

Empowering People

Report on Impacts

With the support of EnDev, more than ten million people have gained access to modern energy services.





Empowering People

Four out of five people on this planet simply turn a switch. The lights come on, a computer powers up, hot water flows from a tap or machines start humming.

One out of five, however, does not have a switch to turn, since he or she simply has no access to energy. There are various reasons why 1.3 billion people are still without electricity and 2.6 billion rely on open fires and traditional stoves for cooking. Operating electricity grids in remote areas is not economically viable for many electricity suppliers in developing and emerging countries. Initiatives for disseminating modern stoves, in turn, face numerous social, cultural and economic challenges. Energising Development – EnDev – supports access to energy services for low-income populations, social institutions and small and medium-sized enterprises in Africa, Asia and Latin America. EnDev achieves this by establishing economically sustainable energy solutions and distribution schemes, mainly in rural regions.

EnDev does not produce energy though – EnDev mainly boosts pro poor energy markets for example for solar lanterns or modern cookstoves. Moreover EnDev supports partner countries, government bodies and enterprises to extend grid connections, offer mini grid solutions and grid densification.

A market approach has the advantage that it supports the self-interest of the providers. They are offering products and services independently. To earn a living they compete with each other and thus penetrate the markets quickly, reaching far more people than a development organization ever could. Once the markets are up and running, EnDev slowly withdraws and uses its experiences to initiate markets in more countries.

EnDev has reached 10.3 million people in as little as eight years. This number is equal to the people living in Sweden or the entire population of the West-African country of Benin. It was not a straight-forward path. What worked in one country didn't work in another. Trying, failing, readjusting, and succeeding: As a learning programme, EnDev over the years has fine-tuned its methods and has gathered knowledge.

The goal of the United Nations global initiative Sustainable Energy for All to enable 1.3 billion people with electricity and to provide 2.6 billion people with access to modern cookstoves is not easy to reach. But it is possible. The technology and strategies exists – and yet the mission is not completed.

Executive Summary

Between September 2005 and December 2012 EnDev facilitated access to sustainable energy services for 10.3 million people. EnDev is mainly active in Africa but is also engaged in Asia and Latin America.

On average, EnDev does not spend more than 20 EUR per capita, which is very cost effective in comparison to other programmes. The multinational development initiative has successfully launched markets for modern cookstoves, solar lighting systems and mini-hydro plants in its partner countries. It promotes the expansion of the electricity grid as well as isolated solutions in remote regions. In areas with electricity grids, EnDev develops concepts to enable people in the proximity to afford a connection.

Which impact has EnDev achieved?

Access to energy is a tool to improve livelihoods. The dissemination of modern energy devices can improve living conditions for people. Energy access figures are relatively easy to gather. It is much harder however to quantify and qualify impacts on productivity, poverty, health, gender, education as well as on environment & climate. EnDev has therefore commissioned a large number of studies. These studies prove the positive impact of the EnDev programme.

