



Energising Development Partnership (EnDev)

Key Facts

The *German-Dutch Energy Partnership* (GDEP) is an impact-oriented global sector initiative between the *German Federal Ministry for Economic Cooperation and Development* (BMZ) and the *Directorate-General for International Cooperation of the Dutch Ministry of Foreign Affairs* (DGIS) and, as such, a good example of successful donor harmonisation. With this programme Germany and the Netherlands have taken a leading role in promoting the decentralised supply of renewable energies to households and small-scale businesses. The Partnership cooperates with several partner countries in Africa, Latin America and Asia and is open for additional donors to join.

The implementation of the GDEP's *Energising Development* (EnDev) programme started in 2005. It had the initial objective of providing sustainable access to modern energy services to 3.1 million people in developing countries. The programme has been scaled up recently; the second phase of the program started early 2010: in total 138 million euros have now been allocated to support access to energy for the poor. The target for the second phase is to provide an additional 3 million people with access to sustainable energy services by 2012.

The objective from the first phase has been surpassed. By December 2009 more than 5 million people have been provided either with electricity or improved cooking technologies in households. In addition 1.5 million people are benefitting from sustainable access to modern energy services in social infrastructure institutions and small enterprises.



Small hydropower plants like this one in Indonesia supply rural areas with sustainable energy.

The *Deutsche Gesellschaft für Technische Zusammenarbeit* (GTZ) GmbH is acting as the principal agency for implementing the partnership. GTZ can build on more than 25 years experience in the energy sector and operates local offices worldwide for the planning and implementation of development measures. Implementation is conducted in close cooperation with the Dutch *NL Agency*. While NL Agency contributes its expertise in the fields of monitoring and evaluation, GTZ uses its infrastructure in developing countries and its experience in setting up and implementing energy programmes.

Scope

Currently 23 activities are carried out in 17 low- and middle-income countries in Asia, Latin America and Africa, with sub-Saharan Africa being the focal point. EnDev concentrates on expanding activities already underway. There is a strong cooperation with national partners such as central government ministries, local government administrations, civil society organisations and the private sector.



EnDev is a global sector programme, hence funds are not committed on the basis of bilateral governmental negotiations; rather eligibility for funding is performance-based. However, the measures supported by EnDev are aligned to the German bilateral development cooperation portfolio.

Enhancing access to energy is a precondition for achieving the Millennium Development Goals (MDGs). In that respect, EnDev does not aim for simply connecting households and institutions from a technological point of view. EnDev intends to maximise the impact of energy access by taking into account energy use and target group demand. Long-term sustainability of energy access is a key parameter. EnDev supports the provision of:

- Energy for lighting/household applications: provision of modern energy for lighting and small electrical appliances to households (e.g. information and communication technologies)
- Energy for cooking: development of self-sustaining markets for the production and sales of improved cooking stoves
- Energy for social infrastructure: provision of modern energy services to schools, hospitals and community centres
- Energy for productive use: provision of modern energy services to small and medium-sized enterprises, cooperatives and craftsmen for (additional) income generation.



Studying in the evening and watching television is only possible with access to energy.



Solar power can be a key to development for poor isolated villages.

The technologies and services predominantly promoted in EnDev's country programmes include photovoltaic energy, grid densification, micro-hydropower, energy-efficient cooking stoves and biogas.

The activities differ from country to country and from project to project. Some examples of project components are targeted campaigns for raising awareness, training of stove producers, assisting entrepreneurs to start up energy-related businesses, promoting solar home systems, providing information, technology transfer, technical assistance and capacity building. Where necessary, subsidies are provided to kick start markets or buy down capital investments, but not for operational costs.

Policy and local demand are translated into detailed concepts and activities in close cooperation with the partner countries and development partners. The services rendered by EnDev include project identification, project design, contract management, monitoring of all activities, and flexible combinations of capacity development measures and grants.

