



AWARENESS,
COMMUNICATION
AND SENSITISATION

FINANCING

Fairtrade Inclusive Energy Fund

SUMMARY

Country	Uganda, Rwanda, Tanzania
Implementer	Fairtrade Foundation
Co-implementer	Fairtrade Africa
Target groups	Fairtrade producers and workers
Duration	08/2021 – 09/2023
Type of energy use	Electrification

CHALLENGE

A majority of farmer small producer organisations (SPO) and hired labour organisations (HLO) in the Fairtrade network remain cut-off from reliable, affordable and clean energy and are, by consequence, vulnerable to a range of related negative health, environmental, educational and livelihood impacts. Initial outputs from work in Uganda have confirmed the need for high quality off-grid solar equipment in the region. This demand is however crowded out by cheap, untrustworthy goods, and the kind of financing available to rural communities is prohibitively expensive, poorly tailored to the agricultural context, and often difficult to access. Aside from household products, Fairtrade cooperative partners are also seeking ways to convert their operations to renewable energy. This too is hindered by a lack of technical knowledge and resources to support the conversion to suitable systems.

IMPACT LOGIC

Based on results and experiences from a pilot phase in Uganda, the Fairtrade Inclusive Energy Fund (IEF) is established to adaptively scale access to energy solutions into new SPO and HLO settings while prioritising project co-creation and bottom-up solutions. The IEF is thus a vehicle to allow for project ideas that advance access on cooperative and individual farmer level. For this purpose the IEF offers different support streams such as training of agents to create a link to trusted sources of solar energy systems, after-care service agents to provide support to the sold and installed systems or financial officers and accountants focused on setting up the loan systems for the purchase of solar energy systems. These streams are accompanied by farmer field days (member-focused awareness events) and road shows (community awareness events) where vetted solar products are improved and awareness of quality vs. generic products is increased. The overall objective of the IEF is to establish both

- (1) new tailored inclusive financial products and
- (2) inclusive off-grid energy products for use by cooperatives and their members.

INNOVATIVE PROJECT ELEMENTS

There are two key innovations within the IEF approach. The first is that trust must originate from producer and worker organisations. These are the entities who initiate project ideation and development thus ensuring that solutions have buy-in, ownership and sustainability. This is in line with the second innovative element, i. e. the IEF building on and catering to the wide Fairtrade network, which itself is a system of trust, checks and balances.

FURTHER INFORMATION

www.gruene-buergerenergie.org