

Energy for All sessions during 6th Asia Clean Energy Forum, held in ADB Headquarters, 22-24 June 2011

Summary by Energy for All team, Photos courtesy of IISD



The Sixth Asia Clean Energy Forum 2011 “New Business Models and Policy Drivers - Building the Low-Carbon Future,” took place from 22-24 June 2011 in ADB’s Headquarters in Manila, Philippines. The event was organized by Asian Development Bank (ADB), the United States Agency for International Development (USAID), and the World Resources Institute (WRI).

660 participants from over 50 countries, representing governments, financial institutions,

civil society, academia, international organizations, and the private sector gathered in daily plenaries, breakout sessions, and parallel side events to discuss good practices in clean energy policy and regulation, financing and investment, innovative business models, and energy access.

Energy for All was presented in six different breakout sessions covering different technologies, business models, the role of different stakeholder (private sector companies, social entrepreneurs, institutions) in Asia and the Pacific. For the first time, sessions were presented in panel discussions which enabled a lively and fruitful discussion in the sessions. The major important messages were that plenty of successful mechanisms exist, yet how to access financing still remains a large barrier for many of the project implementers. Energy for All will not be achieved without involving the government or institutions that have the capacity to scale-up those successful models. The role of development organizations will be to support these initiatives, contribute seed funding and facilitate platforms where stakeholders can work together. The overall agreement during ACEF: We will have to work together to make our goal happen: Servicing 100 million people by 2015, Sustainable Energy for all by 2030!

Presentations, contact of speakers can be found below. For any further questions regarding the Energy for All sessions at the Asia Clean Energy Forum or the Energy for All Partnership, contact secretariat@energyforall.info or laraborn.consultant@adb.org.

ACEF session 5: Towards Sustainable Energy for All: Wednesday, 22 June, 2-3:30 PM

Chair:

- ❖ Bart Édes; Director Poverty Reduction, Gender and Social Development Division, Regional Sustainable Development Department; ADB (bedes@adb.org)

Special key note speaker:

- ❖ Mohamed El-Ashry (mohamed@el-ashry.com)

Panelists:

- ❖ Edwin Khew, Chairman, Sustainable Energy Association of Singapore (SEAS) (khew@iutglobal.com, ekhew@yahoo.com.sg, khew@seas.org.sg)
- ❖ Rajan Velumail, Regional Technical Advisor for Energy, United Nations Development Programme (UNDP) Asia Pacific Regional Centre (rajan.velumail@undp.org)
- ❖ Edita Bueno, Administrator, National Electrification Administration (NEA) Philippines (esbueno@nea.gov.ph)
- ❖ Johane Meagher, Executive Director, Global Sustainable Electricity Partnership (formerly e8) (Meagher.Johane@hydro.qc.ca)



(Source: IISD)

Summary: Stakeholders from government, development organizations and the private sector shared their strategies and mechanisms to achieve the goal of providing access to modern energy to 100 million people by 2015 and achieving universal energy access by 2030. The four panelists discussed concrete activities for achieving these targets, existing barriers and potential areas for productive collaboration among the partners.

In his keynote speech, Mohamed El-Ashry gave a brief background about the Global Campaign on Sustainable Energy for All and related activities and the designation of year 2012 as the International Year of Sustainable Energy for All and related activities such as the Global Alliance on Clean Cookstoves. El-Ashry emphasized the importance of government commitment and assured that where government commitment has been involved in the past, progress has been made. He urged participants to help raise awareness for energy poverty and join the efforts of the Global Campaign on Sustainable Energy for All.

Beside the commitment of the government, essential ingredients for Sustainable Energy access were seen in financial models on provisioning and servicing technology on the ground, linkage to energy programmes to strategies in poverty reduction, long-term energy policies and training, especially on the ground. Panelists agreed that predictable subsidies matching long investment payback periods are needed.