EnDev Criteria

The selection process for measures to be supported by EnDev combines competition with needs assessment and focal areas defined by the German and Dutch financiers. The competition approach allows for a fast scaling-up of successful activities and flexible reallocation of funds between countries



‘Life has improved greatly since we’ve had electricity...’

Energy for people

‘Life has improved greatly since we’ve had electricity...’, enthuses 75-year-old farmer Pedro Huayllas in Bolivia. His hut has only recently been connected to the electricity grid. He and his wife Simona now have light to read by in the evenings. They used to have to read by a sooty kerosene lamp that gave out little light. On their meagre pension they could not often afford torch batteries. Now they are actually saving money, because the electricity is cheaper than the kerosene. A small part of the cost of connecting their hut to the electricity supply was subsidised by a private Bolivian energy utility and EnDev – Pedro and Simona can pay off the rest in installments.



according to performance. Performance is being measured in terms of the number of people provided with sustainable access to modern energy services per allocated euro. Long-term sustainability is a core criterion for activities to be supported within the EnDev framework. Special attention is paid to the broader developmental impacts of the energy activities implemented.

EnDev is working with results-based management. Baseline studies are conducted before project intervention and systematic impact studies after households, social infrastructure or small and medium sized enterprises gained access to a form of modern energy. Experiences with the programme show that competition between different projects and technologies stimulates local contributions and cost efficiency. EnDev ensures additionality of its interventions. An activity is only considered eligible if it provides access to modern energy services that would not materialise without the intervention of EnDev.

The figures reported by EnDev include the following adjustment factors (rationalizing the initially measured number of beneficiaries):

- the **sustainability adjustment factor**, accounting for the fact that the access to modern energy technologies is unfortunately not sustainable in all cases;
- the **windfall gain factor** is an adjustment for the fact that some households would have gained access to modern energy services even without EnDev support, and
- the **double energy factor** accounting for the fact that some households and social institutions gaining access were already benefitting from -another- modern energy service (as, by definition, any beneficiary will only be counted once: upon its first connection to such service).



Small markets can extend their working hours in the evenings.



Biogas digesters provide farmers with cooking energy and fertilizer.

Activities clearly focus on those energy services and resources, which are reliable, affordable, socially acceptable and environmentally sound. EnDev initiatives should supplement ongoing activities. Hence, the core criteria for activities to be supported under EnDev relate to both quantitative output and long-term sustainability.

EnDev is a promising development instrument that scores high on efficiency, scale and sustainability (which are often antagonistic). It combines advantages of a programmatic, long-term local presence with a unique benchmarking process that allows rewarding strong performers.

Learning and Innovation

It is of utmost importance to find solutions which are appropriate to a specific local context. All activities have the same objective: development through access to energy.

EnDev as a global programme is able to create and share knowledge between activities in more than 17 countries worldwide. The cultural diversity represented in the programme is a key for innovation. Sharing experience and learning together is the basis for success.

Energy for millions

Performing operations in hospitals without electric light, no means of keeping food or medicines cool, communities sitting in the dark after 5 p.m.: these are just some aspects of everyday life where energy is not available. For more than 5 million people this state of affairs has already changed – and a further millions are set to follow. The activities are varied and geared to the needs of the population. The aim of EnDev is to enable people to step up in development. This is almost always seen to happen when the population switches from using inefficient forms of energy or none at all to using modern forms. It applies to private households just as much as to small enterprises. Instead of using inefficient stoves that threaten their families' health, women now cook with modern stoves that need less fuel. Instead of sitting in their homes without light or with just a candle, the families now have a solar-powered lamp, which gives enough light for the children to do their homework. Farmers are able to cool or grind their products using electricity from the local power distribution grid. The experts in the various projects tackle the issues at several levels, starting with the legal framework and extending through the training of technical staff to the financing of capital expenditure for rural electrification.

Imprint:

Published by:
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Printed on 100% recycled paper

December 2009

Photos:
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Fototext, Getty Images - Brand X

Designed by:
creative republic / Thomas Maxeiner
Visual Communications, Frankfurt a. M.
Germany, www.creativerepublic.net