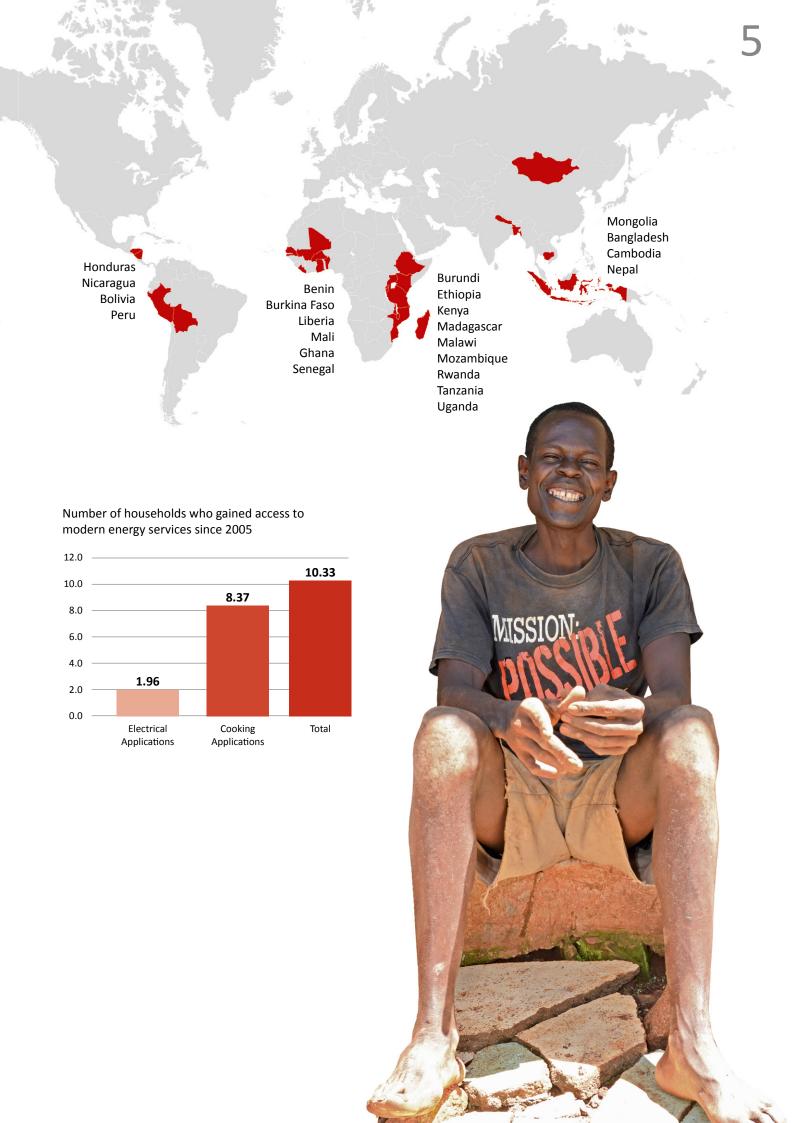
Reduced Poverty & Productive Use: In cooperation with its partners, EnDev has enabled 10.3 million people, 11,600 social institutions and 24,300 small and medium sized enterprises to gain access to energy. EnDev has also has trained 30,000 stove builders, craftsmen, vendors, operators and technicians. Stove builders and solar companies alone achieved monthly revenues of over 8.2 million EUR in 2010 and 14.6 million EUR in 2012.

Gender: Electricity and modern cookstoves facilitate the work of women and girls. Electric lighting improves living and working conditions at home, while modern stoves cook faster and cleaner, use less firewood and save up to 40 per cent of time that would be otherwise be spent searching for firewood. Women benefit from job creation, too, as shown by a study in Kenya, where women account for almost half of all modern stove builders, installers and marketers.

Health: Modern stoves and lighting systems reduce emissions caused by traditional stoves or three-stone fires and by kerosene lamps and candles. The stoves promoted by EnDev on average emit 30 to 40 per cent less carbon monoxide and other pollutants such as nitrogen oxides, benzene or formaldehyde than the baseline stoves traditionally used. An EnDev study in Peru reveals that 70.5 per cent of traditional stove users complain about coughing attacks, whereas only 6.1 per cent of modern stove users do so.

Education: To date, EnDev and its partners have supported 6,400 schools to gain access to modern energy services. It is expected that this will lead to better learning and higher success rates.

Environment & Climate: Today, at a conservative estimate, more than 1.8 million stoves are improving the lives of 8.37 million people; almost two million people are benefitting from modern lighting. Every stove saves up to 0.59 tonnes of CO₂ equivalent each year. This adds up to approximately 997,000 tonnes of CO₂ per year. The wood and charcoal stoves promoted by EnDev save up to 973,000 tonnes of firewood each year which reduces degradation of forests. Although it cannot assume that this entire forest area will remain, it is clear - and has been confirmed by several studies - that the pressure on forests is lowered.



Energy, Development & EnDev

By creating dynamic markets for sustainable energy technologies, one can reach people who presently have no access to electricity.

