

Micro Perspectives for Decentralized Energy Supply



Feb. 27 to Mar. 1, 2013 in Berlin, Germany

Is there a role for microfinance in decentralized energy supply? Block II, Thursday, Feb 28th 2:15pm



According to the World Energy Outlook 2012, about 1.3 billion people live without access to electricity and nearly 2.6 billion use traditional biomass for cooking. It is estimated that another billion are left with unreliable electricity networks. This underserved population's energy service supply can be summarized with three main characteristics: poor quality, hazardous to health, and high cost. Despite this apparent need, as of now, successful implementation schemes of energy inclusion remain scarce, mainly because they lack a systematic approach to assess the target groups' behavior patterns, as well as the key elements of demand estimation of the target groups' willingness and ability to pay. High initial investment costs and/or a lack of access in rural areas (absence of distribution and maintenance networks) often prevent dissemination in those areas. Hence, both practitioners and academics are currently making efforts to identify successful implementation schemes for energy service improvements for low-income people. As of now, a range of development organizations have identified microfinance institutions (MFIs) as an ideal partners for achieving the goal of energy inclusion, following their aim of financial inclusion. Having the ideal distribution network and continuous proximity to their customers, MFIs are expected to be able to design inclusive financial products for improved energy services bringing down the prohibitive initial investment cost and facilitating the necessary after-sales services.

This session aims to show the potential role microfinance can play when it comes to decentralized energy supply. Panelists will give their insights from both, an academic perspective but also a practitioners' point of view showing current projects from around the globe.

<http://www.microenergysystems.tu-berlin.de/conference/> email: mes-conference2013@zta.tu-berlin.de Phone: +49-(0)30-314 78 584



Moreover, the *Action Group on Microfinance and Environment* was officially launched and presented after the session. Created in the framework of the European Microfinance Platform, this action group is the first of its kind and is unique in bringing together the most innovative actors at the intersection of microfinance and environmental issues. Its work will greatly contribute to enhance the visibility of current initiatives, to improve the exchange of information among practitioners and will provide new, practical tools to advance environmental microfinance, such as directory of organizations providing funding or technical assistance in environmental microfinance, an environmental product catalogue for MFIs, collection of case-studies (showing best practices and lessons learned), and a catalogue of criteria to assess the environmental performance of MFIs).

Moderation:

José Maria Ordeix: Project Manager of Latin America at MicroEnergy International

Panelists:

Allan Robert Sicat: Executive Director of the Microfinance Council of the Philippines Inc.

Maria Elena Carias: Project Manager for Energy Financing at Fundación Coveló, Honduras

Christine Namazzi: Managing Director of Naco Solar, Uganda

Carla Palomares: Project Officer Inclusive Financial Services at ADA, Luxembourg