Tag.

HOW

Knowledge Work- Across ESMAP Programs

- Conduct data collection on issues such as female employment in the sector, gender disaggregated consumer level information, etc.
- Coverage of new topics that are key for energy sector project design, e.g., constraints on access to finance, employment gaps in hydropower, enhancing productivity of female farmers and female headed businesses, etc.
- Development of standardized tools to apply findings from research.

Operational Support-Through WB Regional Gender and Energy Programs

- Comprehensive approaches across the project cycle (incl. procurement) to closing gender gaps e.g., when looking at employment gaps investigate the school-to-work transition, to mid-career and broader issues around retention and promotion, etc.
- **Interventions tailored to project and country contexts**, e.g.,
  - Increasing girls and young women's exposure to jobs in the energy sector and removing discriminatory policies.
  - Enhancing productive use of energy in agricultural, industrial, and service sectors by improving the knowledge and skills of female-led small and micro-business, households and farmers on how to use electrical, motive power and cooling for profitable enterprise.
  - Tackling consumer level issues for women and men around information, affordability and product preferences.
- Ensuring policy reflects a clear link between gender equality and energy sector performance as core focus in national energy strategies, electrification plans and also institutional reform at the utility level.

Partnerships

- Partnerships with relevant educational institutions, professional networks, industry partners, agricultural associations and CSOs.

5 SUPPORTING COAL REGIONS IN TRANSITION

WHY

- Energy transition in coal regions will be a long term process, with significant impacts on workers and communities, and extending to new jobs and re-skilling, new engines of growth, land remediation, repurposing of infrastructure, and substitution of coal by renewables
- The magnitude of the challenge will require leveraging public sector funds to mobilize private sector investment capital to create jobs in new low-carbon industries
- The political economy of coal regions will need to be addressed for successful energy transition
- The World Bank has two decades of global experience on coal mine closure and support to coal sector transition

WHAT

- Application of the *World Bank Just Transition Framework:* with focus on: 1) governance structure, 2) people and communities; and 3) repurposing of land and coal plants
- Development of a comprehensive coal sector transition strategy:
  - Institutional arrangements
  - Stakeholder engagement and communications strategy
  - Coal plant repurposing/retirement
  - Regional development strategy
  - List of measures to manage transition of people and communities
  - Master plan for repurposing and reclaiming mine sites and physical infrastructure
  - Identification and feasibility study of 4-6 concrete transition pilot projects that are scalable and extensible across that region or other regions

HOW

- Close collaboration across World Bank Energy and Extractives, Social Protection and Jobs, and Environment Global Practices and Climate Change Group
- Established strong partnership with the EC, EBRD, Energy Community Secretariat

Development of Transition Strategy

- Establishment of Regional Platforms for Coal Regions, starting with Western Balkans and Ukraine
- A Global Coal Regions in Transition Academy

Mobilizing WBG Financing & Climate Finance (CIF) for Implementation

- Proof-of-Concept Pilot Coal Mine Closure Projects to support policy reforms and investment projects for an inclusive energy transition
- Identification of coal plants for decommissioning or repurposing through power system planning; technical assessment of options; environment, social and employment strategies; pilots.

RESULTS FRAMEWORK: OUTCOMES

Program Development Objectives: **Energy sector transition to deliver zero carbon power that is affordable and reliable - Improved gender equality in the energy sector**		
		Target (by end of FY24)
OUTCOME 1: Improved affordability of power		
Outcome indicator 1.1	Reduction in average cost of power supplied	70% of ESMAP supported countries
OUTCOME 2: Improved financial viability of power sector		
Outcome indicator 2.1	RISE score on utility creditworthiness reaches the green threshold in all ESMAP supported countries	66.67
OUTCOME 3: Electricity sector carbon intensity reduced		
Outcome indicator 3.1	Carbon per unit of power generated in all ESMAP-eligible countries	768 kg CO2 equivalent/MWh (doubling the annual rate of decline observed for 2014-2019)
OUTCOME 4: Fiscal burden of power sector reduced		
Outcome indicator 4.1	Reduction in fiscal transfers to the power sector in countries receiving ESMAP support	Reduced by $ 2 billion
OUTCOME 5: Improved quality of electricity service		
Outcome indicator 5.1	Improvement in Doing Business score on Reliability of Supply and transparency of tariff [index 0-8]	1 point improvement against baseline 2.3 in 2020 (doubling the 0.5 point improvement over FY18-20)
OUTCOME 6: Increased share of female employees, leaders, entrepreneurs and consumers in the energy sector		
Outcome indicator 6.1	Increased share of female employees in energy sector WB projects	5 percentage points improvement over baseline
Outcome Indicator 6.2	Increased share of women entrepreneurs in energy sector WB projects	10 percentage points improvement over baseline
Outcome Indicator 6.3	Increased productivity of female famers and business owners supported by WB energy projects	10 percentage points improvement over baseline

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Results Framework: Intermediate Outcomes