Velma Achieng lives in a small village north of Kisumu, a Kenyan city close to Lake Victoria. Like her mother and grandmothers, she cooks with firewood which she has to collect. While she is breaking and stacking branches, her mobile phone keeps ringing. She uses it to make phone calls but also to receive money and pay bills.

Banking services via mobile phone in direct conjunction with the thousand-year old technique of a three-stone-fire. This seeming incongruence has become part of every-day life in many EnDev partner countries. Today, energy can be produced in many ways and used for numerous applications. Which form of energy actually makes sense, which path of development people take, depends on the particular requirements of people and their financial circumstances. It is also determined by the geographic, climatic and cultural conditions under which people live.

Energy is not necessarily the most important challenge for people without access to it. Clean water, food, schools, higher income or an internet connection – citizens of developing countries have many unmet needs. Many of these needs can be addressed much more easily, though, with access to modern energy.

Energy is an important tool for reaching the Millennium Development Goals. An increasing number of international organisations today are emphasizing the significance of energy. Thus the United Nations founded the global Sustainable Energy for All Initiative, with the goal to provide modern energy by 2030 to everyone. The EU Commission has joined the initiative and wants to provide 500 million people with access to energy by this time.

In cooperation with a wide range of local partners, EnDev has gathered much experience regarding ways and means to achieve this energy access for people. Energy demand and supply varies from country to country and region to region. The challenges are very similar though: EnDev and its partners have to investigate local requirements and options, adapt technologies, train engineers, technicians and managers and develop financing instruments.

To reach its goals EnDev creates functioning pro poor energy markets. Only markets fulfilling all requirements and needs will work sustainably.





SENEGAL: Ali Diouf from the Senegalese village of Sine Moussa Abdou is connected to a mini grid delivering energy to 69 households, two schools, a health post and a mosque. Ali Diouf pays for the energy in advance using a prepaid card. EnDev supported the mini grid project in a private public partnership with the Senegalese-German electric utility provider Inensus who manages the grid.



KENYA: "I learned to install and produce modern rocket stoves at an EnDev workshop. Since that time, I have worked as a professional stove builder and I earn good money. I have already built a house, purchased a cow and have some money in the bank," says Shadrac Ananda.

ETHIOPIA: "Since we are connected we are now able to sterilize our equipment and run microscopes to diagnose Malaria," explains David Tersasa, who runs Sire Goyu health centre.



What makes EnDev unique

EnDev has reached more than ten million people. The initiative has achieved this number with a minimum of means and by mobilizing various public and private investors too. Many factors contribute to these successes, a few of which stand out.

Initiate sustainable energy markets

Market dynamics are created where needs are met and where suppliers can earn an income from meeting these needs. In order to create such an environment, EnDev works on community, regional, national and international levels. EnDev intervenes both on the supply and the demand side and is committed to improving the general framework. The success of EnDev, however, is only possible with strong local partners. Therefore, EnDev cooperates with government institutions as well as with NGOs, universities, financial institutions and private sector companies.

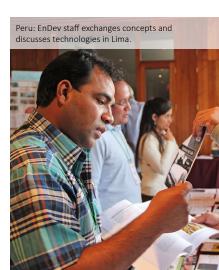
Together with its partners, EnDev innovates by adapting technologies, which ideally can then be fully maintained in the respective countries and, where possible, also produced locally. To enable efficient manufacturing, operation and distribution of the products, EnDev has, for example, initiated training courses for hydropower operators, biogas digester builders, grid technicians, stove builders and solar technicians, and also provided coaching for future entrepreneurs in marketing and business skills. Many producers as well as customers are not aware that there are appropriate, robust and inexpensive technologies to meet their requirements. Therefore EnDev initiates information and marketing campaigns.

EnDev supports grid extension and connecting people

Market creation, however, is only one of many interventions. EnDev also focuses on grid extension and mini grids, and provides its partners with information and know-how. One example of an efficient strategy is to connect people who live close to grids but cannot afford the one-off connection fee.