ACEF session 9: Financing Sustainable Energy for All: Wednesday, 22 June, 4-5:30 PM

Chair:

- ❖ Martin Jensen, Investment Specialist, Private Sector Capital Markets Climate Change Finance unit, Asian Development Bank (mjensen@adb.org)

Panelists:

- ❖ Dr. Russell J. deLucia, President and Executive Director, S3IDF- The Small-Scale Sustainable Infrastructure Development Fund, Inc. (delucia@s3idf.org)
- ❖ Matthew Kuzio, Senior Officer - Eco Products Unit, XAC-Bank (matthew.kuzio@xacbank.mn)
- ❖ Marion Verles, Executive Director, Nexus Carbon for Development (m.verles@nexus-c4d.org)
- ❖ Saurabh Lall, Research Officer, New Ventures, World Resources Institute (slall@wri.org)

Summary: Although there exist plenty of financing mechanisms and sources, financial sustainability still is the major challenge of energy access projects and programs. How will it then be possible to achieve universal access to energy? The second Energy for All session (ACEF session 9) tried to find answers to questions on project financing as well as end-user financing based on the experiences of the participants.



The major source of project financing still is seen in donor funding. A clear marketing strategy remains one of the major successful tools in accessing these resources. Russ de Lucia highlighted the importance of supporting specifically local players. In India, his organizations S3IDF has implemented the social merchant bank approach which facilitates finance, business development and technical services in poor communities.

Carbon financing was an important discussion issue during this session. Marion Verles from Nexus pointed out, that carbon finance is not the one-fits-all financing solution, yet organizations like Nexus Fund or Micro Energy were able to overcome barriers such inappropriate methodologies, high transaction costs by supporting and bundling a variety of projects.

ACEF session 14: Business Innovations to Enable Energy for All – The role of large companies: Thursday, 23 June, 11-13:30 PM

Chair:

- ❖ Matthew Lynch, Programme Manager, Development Focus Area, WBCSD (Lynch@wbcsd.org)

Panelists:

- ❖ Harry Verhaar, Senior Director Energy & Climate Change, Head of Strategic Sustainability Initiatives, Philips (harry.verhaar@philips.com)
- ❖ Philippe Reveilhac, Country President Philippines, Schneider Electric
- ❖ Dr. Peeush Kumar Bisnoi, Global Technology Leader (Decentralized Renewable Energy Technologies), Siemens (peeushkumar.bishnoi@siemens.com)



Summary: The World Business Council on Sustainable Development (WBCSD) convened this session, which presented the key elements of a business proposition on access to energy issues by highlighting examples of innovative and sustainable business solutions in the Asia-Pacific region.

Peeush Bishnoi from Siemens AG presented the company's approach for addressing energy poverty issues: identifying the customer, assessing the real demand and needs, identifying appropriate revenue model and technology options. According to Bishnoi, market driven approaches are key requirements to overcome energy access and energy poverty challenges. Philippe Reveilhac, Schneider Electric Philippines, introduced Schneider's non-profit BipBop programme, which provides low-cost off-grid energy to bottom-of-pyramid customers, the payments for which recoup Schneider's investment costs. In Reveilhac's experience, wealth creation for local communities is key to opening new markets.

Panelists did not see major barriers in scaling up access to energy services. This will highly depend on the market development for the technologies. Harry Verhaar, Philips Lighting, said a shift in narrative is needed that will engage fast acting customers and voters, rather than slow moving politics. He urged large companies to be more aware of their role as communicators for innovative uses of new technologies, such as off-grid lighting



ACEF session 18: Earning Profit through Powering the Poor: Learning from Social Entrepreneurs: Thursday, 23 June, 2-3:30 PM

Chair:

- ❖ Dirk Münch, Regional Manager Asia, E+Co (Dirk.Muench@EandCo.net)

Key note speakers:

- ❖ Bart Édes, Director Poverty Reduction, Gender and Social Development Division, Regional Sustainable Development Department; ADB (bedes@adb.org)

Panelists:

- ❖ Cecile Pompei, South Asia Business Development Manager, Barefoot Power (cecile@barefootpower.com)
- ❖ Jeroen Verschelling, Director, Kamworks (Jeroen@kamworks.com)
- ❖ Julius Alip, Deputy Director, CARD Business Development Service Foundation (jaralipnh@yahoo.com)



Summary: The objective of this panel discussion was to understand the role of social entrepreneurs in providing access to energy services to the poor as well as their impact and barriers they are facing. Panelists Cécile Pompei (Barefoot Power), Jeroen Verschelling (Kamworks) and Julius Alip (CARD) outlined the roles of their organizations in providing affordable energy services to the poor in Asia and the Pacific.

