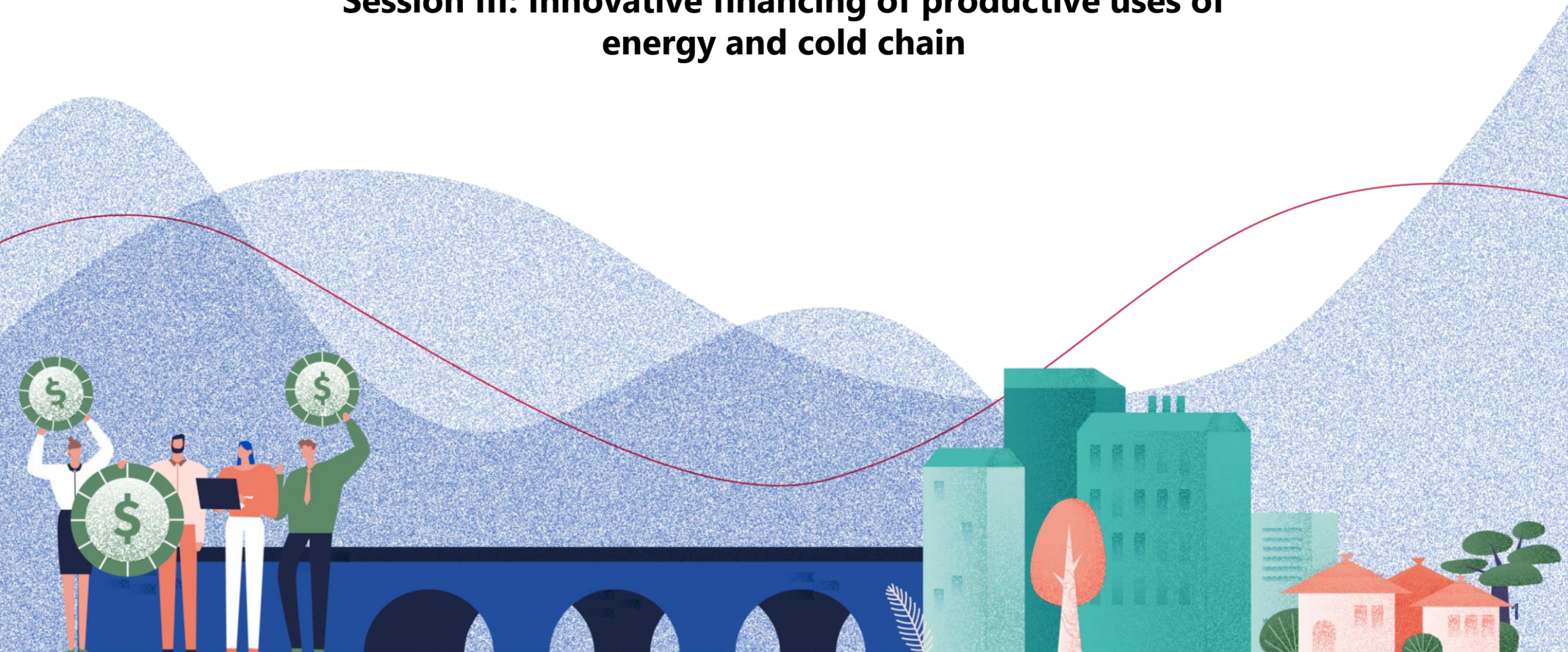


## Session III: Innovative financing of productive uses of energy and cold chain





# The big picture

- ⬢ SDG#7 - Ensure access to affordable, reliable, sustainable and modern energy for all.
- ⬢ Access to **affordable, reliable and sustainable energy** is often associated with **economic development** and considered as vital to **alleviating extreme poverty**.
- ⬢ Access to clean sources of energy is still a challenge for many smallholder farmers, their families and other rural entrepreneurs - we've all seen the stats
- ⬢ The problem... **how to make it work...**



# [(Technology + Business Models + Finance)^Innovation]

- ❖ **Technology** development, tried and tested, works.
  
- ❖ **Business models** that convert raw technology to a viable commercial proposition.
  - Context is critical for adoption, community
  - Demand
  - Willingness and ability to pay
  
- ❖ **Finance** - risk and reward.
  - Business level - appropriate financing across risk spectrum from R&D to scale-up, blending
  - Consumer financing - cost of credit, managing credit risk
  
- ❖ **Innovation** at all the levels - incremental and exponential.
  - Improve user acceptance & usability of products, reliability, quality, lower cost etc
  - Improve commercial viability of business models, reduce risk
  - Financing instruments and structures that take care of risk and reward constraints



## Two cases from PFAN EA portfolio

- ⊞ Project #1: Mini-grid + productive use (e-mobility + industrial park)
  - Seeking synergy among components of the business model components, spreading risk, enhancing revenue reliability
  - Different risk profiles on the components of the business model B2C + B2B
  
- ⊞ Project #2: Value chain approach to cold chain
  - From a technology provision approach to a value chain actor approach
  - Adding value beyond providing cold storage, marketing produce



- ⑥ [Access to finance for renewable energy technologies](#), IFAD
- ⑥ [Powering productivity - Lessons in Green Growth from the EEP Africa Portfolio](#), EEP Africa
- ⑥ [Productive Use of Energy: Moving to scalable business cases](#), EnDev
- ⑥ [Increasing access to energy services in rural areas](#), REEEP