Another example is the development of financing concepts in cooperation with branch organisations, banks and government agencies which enable communities in Nepal to electrify their villages. In countries such as Bolivia, EnDev has, in cooperation with energy providers, introduced credit schemes for people with low incomes. Thus people can finance the high connection cost and pay back the credit step by step as they spend less money for candles, kerosene or batteries.

Poor-quality technologies endanger emerging markets. Therefore EnDev commissions comparative studies and advocates high quality standards. For this reason EnDev is also active in international initiatives, such as Lighting Africa and the Global Alliance for Clean Cookstoves.

Courage to fail – internal competition of methods

New technologies and strategies are not necessarily always successful. Conceding failure is part of the EnDev philosophy, and by learning, future larger failures are avoided. For this reason, EnDev creates an internal competition for the best methods and strategies. Projects with good results consequently receive more funds. In addition, EnDev adapts successful strategies in partner countries, thereby reaching a large number of people in a short time and at low cost.

Methodical monitoring – the figures add up

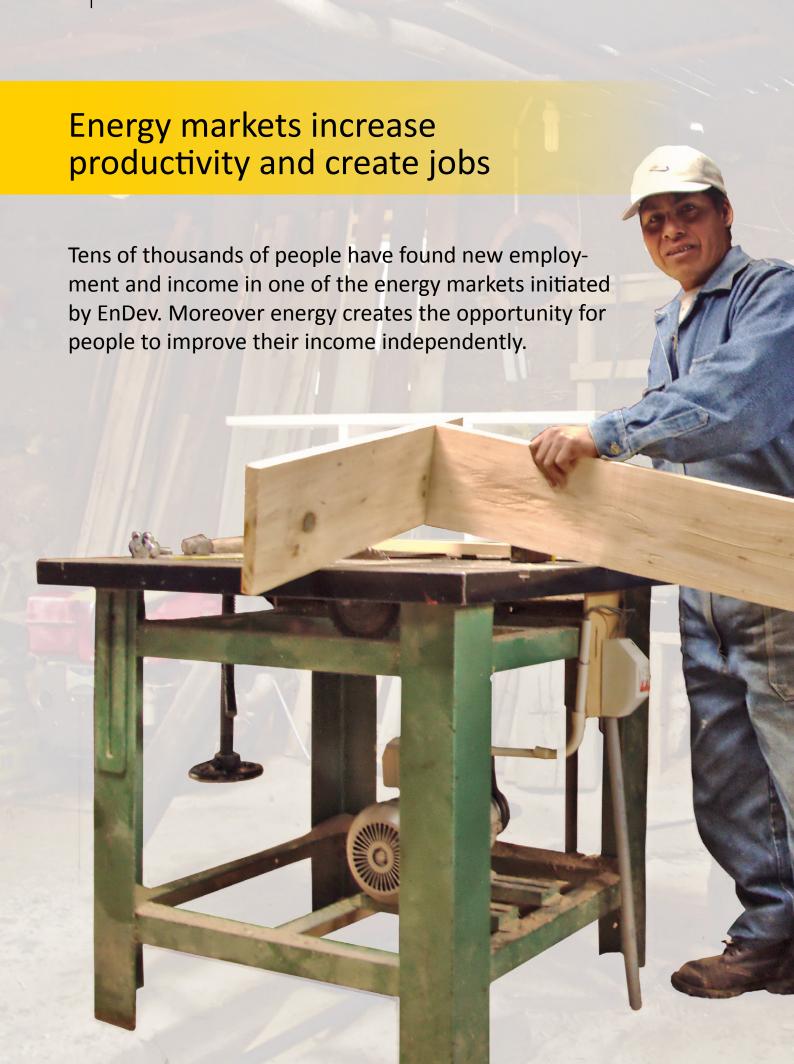
Another unique feature of EnDev is methodical monitoring. Each project has to report outcome figures every six months. How many stoves were sold? How many companies and schools were electrified? The numbers are checked for plausibility and validity. EnDev gathers the figures based on standardised approaches and deliberately uses conservative calculations.

