

## Classifications Used in World Bank Group Energy Lending Reporting

- **Low-carbon projects:** Renewable energy projects (including all sizes of hydropower projects), energy efficiency improvement, power plant rehabilitation to improve efficiency; district heating; biomass waste-fueled energy; gas-flaring reduction; and increased use of cleaner fuels to displace more carbon intensive fuels.
- **Access projects:** Projects aimed at increasing access to electricity services. For IDA countries, these include all generation, transmission and distribution projects, as they are all needed for increased electrification. For IBRD countries, only projects specifically aimed at increasing electricity access (e.g., rural electrification projects) were included.
- **Blended low-carbon/access projects:** Access projects that use low-carbon energy options (such as renewables) to increase access to electricity and other energy forms.
- **Energy Efficiency<sup>1</sup>:** Energy efficiency covers both demand side efficiency and supply side efficiency components.
  - Demand side efficiency includes improvements in efficiency due to load management, demand response programs, and direct load control; improvements in end-use energy efficiency in residential, commercial, industrial, public/municipal, agricultural and transport sectors; and energy conservation. Also included are energy efficiency improvements through institutional development, regulatory reforms, and improvements in utility management performance, introduction of improved building codes and appliance energy efficiency standards and labeling systems, retrofits to meet new standards, energy audits, waste heat recovery, improved fuel-efficiency standards for automobiles, use of drip irrigation or irrigation pumping in agricultural systems, municipal water pumping, energy efficiency financing through financial intermediaries, and implementation of consumer awareness programs.
  - Supply-side energy efficiency encompasses transport systems (including modal shifts from cars to mass transit systems), district heating enhancements, improved power transmission and distribution including enhanced metering systems, capacitors, substations rehabilitation, etc, power system optimization and increasing the efficiency of existing thermal power generation, plant rehabilitation (including plants that offset conventional fuels), improved O&M and converting heat-only plants to combined heat and power plants.
  - The projects or project components for EE include investments in rehabilitation of transmission and/or distribution networks only when the share of EE improvements in such projects can be clearly disaggregated from other objectives, such as network expansion and load increase. Interventions in Development Policy Loan commitments are included only when the share attributable to energy efficiency can be clearly demarcated.
- **New Renewable Energy:** Projects or project components were classified as new renewable energy if support was provided for: solar energy for heat and power, wind energy for mechanical and electrical power generation, geothermal and biomass energy for power generation and heat, hydropower of 10 MW or less per installation, and waste-to-energy, if it generates electrical power or heat for productive uses.

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<sup>1</sup> New high efficiency thermal power (such as super-critical or ultra-critical thermal power plants) are considered in the “thermal generation” category, and not “energy efficiency”.

- **Large Hydro Power Plants:** Hydropower that produces 10MW of power or more per installation.
- **Thermal Generation:** Thermal power projects produce electricity from fossil fuel-based primary energy sources using conventional turbo-generator technologies based on single - cycle systems, which do not necessarily improve overall power generation efficiency over the baseline. These project components do not specifically target lower-carbon or energy efficient solutions.
- **Transmission and Distribution:** Transmission and distribution projects are associated with new network capacity expansion or rehabilitation of existing T&D systems. These are projects which have new transmission and distribution (T&D) equipment associated with network capacity expansion. T&D rehabilitation projects, even if they implicitly result in loss reduction, are included entirely in this category, if the energy efficiency component cannot be clearly disaggregated from network expansion or load increase. If the financing for energy efficiency components of T&D rehabilitation projects can be disaggregated, they are classified as supply-side energy efficiency.
- **Oil, Gas and Coal:** Project components that include the exploration, production, refining, storage, transmission and distribution of oil, gas and coal products are classified as Oil, Gas and Coal. However, purely extractive project components and closures (for example, mine closures) do not fall under this category.
- **Other energy:** Includes projects where energy policy support is provided, such as Energy Sector Development Policy Loans or other WBG interventions where the form of energy cannot be clearly distinguished, or where there is multiple energy sub-sectors supported within a single project that could not be classified into a specific sub-sector. Includes energy storage projects such as pumped hydropower storage.