Women: From Consumers to Entrepreneurs

WORKSHOP ON ‘WOMEN, ENERGY AND ENTERPRISE BUILDING’

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ENERGIA
International Network on Gender and Sustainable Energy
ENERGIA: International Network on Gender and Sustainable Energy

- Established in 1995 by women in the Netherlands and Germany
- Reaches out to more than 2400 practitioners in Africa, Asia, Latin America and Oceania
- Administered as a project within the ETC Foundation, the Netherlands
- Operates through regional and national focal points
- Direct presence in 13 countries in Africa and 9 in Asia
Contents

✓ The Context

✓ Enterprise development and enterprise development for women

✓ What has worked: practical strategies for women’s enterprise development

✓ Key messages
Aims:
- To supply to people useful and affordable products
- To create a viable business as a private delivery channel, preferably run by poor people.

Key elements:
- **A need-based product**: products that impact poverty, are affordable, and produce high returns on investment
- **Promotion and marketing** of these products
- **A market for these products**: viable for the private sector to deliver these products as a business (critical mass)
The poor have no purchasing power and do not represent a viable market. 

**Latent purchasing power**: numbers….pay a premium for almost everything.

- "Machine culture" has not reached the poor, especially not the women in rural areas.

**Contrary to popular belief, BOP consumers accept advanced technology readily.**

- Difficult to reach information to rural consumers.

**Rural markets are getting connected and networked.**

- Distribution access to rural markets difficult, and major impediment.

**No single distribution solution.**
What Kind of Energy Enterprises do Women Operate?

- Large number of women in micro enterprises and SMEs
- Low rates of return: unskilled and un-recognized tasks
- Critical in terms of contribution to household income
- Most women operated micro-enterprises in the informal sector
  - Often home based
  - Type of micro-enterprises: food-processing, kiln-using manufacturing activities and service-sector activities
  - High use of women’s metabolic energy
  - Heat-intensive (food processing)
  - Labor intensive
- Energy one of the many inputs
Context (1997):
- A highly regulated environment (market share capped at 25%)
- Customers unable to access credit (official ID, income proof/credit history)
- No electrical appliances

What works:
Codensa (Electric Utility), Columbia

Product/service delivered:
- Credit to purchase electric appliances
- Diversified product line: insurance, magazines etc.
- Repaid through electricity bill

Operational model:
- Delivery of products through retail partners: retailers/120 electric appliance manufacturers/insurance
- Credit scoring and bad debt collection outsourced to specialized agencies
- Advertises through retail partners, in Codensa catalogues and on electricity bills
Customers: 550k clients from the lowest income strata
Codensa now covers 31% of the market for electronic appliances in Bogota.
What works: Multi Multi-Functional Platform

The Multifunctional Platform supports a simple diesel engine that can power different tools: cereal grinding mills, de-huskers, oil presses, carpentry tools...

Oil press
Saws...
De-husker
Battery charging
Grinding mill
Engine
Multi Multi- Functional Platform: Operational model

- Trains women's village associations to manage an energy system and sell energy services
- Applications received from rural and duly registered entities such as a village women’s association
- Participatory pre-feasibility and feasibility assessments
- Configuring the platform to fit the community’s needs.
- Cost sharing: 40-60 percent of cost financed by beneficiaries themselves, one-time subsidy to cover the rest
- Building women’s capacity to operate the platform: Technical skills, plus basic literacy, accounting and business skills.
- Establishing women’s ownership and management
Mali Multi-Functional Platform: Impacts

- Women’s groups annual income per woman increases.
- Freeing-up women’s time (to rest…one day per week)
- Freed time is also used for income-generating activities.
- The MFP is used for productive activities such as rice de-hulling or shea nut grinding.
- Employment and new income opportunities.
- Choices in determining the uses of time and energy that they desire and are willing to pay for.
- Increased access to education by girls
What works: BSP Nepal

- Launched in 1992 by SNV Nepal with funding from the Dutch Government.
- Installed 200,000 biogas plants, benefitted 1.36 million people in 7 years

**Operational model:**

- Market-based approach with a pro-poor focus
- Private-public partnership to disseminate biogas plants.
- A combination of subsidies, loans and micro credit.
- Market development support to the private-sector manufacturers.
- An accountable private sector through a reliable QA system.
- Capacity development of all stakeholders
A well-articulated commitment to gender issues at programme level

Special women-focused masons training programmes

Affirmative actions to encourage women as masons
  • Special training (skills/ confidence/ refresher)
  • Special incentives
  • Gender sensitive posting
  • Ensuring conducive atmosphere: child care, trainings closer homes

Award for best mason/supervisor/entrepreneur [women and men separately]

Reaching potential women to become masons through women mobilizers.
BSP Nepal: Outcomes and impacts

- New Quality objective: To make sure that at least 90% biogas users (male & female) are able to operate the biogas plant
- Norms on women’s participation (50%) in user trainings
- Inclusion of new gender indicators at programme level
- 94% of biogas plants functional
- 50 women’s cooperatives mobilized to provide biogas loans
- Nine women owned biogas companies and a large number of women masons
- Biogas supply side functions a viable and practical career option for women
A sensitive promotion strategy that talks to women

*Package the message smartly*

What do “potential customers” look for, in a biogas plant?

The promotion strategy must ‘package’ the product information correctly.

**“Positioning” biogas technology to Potential Clients**

<table>
<thead>
<tr>
<th>Benefits appreciated</th>
<th>Positioning for men (what men want)</th>
<th>Positioning for women (what women want)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><em>Switch to organic manure</em></td>
<td>Saves time and reduce drudgery</td>
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<tr>
<td></td>
<td>(Chemical fertilizers are expensive, can damage soil nutrients)</td>
<td>Cook in a smoke and soot-free kitchen</td>
</tr>
<tr>
<td></td>
<td>No running costs</td>
<td>Convenient and easy to use, as compared to firewood and kerosene.</td>
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<tr>
<td></td>
<td>Status symbol</td>
<td>Status symbol</td>
</tr>
<tr>
<td></td>
<td>Quick cooking</td>
<td>Quick lighting up, when you need to cook meals or for guests</td>
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</tbody>
</table>
A promotion strategy that talks to women

• Engage local leaders in promotion (self help groups, mother’s groups, teachers, progressive farmers)

* A convinced woman is the best promotion agent *

• Place of promotion: women may have limited mobility (health centres/cattle fairs/neighbourhood meetings)

• Be 100% sure that women do understand the promotion material. Field Test the package

* Pictorial depiction is not always the answer! *
Promoting Women’s Enterprises in Energy

Women providing energy services at scale: A doable option.

First precondition: Free women’s time through labour and time-saving energy interventions.

Products and services must be:

- Value for money
- Scalable
- Products need to work in hostile environments (voltage fluctuations, power cuts)
- Build consumer confidence
  - Education of customers on product usage
  - 100% post installation and servicing support
Promoting Women’s Enterprises in Energy: Process Innovations

- New forms of collectives offer new possibilities (self help groups/ women’s communes)

  Affirmative actions to support women entrepreneurs

  Bundle Enterprise development services:
  - Technical/ product related skills
  - Business development / capital
  - Exposure/ self confidence/ leadership

  Credit for women as consumers and entrepreneurs
  - Frequent and flexible repayment schedules
  - Alternative collateral requirements
  - Informal banking atmosphere
  - Simple loan application procedures
  - Information channels accessible to women
Resources available on line at: www.energia.org
For additional information see:

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