The figures are generously adjusted downwards to account for several aspects, such as free-rider effects (people who would have gained access anyway) or to prevent double counting of beneficiaries with access to both energy for cooking and electricity. A sustainable adjustment factor, for example, takes into consideration that the access provided to modern energy technologies might not be sustainable in all cases.









Twenty per cent of the world's population have to survive on less than USD 1.25 a day. The members of the United Nations aim to halve this number by 2015. This was formulated in the Millennium Development Goals. Energy services are a tool to reach this goal.

Thus EnDev supports the Millennium Development Goals in creating markets for energy services to supply people, institutions and small and medium enterprises. With modern energy services, people can improve their livelihood and save money. Moreover, energy is a tool to create jobs and business opportunities. Finally, energy services can improve productive processes in agriculture as well as in manufacturing and services. The Centre for Global Development confirms the importance of energy in its Africa's Private Sector report: "There is perhaps no greater burden on African firms than the lack of reliable supply of electric power."

Efficient cooking and lighting saves money

People with low income use energy mainly for cooking purposes and lighting. With modern stoves, they can save up to 40 per cent of fuel costs and spend this money for other important things. Households save from four EUR per month in Uganda up to six EUR per week in Peru. In Rwanda households using biogas digesters save as much as 70 EUR or 30 per cent of their energy costs each year.

Where they collect firewood instead of paying for it, they save time. In Kenya time saved can reach up to twelve days a month. According to an impact study half of the respondents use the saved time for productive activities.

Training creates jobs

Wondu Abegaz is an ambitious person and a meticulous accountant. "Since instructions on accounting with EnDev, I write down every sale, just like they taught me in the workshop", he explains and shows his order book. Abegaz produces and sells Mirt stoves, which his customers – both private households and small enterprises – use to cook the traditional Ethiopian flat bread Injera, each time saving about half of the fuel that would be required using a traditional stove. Since EnDev trained him to become a stove builder five years ago, he has sold 2,400 Mirt stoves – a profitable supplementary business for the entrepreneur.

The Ethiopian is one of approximately 30,000 people who learned a business in one of the EnDev workshops initiated in partner countries. EnDev supports the training of vendors for biogas appliances and cookstoves in Peru and Bangladesh, operators of hydropower plants in Indonesia, engineers for grid extension in Nepal and sales people for solar lanterns in Kenya and Burundi. The aim of the trainings is to create markets for energy services by teaching participants about producing, installing or selling energy products. Thus EnDev focuses not only on technical capabilities, but also teaches business skills. Moreover, EnDev partners provide marketing campaigns and financing tools to initiate these markets.

Many of the people trained run their company as a family business; others have formed businesses or cooperatives. Combining technical and management capabilities has proved successful. In Kenya for example half of the interviewed stove vendors confirmed that they are now making at least 50 per cent of their monthly income by selling stoves. 65 per cent

of them said that their earnings have increased every year. Almost 92 per cent stated they have trained others to become stove vendors. 87 per cent of the respondents said that they have invested in their business and almost all of them have hired one or two people. Another example of EnDev's commitment is the support of Ethiopian businesses which are currently developing an African production of hydro turbines and of small hydropower plants.

The newly developed energy companies, service providers and professional stove builders supply consumers with clean, affordable energy. Since 2005, solar companies and stove producers alone have achieved a total worldwide turnover of 393 million EUR. The average monthly turnover of solar companies increased from EUR 7.9 million in 2010 to EUR 13.7 million in 2012, that of stove producers from EUR 340,000 to EUR 954,000.