		Target (by end of FY24)
INTERMEDIATE OUTCOME 1: **Power system has capacity, flexibility, financial strength to deliver energy transition**		
Intermediate outcome indicator 1.1	Volume of WB lending that contributes to the achievement of the Outcomes through identified aspects*	$50 billion
Intermediate outcome indicator 1.2	# Utilities that have implemented process changes consistent with new business models and technologies	30
Intermediate outcome indicator 1.3	# Regulators take account of technology disruptions in regulations issued	30
Intermediate outcome indicator 1.4	# Coal Regions with implementation roadmaps developed for Just Transition	2
Intermediate outcome indicator 1.5	% of ESMAP-supported countries adopting improved policy and regulation for sustainable energy	100%
Intermediate outcome indicator 1.6	Increased power trade (between countries)	168 TWh (EAPP, SAR, WAPP, CASA, Pan-Arab)
Intermediate outcome indicator 1.7	# Countries with new markets for energy services	10
Intermediate outcome indicator 1.8	# Countries inter-connected and trading	54 (SAPP, EAPP, SAR, WAPP, CASA, Pan-Arab)
Intermediate outcome indicator 1.9	# Countries with official plans to reform energy subsidies (including reforming social protection, incorporating energy efficiency measures, and implementing communication campaigns as part of subsidy reform efforts)	20
Intermediate outcome indicator 1.10	# Countries that have strengthened their social protection systems to ensure the poor are not worse off due to energy subsidy reforms	10
Intermediate outcome indicator 1.11	Coal capacity reduced through coal plant retirement/repurposing	5 GW
Intermediate outcome indicator 1.12	Private co-financing mobilized**	$5 billion
INTERMEDIATE OUTCOME 2: World Bank has expanded support to promoting gender equality in the energy sector ***		
Intermediate outcome indicator 2.1	% of WB projects supported by ESMAP to meet Gender Tag to close gaps between women and men (in access, entrepreneurship, and employment)	70

* Informed WB operations that support: improved affordability, improved sector financial viability, reduced carbon intensity, transition in coal regions, reduced fiscal burden, and improved quality of electricity service

** The Foundations for the Energy Transition will also enable the Renewables, Decarbonization and Access programs to mobilize private financing ($33 billion)

*** The gender indicators listed are embedded in the individual program results frameworks across ESMAP programs (and repeated under those programs)

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RESULTS FRAMEWORK: INTERMEDIATE OUTCOMES (CONT'D)

INTERMEDIATE OUTCOME 3: Countries have supported employment opportunities for women in the energy sector*		
Intermediate outcome 3.1	Number of additional countries that have adopted policies or plans to enhance women's employment at the utility level [across recruitment, retention and promotion with a focus on equal pay, training, child care etc.]	15
Intermediate outcome 3.2	Number of additional countries supported by WB Development Policy Financing that integrate a focus on closing gender gaps in their energy strategies/policies	7
Intermediate outcome 3.3	ESMAP-supported decarbonization projects that include a significant women's leadership and employment component/pilot	8
Intermediate outcome 3.4	Number of countries where there is active WBG engagement in supporting development of roadmaps including maximizing socio-economic benefits derived from RE development with a focus on women's employment and skills development	20
INTERMEDIATE OUTCOME 4: Countries have supported women's entrepreneurship in the energy sector and productive uses of energy*		
Intermediate outcome 4.1	Percentage of IDA off-grid electrification operations tackling women's entrepreneurship, and access to finance gaps	100
Intermediate outcome 4.2	Strategies adopted at the country level on closing productivity gaps between male and female farmers and business owners (access program)	10
Intermediate outcome 4.3	Percentage of Clean Cooking Fund supported projects that have proactive actions to promote female employment/entrepreneurship and gender co-benefits (applies to employment focus also)	100
Intermediate outcome 4.4	Number of new decarbonization projects with enhanced focus on productivity gaps and livelihoods for women	8
INTERMEDIATE OUTCOME 5: Countries have adopted strategies to support women in host and marginalized communities as consumers in the energy sector*		
Intermediate outcome indicator 5.1	Countries supported by ESMAP that have integrated electrification of displaced people, host and marginalized communities in electrification programs, with a focus on the needs of women and girls	15

*The gender indicators listed are embedded in the individual program results frameworks across ESMAP programs (and repeated under those programs)

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Results Framework: Outputs – Own-Managed

