

EnDev Kenya represented the African perspective in Brussels

By: Reimund Hoffmann, Programme Manager, EnDev Kenya Country Programme

BMZ, GIZ and KfW invited important stakeholders from the European Commission, civil society and private sector to their annual joint event 2012 in Brussels titled “**Europe’s run to Rio+20 – Joining forces for sustainable energy**”. At the heart of the discussions was the question, of how the bottom of the pyramid i.e. low income groups in Africa, can get better access to modern energy.

The GIZ office in Brussels had organized the event and secured high level representation. Mrs. Gudrun Kopp, State Secretary in the Federal Ministry of Economic Cooperation and Development (BMZ), introduced the topic. Panelists comprised of Dr. Christoph Beier, Vice Chair of GIZ Management Board and Norbert Koppenfels, member of the Board of Directors KfW. As African representatives Mr. Benon Mutambi, Executive Director Electricity Regulatory Authority, Uganda and our Kenyan EnDev colleague Mrs. Anna Ingwe contributed their insights and ideas. As Mr. Mutambi’s experience is in large scale power generation and distribution, Anna Ingwe was the main resource person to inform those present on the challenges for reaching the rural poor with clean energy. Closing remarks were made by Klaus Rudischhauser, Director-General for Development and Cooperation, EuropAid.

Anna Ingwe’s messages spelt the following: Governments and development partners focus on energy as large scale electrical systems, e.g. hydro /geothermal, which serve mainly urban population while energy for the poor, mainly in rural areas is not given similar priority. Although biomass constitutes the biggest share of the national energy consumption (70%), it is given low priority and is mostly addressed by small and medium enterprises) This important segment of the energy sector is mainly left to donors, NGOs and parts of the private sector with little government engagement.

There is also limited technical expertise (institutional and human capacity) which leads to absence of standards and certification for quality products, inferior and low quality products flooding the markets, products which are not functioning, thus creating bad image for the technologies, consequently losing the market.

Among end users, especially in rural areas the awareness of the benefits of Renewable Energy technologies, available options and access is limited.

The few existing technically competent small and medium enterprises have limited market information and inadequate marketing skills to develop appropriate marketing packages for their products and promote them to suitable markets with very limited appropriate financing models.

Anna Ingwe pointed out that there are already viable business models in place to overcome such challenges. Lessons from the EnDev Kenya stove experiences demonstrate two main issues. It is possible to develop markets for technology and services for the poor and that there is needs to widen consumer choices, i.e. design product to satisfy the need of the end user, identify distribution channels and aim at selling volumes with acceptable profits is one way to commercialize energy access services/technologies. The stove business is well established with producers, marketers and installers, stove users paying for the services and products at market prices.

It was a great honour for EnDev Kenya to represent the African perspective during this high level event. Thanks, Anna, for representing us so well.