Energy opens opportunities for productive use

Access to modern energy opens job opportunities. Electric lighting allows shops to stay open during the night. A simple light on a market stall or a television in a restaurant in rural Mali draws new customers. In Mozambique, EnDev supported grid extension to people with low incomes. 14 per cent of the households bought a refrigerator; every tenth new fridge owner subsequently opened a business, selling chicken, cooled drinks and ice cubes. Agnes Segla from Toucountouna in Northwestern Benin opened a grocery store in 2009 when her village was electrified. Now she sells fish, frozen food, sausages and delivers her products to restaurants too.

In Rwanda, interviewed owners of electrified small and medium sized enterprises stated that they work faster and more efficiently now that they have electricity. Every third owner has expanded into new activities, for example welding, battery charging, running a bar or a barber shop. An EnDev study has concluded however that a lot of business owners lack the ideas and knowledge required to create new activities.

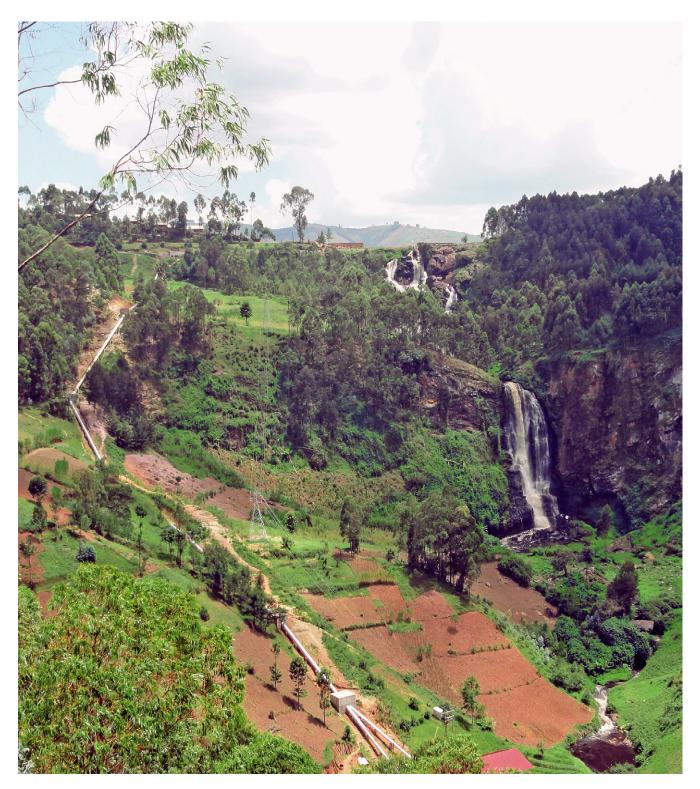
This is why a new electrical connection is no guarantee that businesses and jobs will be created. In Ghana therefore, EnDev has supported the creation of industrial zones with improved access to energy but has also included business and environmental management training in its service package. With new access to energy, 44 per cent of small and medium enterprises invested in new machines such as electric welding machines, drilling and filing machines. An EnDev impact study has shown that these investing enterprises earn around eleven per cent more than non-investing companies. According to an impact study electrified enterprises in Indonesian Province Sulawesi reported an increase in their profits of between 20 and 33 per cent.

Productive use of modern energy is a source of savings too. Fish restaurant owners in a Kenyan city, Kisumu, are cooking with improved cookstoves. Joyce Apondi Okelo for example spends less for firewood and therefore has more money in her pocket. "I save about 600 Kenyan Shillings every day," which is a lot in a country where many people hardly earn 200 Kenyan Shillings, less than two EUR per day.

Energy improves food production and processing

In rural areas, agriculture and food processing plays a very important role as it is the only source of income for many people. Energy technologies can ease the workload and make production processes more efficient. And they reduce food waste.

Solar water pumps, for example, can improve irrigation. Solar dryers help to process peanuts in Bolivia, coffee in Peru or Nicaragua, cacao in Liberia. In Peru, EnDev has enabled the installation of solar coffee and cocoa been dryers. Interviews with the respective heads of associations have found that members' earnings have increased by at least ten per cent since installing the new technologies.









Cleaner stoves – less work

Modern cookstoves support women, reduce their exposure to toxic smoke, ease agricultural work, produce jobs and increase self-confidence.