Key note speaker, Bart Édes, ADB, introduced ideas on how social enterprises can expand access to energy for poor and vulnerable populations by filling gaps left by donors, philanthropic organizations and large companies. He shared examples of innovative and successful efforts, such as Emergence Bioenergy and the Thailand based Population and Development Fund, as well as ADB project, which tries to identify and map social entrepreneurs in the region. Édes referenced statistics that point to large amounts of available funding for social enterprises and thus, initiated a lively discussion among the three social entrepreneurs, which barriers they are facing in providing energy services to local consumers and especially how to access financial resources.

ACEF session 22: Institutional Models for Transforming Energy Access Markets: Thu 23 June, 4-5:30 PM

Chair:

- ❖ Frank van der Vleuten, Energy Access Programme Manager, ETC Energy

Panelists:

- ❖ Wim van Nes, Renewable Energy/Biogás Network Leader, SNV
- ❖ Islam Sharif, CEO, Infrastructure Development Company Limited (IDCOL)
- ❖ Len George, Energy Specialist, Energy Division, South Asia Regional Department
- ❖ Maaïke Göbel, Manager, South East Asia and Pacific, Renewable Energy and Energy Efficiency Partnership (REEEP) Southeast Asia & Pacific
- ❖ Elizabeth Muguti, Senior Power Engineer, African Development Bank (AfDB)
- ❖ Pradyghya Yati, Mechanical Engineer, People Centered Business & Economics Institute (IBEKA)

Summary: The objective of this session was to discuss the experiences with institutional transformation as a strategic approach to scaling up energy access markets. The chair Frank van der Vleuten (ETC Netherlands) introduced the fact that energy access markets are non-linear: getting more outputs is not a simple matter of adding more inputs. Money is not the key problem, but the tendency of projects and companies to see their growth curve saturate over time.



Wim van Nes (SNV) and Islam Sharif (IDCOL Bangladesh) described how their programs in the field of domestic biogas and solar home system changed the design of their sectors and allowed for fast growth of the number of installed systems. The case of the solar home systems market in Bangladesh changed and started demonstrating exponential growth ever since IDCOL as (mainly) financial institution was engaged in 2003 to support the implementing partners. Maaïke Göbel (REEEP) and Pradygha Jati (IBEKA) described how they moved from project support to support for champions in market development. Panelist Wim van Nes made the remark that, to make the next step, the focus should shift to the sector at large and it has to be accepted that individual companies leading market development now may actually disappear or have a smaller role in the near future.

The session was happy to welcome Elizabeth Muguti from the African Development Bank and Len George from the Asian Development Bank to discuss and question the upcoming models. They mentioned that development banks are currently mainly reactive to these forms of institutional development, although they are looking for new constructions to finance SMEs and smaller projects. Upon the question from the audience if the growing markets for solar and biogas need policy protection against the coming of power grids or LPG projects (for instance by policies allocating different regions for grid extension and for decentralised solutions), Wim van Nes and Islam Sharif answered that there is no need, this has not been of any concern to them, and the customer remains free to choose. Regarding the question to replicate the models, Wim van Nes answered that, with the present experiences, development can be accelerated but market players and stakeholders always need time to go through their learning curves.

ACEF session 26: Clean Energy solutions for the poor: Friday, 24 June, 9-10:30 AM

Moderator:

- ❖ Rehan Kausar, Senior Infrastructure Specialist, Energy Division, Southeast Asia Regional Department, ADB (rkausar@adb.org)

Panelists:

- ❖ Prakash Ghimire, Senior Adviser, Renewable Energy/Biogas Programme, SNV (prakashchgh@gmail.com)
- ❖ Zhang Mi, Deputy Director, China Association of Rural Energy Industry (CAREI) (zhangmij1@126.com)
- ❖ Rimtaig Lee, Chairman, Korea Wind Energy Industry Association (itslee@chol.com)
- ❖ Lyndon Frearson, General Manager, Cat-projects (lyndon.frearson@catprojects.com.au)
- ❖ Md. Fazley Rabbi, Senior Manager, Grameen Shakti (g_shakti@grameen.net, g_shakti@grameen.com)



(Source: IISD)

In brief presentations, participants in this session shared their experiences deploying clean energy technologies to meet the energy needs of the poor. During the panel, the experts discussed how technological innovations, cost reduction, and innovative approaches to planning, financing, procurement, and livelihoods development can contribute to making clean energy technologies viable, sustainable solutions for the poor.