BEST PRACTICES IN DECENTRALISED RENEWABLE ENERGY ACCESS: SHARING KNOWLEDGE FOR RENEWABLE ENERGY ENTERPRISE DEVELOPMENT

A Pre-IOREC Event

15 June 2014 | Crowne Plaza Manila Galleria

A workshop on "Best practices in decentralized renewable energy access: sharing knowledge for renewable energy enterprise development" was hosted by the International Renewable Energy Agency (IRENA) with the Asian Development Bank (ADB), Department for International Development (DfID) and the Centre for Innovation Incubation and Entrepreneurship (CIIE), on the 15th of June 2014 in Manila, Philippines, as part of the International Off-grid Renewable Energy Conference 2014.

The objective of the workshop was to provide an opportunity to initiate and facilitate knowledge transfer between various stakeholders in the energy access enterprise development ecosystem in South Asia and Africa. In addition, the focus was to identify opportunities to strengthen enterprise development and, through a collaborative programme, assist in the improvement of regulations, access to finance, facilitation of technology, business model delivery on innovative approaches, and enhancement of skills of energy access entrepreneurs.

Experiences were shared from India, where a number of research institutions and centres of excellence have been created by the Ministry of New and Renewable Energy (MNRE) to improve the use of renewable energy technology by small businesses and their business models. In particular, India also has a well-known group of entrepreneurs and businesses who have created a name globally in the provision of off-grid energy access services to rural areas. For example, the reach of SELCO has been widely acknowledged globally and the SELCO Incubation Centre has been established to transfer the knowledge locally to other entrepreneurs. Similarly, other incubation centres such as the Centre for Innovation Incubation and Entrepreneurship (CIIE) based at IIM Ahmedabad are initiating innovative approaches to support clean technology businesses, such as, through an accelerator programme for cleantech startups and through the setting up of a US$25 million cleantech-focused venture fund. Both SELCO and CIIE discussed their business incubation models, in addition to the Kenya Climate Innovation Centre (CIC), the Unreasonable Institute East Africa, and 2iE Technopole from Burkina Faso.

The **key objectives** of the day-long workshop were to:

- Support knowledge exchange between entrepreneurs and incubation centres working in the energy access space in Asia/Africa.
- Identify critical gaps in knowledge, skills and resources that prevent the creation and growth of enterprises in the energy access sector.
- Outline skill enhancement and resources needed to support energy access entrepreneurs.
- Form a network of incubation centres, entrepreneurs and renewable energy associations to further develop a model for a sustainable ecosystem.

Diverse representation

The workshop had an attendance of 44 participants from 35 organizations from South Asia and Africa, representing a diverse spectrum of functions, sectors and capacities. These included business incubators, renewable energy industry associations, entrepreneurs, investors, multilateral donor organizations, financial institutions and consulting firms. The diversity of the group ensured a lively discussion in the latter half of the day that involved group discussions.

Introductions and panels

Introductory remarks were made by Gauri Singh (Director – Country Support and Partnerships, IRENA), Anthony Jude (Senior Advisor and Chair – Energy Committee, ADB) and Aloke Barnwal (Climate and Environment Adviser - Energy, Climate and Growth Unit, DFID India). Anthony Jude, in his remarks, highlighted that almost US$30 billion a year in annual investment needs to be raised from now until 2030 to provide universal energy access to all. Aloke shared DfID's programmes on energy access, and emphasized

that one of the key expected outcomes of the workshop would be to share knowledge through partnerships.

Each participant then shared a brief profile of their work and background. Many participants felt that this enabled them to get a glimpse of each other's work and made them think of potential opportunities.

Following the introductory session, there was a panel on "role of incubation centers as vehicles for knowledge transfer and enterprise development across regions." The panel had representation from five incubators from India and Africa, each with a unique model and approach towards business incubation. The panel was moderated by Ashok Das (CEO – SunMoksha and active mentor to cleantech entrepreneurs). Panelists included Serah Nderitu (CIC, Kenya), Mohsin Bin Latheef (CIIE / Infuse Ventures, India), Sarah Alexander (SELCO Incubation Centre, India), Joachim Ewechu (Unreasonable Institute Uganda) and Elodie Hanff (2iE, Burkina Faso). There was a lively panel discussion and Question & Answer session with the participants following the presentations.

Interactive sessions & action points

Post lunch, there was a presentation by ADB's Energy for All Initiative describing its programmatic approach to fight energy poverty, followed by two interactive sessions that were the highlight of the workshop. The first, was on "optimizing collaboration within the ADB Energy for All Partnership." Participants were grouped based on their regions, into 4 groups. Coy Navarro and Elmar Elbling of the ADB team utilized a special canvas designed by their team to map out services offered by the participants within a region. They then used it to identify gaps and opportunities for collaboration between the participants.

The final session had participants regrouped into 4 new groups based on their areas of expertise or function. Each group then brainstormed on "challenges" and "opportunities" to arrive at collaborative specific "action points" for potential partnerships between institutions and experts working in energy access. The action points arrived at by the groups are as follows:

Business incubators:

- Creating a knowledge sharing platform and sharing each other's experiences and tools.
- Twinning of incubation centers between Asia and Africa, whereby each could learn from the other, arrange for exchange visits for staff, and 'shadow' entrepreneurs as they grow in their businesses.
- Sharing deal flows between and amongst incubators, across regions.
- Showcasing collaborative angel investment for enterprises and angel investors from both regions.
- Organising an annual review meeting amongst incubation centers to share experiences and knowledge.
- Building linkages between regional accelerator programmes for knowledge sharing.

Supporting institutions:

- Holding coordination meetings, arranged by national governments, for support organizations.
- Supporting more knowledge sharing platforms/forums and assisting in the creation of awareness to scale up the reach of enterprises both at the institutional and consumer level.
- Increasing collaboration among like-minded agencies to support knowledge and skills enhancement especially focused on enterprise development.

Industry associations

- Networking and sharing of best practices with cross-border industry associations – signing of MoUs amongst regional renewable energy associations to share capacities and best practices.
- Setting up of a regional industry association in East Africa.
- Establishing a lobby group for favourable renewable energy regulations and financing. Industry associations have some valuable information on financing of projects.

Entrepreneurs, Investors and related organisations

- Developing new models for financial innovation, such as exploring blended capital funds, tapping into corporate social responsibility funds, and setting up crowd funding platforms.
- Creating a group to advocate policy reform to governments, to address the disparity between support provided to on-grid power producers and off-grid operators.
- Advocating the promotion of priority sector lending to energy access entrepreneurs.
- Creating a platform to share knowledge to replicate proven business and financial models.