Women especially profit from the dissemination of improved cookstoves, from modern lighting systems and productive energy technologies in agriculture. According to the FAO, women comprise just over 40 per cent of the agricultural labour force in the developing world. In Africa and Southeast Asia, they do almost half of the work. Wherever machines replace manual labour in farming, they markedly ease the burden on women.

According to EnDev studies, 90 per cent of women interviewed in Pancung Taba in Indonesia reduced time spent on their agricultural activities by using electrical appliances for rasping coconuts or chopping chillis instead of doing this work manually.





Modern energy – a key to health and health services

Modern cookstoves and lighting reduce exposure to fumes. Access to electricity enhances the quality of health services and thus improves treatment.

Jane Ambuka cooks the meals in Mungoye primary school, Kenya. Five smoky fires are burning under big pots in a small hut. One can hardly see anything in the thick smoke. "My eyes are burning every day and I am coughing a lot, because my breast hurts," Jane Ambuka says.

Health

Referred to the International Energy Agency, around 2.6 billion people cook their meals like Jane Ambuka. According to the World Health Organization, every year almost two million people die from indoor air pollution. Cooking thus kills more people than malaria!

Clean cookstoves protect children and women especially, since they produce less smoke or none at all. Where they replace open fires, they also reduce the risks of severe burns. It is therefore a central aim of EnDev to disseminate modern cookstoves. Stove builders that were professionally trained by EnDev by the end of 2012 had disseminated more than 1.8 million modern stoves. Due to their construction, these stoves emit 30 to 40 per cent less carbon monoxide and other pollutants such as nitrogen oxide, benzene and formaldehyde.

But do these stoves have a positive impact on health? According to a study in Peru, 70.5 per cent of traditional stove users complain of coughing attacks and 65.2 per cent about eye infections. Among the users of improved modern stoves, only 6.1 per cent and 3.3 per cent respectively are affected.





Whether this reduction will suffice to protect people from long term respiratory disorders and lung diseases is currently being studied.

Kerosene lamps also emit carbon monoxide and dioxide, further pollutants which also cause accidents and burns. In Bangladesh, three of ten interviewees reported fires and burns through use of kerosene lamps. Since changing their lighting to SHS, kerosene accidents have only been reported by 3.8 per cent of the respondents.

EnDev focuses on electrical systems that are either fed through the electrical supply system via a grid or mini-grid connection or with the help of stand-alone solutions. The engagement of EnDev has contributed to an additional two million people being able to light their houses in a healthy manner.

Health Services

Energy is a prerequisite for improving health care. Nevertheless, more than one billion people have to undergo treatment in health facilities without electricity. In order to improve the care of patients, EnDev has already supplied 11,600 social facilities, among them many health facilities. The Sire Goyu Health Centre is one of 111 stations in Ethiopia that now have sufficient electricity at their disposal.

Salamawit Betru, a local nurse appreciates the difference: "Pregnant women came often by night. We had to light the room with candles and kerosene lamps. We even used our mobile phone as a torch." Today, electric bulbs light up the treatment room. Owing to the energy access, Salamawit is able to refrigerate vaccines, sterilise instruments and to test patients for malaria.

Health centres with sufficient electricity can provide incubators for premature infants, ultrasound or X-ray equipment. Health centres with SHS can run microscopes, sterilizers and refrigerators. They can illuminate their buildings and use VHF radios or mobile phones to consult medical specialists when required.

Education is the best investment into the future



Light, electricity, food, heating: modern energy services facilitate learning – in schools and at home.

According to the Poor People's Energy Outlook, children who go to school for twelve instead of just six years earn 1.6 times as much as the comparison group. A good education depends on many factors – class size, available training material, motivation of teachers, as well as food supply for the students. Many of these factors, in one way or another, depend on access to energy. It is estimated that about every second student in developing countries – about 291 million children – attend schools without electricity. EnDev is therefore focused on providing schools with access to modern energy services. To date, the programme has supported a total of 6,400 schools with various forms of energy services.