Own-managed Work (Global Knowledge)	
Utilities for the Energy Transition	
Output 1: Flagship report	Energy Transition: business and regulatory models in developing countries
Output 2: Training	Digital Academy, to identify and transfer emerging global knowledge, best practice, and deliver training in 5 key areas
Output 3: Tools	Standard documentation for procurement of new technologies (including DER, digital solutions)
Energy Markets, Connectivity and Trade	
Output 1: Flagship reports	(i) Design of next generation commercial agreements and market tools; (ii) Increasing system flexibility via efficient ancillary service markets
Output 2: Analyses	Analytical studies on regional power trade
Output 3: Tools	Best practices on wholesale markets, technical and regulatory harmonization for regional power pools
Output 4: Training/events	Knowledge exchange, workshops, trainings on Market deployment, and Power System Planning
Energy Subsidy Reform	
Output 1: Flagship Report	Reforming energy subsidies: Achievements, Setbacks, Lessons Learned and Way Forward
Output 2: Training/Events	Internal and external knowledge exchange fora every year
Closing Gender Gaps	
Output 1: Flagship Report	(i) Gender and Hydropower; (ii) Environmental and social (incl. gender) considerations in offshore floating solar development
Output 2: Analyses	(i) 20 MTF country reports (covering gender gaps); (ii) 2 MTF Insight reports: gender & impact evaluation; (iii) 4 Annual Gender and Access reports
Output 3: Training/Event	(i) Women's leadership in Decarbonization of Public Sector and End Uses in developing countries; (ii) Innovative technology, business, and financing approaches in Clean Cooking - Women's and Men's preferences and needs;
Support to Coal Regions in Transition	
Output 1: Platforms	Regional Collaboration Platforms for Coal Regions in Transition (2-3)
Output 2: Training	Coal Regions in Transition Learning Academy (2 deliveries annually)
Output 3: Analyses	Coal plant decommissioning/repurposing studies for 15-20 plants.

BUDGET TABLE

	Total	Utilities for the Energy Transition	Energy Markets & Regional Trade	Energy Subsidy Reform	Gender and Energy	Coal Regions Transition
BETF-Own managed	40	5	5	5	6**	19
BETF - Annual Block Grants	25	25***				
BETF- Regional Grants	112	25	25	25	12****	25
RETF*	36		20	10		6
Total Funding	213	30	50	40	18	50

* $20m for Regional Energy Trade (Southern Africa Power Pool, Eastern Africa Power Pool, Pan-Arab); $10m (accompanying Bank lending projects in Nigeria, Lebanon, Tunisia, and Nepal) for development and implementation of public information campaigns to support energy subsidy reforms.
** Funding also covers own-managed work on gender across other ESMAP programs (Access, Cooking, Decarbonization, Renewables).
*** Annual Block Grants are for just-in-time, flexible support across the energy sector. Not included in totals for global programs.
**** Funding is for Regional Gender and Energy Programs across all six World Bank regions.

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INDICATIVE RETF GRANT PIPELINE

	Description of activities	Estimated RETF grant	Estimated WB financing	Estimated Delivery
SAPP, EAPP	**Energy Markets, Connectivity and Trade** - Identification and financing of interconnectors	$12 million	$500 million	FY21-FY23
Nigeria	**ESRF** Implementation of already developed public information campaign to support ongoing power sector reforms: • Production of TV/radio and multimedia ads • Pre-testing of ads through focus groups • Media buys for TV/radio airtime • Printing flyers, brochures, billboards • Media monitoring • Website development • Social media campaign	$4 million	$750 million	FY21-FY23

Note: Table gives an example of what RETF grants may look like based on more advanced countries in the pipeline

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PARTNERSHIPS & COLLABORATION (INTERNAL & EXTERNAL)

Internal

- Global Practices – Social Protection and Jobs, Macro-Fiscal, Poverty, Urban- Resilience-Land, Environment, Climate Change, ICT
- Global Facility for Disaster Reduction and Recovery, NDC Partnership
- IFC

International Organizations

- IMF
- European Commission, Energy Community
- OECD
- Other MDBs

External

- Partner Agencies (DFID, BMU, SECO, SIDA, NORAD)
- Think Tanks/NGOs (IEA, IISD, IRENA)
- Private Sector
- Industry associations (regional and international regulators and utilities associations)
- Research/Academia (MIT, Toulouse, Johns Hopkins, College of Europe)

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RISKS AND MITIGATION

Risk description	Proposed Mitigation
Appetite of governments to implement reforms declines, in particular in energy subsidy, coal transition, and utility reform space	➢ Teams will continue internal and external outreach to ensure that demand for proposed activities remains strong/ grows ➢ Proposal review will ensure that proposed interventions are demand-driven ➢ Strong stakeholder engagement and communication components are included in the proposed interventions
Insufficient funding for proposed interventions	➢ Activities will be prioritized according to the resources received ➢ The World Bank team will work closely with partners to leverage more funding
COVID-19 related risks: additional slow down of reforms; change in priorities, including introduction of regressive policies; reform reversals; delays in provision/ funding cuts; other as yet unknown issues	➢ Proactive engagement with teams to understand client priorities, concerns ➢ Identifying opportunities to address client's concerns through progressive policies, and guard against policy reversal ➢ Use of innovative technological tools to stay actively engaged with clients to ensure business continuity during force majeure situations
Implementation risks driven by FCV contexts	➢ Assessment of the feasibility of proposed activities given the country context. ➢ Budgets for proposed activities will be assessed with the context in mind
Conditions are not conducive to implement proposed activities	➢ Comprehensive support to countries will be encouraged, combining assistance on various front to seek synergies in implementation and outcomes
Limited public awareness of the benefits of reform, or of the linkages between energy sector transition and opportunities to address gender gaps	➢ Awareness raising activities will be included, and knowledge products disseminated to show the impacts of activities
Perception that the WBG is advocating for coal mine closure or subsidy reform	➢ The World Bank Team will work closely with World Bank External and Corporate Relations department and professional PR firms to craft communications material

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