The provision of lighting systems to schools through EnDev partners enables most of the schools to run additional classes at night. Schools with access to the grid can also run computers, copy machines, projectors and printers. This helps school management to organize its administration more efficiently. Teachers, in turn, will be more likely to be prepared to teach in remote regions.

Efficient and smoke-free cookstoves reduce the costs for the daily school meals. One example: After investing 1,600 EUR in three institutional rocket stoves, the primary school in Nyamninia in Kenya saved 70 per cent on firewood spending, money which can be spent on learning materials, nutrition or wages for teachers.

In cold regions, EnDev ensures that schools have access to hot showers or heating. In Peru, EnDev supports the installation of solar water heaters. Since their school was connected to a hydropower station, the students in Phugmoche in the Nepalese Solukhumbu district are taught in heated rooms and can take warm showers.

Better lighting – better learning conditions

Learning conditions are improved in different ways through access to modern energy both in schools and in households. With adequate lighting students can study more hours. In Bangladesh, 40 per cent of SHS users stated that one of the main reasons for purchasing a solar system was to improve study conditions.

People living in electrified households in Bangladesh on average read twelve per cent more than people without electricity. An impact study has shown that students in Ethiopia are highly motivated to do their homework. They spend a large part of their free time studying. Moreover, access to energy allows students to get information from TV and radio, the only source of information in rural Indonesia, where no newspapers are available.

More energy, less emissions

Sustainable energies minimize emissions, efficient stoves also reduce logging.



or charcoal. People with a new stove infrequently still use their old stove. EnDev takes this fact into account when calculating the firewood consumption and ${\rm CO_2}$ emission savings. Moreover, it always applies the lowest possible saving per stove for the calculation, i.e. 30 per cent fuel saving.

Thus the modern stoves distributed within the framework of EnDev initiatives are already saving more than 973,000 tonnes of firewood every year. Moreover, every stove saves up to 0.59 tonnes CO₂ equivalent per stove per year. This accumulates to savings of 997,000 tonnes of CO₂ equivalent every year.

Add to this, the LED and incandescent bulbs installed by EnDev partners also reduce CO₂ emissions. Based on laboratory and field data from EnDev monitoring, savings of about 70 kg per lamp can be assumed. EnDev calculations show that the two million people supplied will save another 32,000 tonnes of CO₂ equivalent.

The entire CO₂ reduction of modern cookstoves and efficient lighting thus amounts to over one million tonnes. This corresponds to the emissions of all 1,244,476 car drivers in Berlin assuming they drive an average of around 5,600 kilometres a year.

In contrast, it is much harder to draw conclusions on the positive impact of improved stoves concerning the degree of reduced deforestation. Forests are under pressure for various reasons. While it cannot currently be ascertained that improved cookstoves preserve forest cover, they surely reduce demand for biomass resources.



23 countries, six donors – one goal

In December 2004, the Dutch Ministry for Development Cooperation (MFA) and the German Federal Ministry for Economic Cooperation and Development (BMZ) initiated the programme EnDev which started working in September 2005. It had the initial objective of providing sustainable access to modern energy services to 3.1 million people by the end of 2009. The objective was surpassed with a total number of 5.1 million people. Consequently, the programme has been scaled up several times. The target was increased to 14 million people by the end of 2015.

In 2011, the Norwegian Ministry of Foreign Affairs joined the partnership. The Australian Agency for International Development, the UK Department for International Development and the Swiss Federal Department of Foreign Affairs followed in 2012. The EU and Irish Aid have joined EnDev as co-financers.

The executive organisations are the deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) in cooperation with the Dutch Agentschap NL.

Thanks to its different donors, EnDev supports people in gaining access to energy in more than 20 countries. With its international basis of organising institutions, the programme transcends national borders and is a sound example of donor harmonisation.



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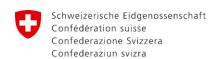












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