

SNV



**DEVELOPING INCLUSIVE
MARKETS FOR
SUSTAINABLE ENERGY**





DELIVERING IMPACT THAT MATTERS

SNV is a mission-driven global development partner working in more than 20 countries across Africa and Asia.

Building on 60 years of experience and together with our team of over 1,600 people, we strengthen capacities and catalyse partnerships that transform the agri-food, energy, and water systems, which enable sustainable and more equitable lives for all.

Grounded in the 2030 Agenda for Sustainable Development, we work on the core themes of gender equality and social inclusion, climate adaptation and mitigation, and strong institutions and effective governance.

Our ambition for the energy sector is to support the development of inclusive markets for sustainable energy. In 2022 alone, SNV contributed to 2.6 million people gaining access to energy. Primarily guided by Sustainable Development Goal (SDG) 7, we are working towards ensuring access to affordable, reliable, sustainable, and modern energy for all by 2030.

2.4 BILLION PEOPLE STILL LACK ACCESS TO CLEAN COOKING, WHILE **733 MILLION** STILL LIVE WITHOUT ACCESS TO ELECTRICITY

7 AFFORDABLE AND CLEAN ENERGY





ENERGY ACCESS IS KEY FOR DEVELOPMENT

Energy is essential for human development. Access to clean energy has been a key element on the global climate and development agenda, and the ambitions of SDG7 are high: to achieve universal access to energy by 2030.

And yet today, globally, 2.4 billion people still lack access to clean cooking, while 733 million still live without access to electricity.¹

Not only is energy a critical enabler for many SDGs, the energy transition (shifting away from fossil fuels) is also critical for climate change mitigation and adaptation. Use of renewable and efficient energy systems leads to reduced emission of greenhouse gases and increased resilience - hence supporting governments' climate targets.

¹ IEA, IRENA, UNSD, World Bank and WHO - Tracking SDG7: The Energy Progress Report 2022, 2022, <https://www.who.int/publications/m/item/tracking-sdg7--the-energy-progress-report-2022>

Ensuring energy access for all requires significant increases in investments for scaling of off-grid electricity and clean cooking alternatives.

New, innovative financial options will be key to stimulating energy markets – both on the demand and supply sides. We are seeing increasing investments in electrification making use of digitalisation, such as PAYGO solar home systems and remotely metered mini-grids. Such investments are lacking for clean cooking.

We see great potential for creating employment and enterprise opportunities for young people. With more than 40% of the world’s youth labour force either unemployed or working yet living in poverty, the renewable energy markets create tremendous opportunity for the next generation of skilled workers to deliver on energy access needs.

Productive Use of Energy alternatives, contributing to increased incomes and improved livelihood conditions, are natural expansions of the traditional off-grid solar market. Examples are solar-powered shops, kiosks, and workshops, but also applications in the agriculture sector such as irrigation, cooling, drying, and milling, as well as products servicing public institutions.



Globally,

2.4b



people still lack access to clean cooking

733m



people still live without access to electricity

SNV'S AMBITION IN ENERGY

SNV's objective for the energy sector is to support the development of inclusive markets for sustainable energy, contributing to more equitable livelihoods for all.

Within this overarching ambition, we identify three specific impact goals:

Energy access

Contribute to universal access to affordable, reliable, and modern energy services for households, small and medium enterprises (SMEs), and social institutions – through off-grid electrification, clean cooking and heating, biodigesters and productive use of energy.

Climate change mitigation and adaptation

Increase the renewable energy share and energy efficiency in energy consumption, inclusive of applications in agriculture for improved resilience and reduced greenhouse gas emissions.

Economic participation and social inclusion

Build resilient livelihoods and improved incomes for all including young people, women, and disadvantaged groups.



With most of our projects applying renewable energy options and focusing on improved energy efficiency across sub-Saharan Africa and South East Asia, we increase access to affordable, reliable, sustainable and modern energy for all.

SNV's work in the energy sector contributes to more equitable livelihoods for all, with positive impacts on education, health, economic development, poverty, gender equality and social inclusion (GESI), and the environment.

To increase our impact, we replicate proved approaches to new locations and target groups. We increasingly focus on innovative finance, fund management, and management of large development programmes alongside our network of local and global partners to achieve impact at scale.



OUR APPROACH

SUSTAINABLE ENERGY MARKETS

We apply a market-based approach to increase access to clean cooking, lighting, and heating, as well as productive uses of energy.

How do we do it? There are three underlying premises:

1

Achieving universal access to energy in a sustainable manner requires a **broad comprehensive market approach**. SNV brings together investments in demand, supply, financing, inclusivity, and the enabling environment.

2

In the **off-grid energy market the private sector, cooperatives, and community-based organisations are key, with governments** in an 'enabling' role. We work hard to strengthen all actors in their respective roles – governments, suppliers, financial institutions, and end-users alike.

3

SNV makes a **targeted effort towards gender equality and social inclusion (GESI)** by including low-income end-users, disadvantaged groups and remote regions. Women and youth are empowered to participate in sustainable energy markets, suppliers are stimulated to be more inclusive, and GESI is advocated to become a key focus area in energy policies.



Combining international state-of-the-art expertise with local know-how, SNV offers options for increasing access to clean and efficient energy and productive uses of energy for households in rural areas and humanitarian settings, local businesses, and local institutions through:

Solar and other renewable off-grid electricity alternatives – providing access to energy for production and consumption through a mix of business models and financial mechanisms for stand-alone systems and mini-grids

Clean cooking alternatives – supporting the shift to a cleaner mix of cooking alternatives including cooking with electricity, (bio)gas and advanced biomass stoves, and improved use of charcoal and firewood where people can not yet access the cleaner options

Biodigesters – reducing carbon emissions, reducing indoor air pollution and related health hazards; improving soil fertility

Through our sustainable energy markets approach, we address key barriers in delivering energy access by integrating different approaches.

We raise awareness amongst households, businesses and institutions on renewable energy (RE) and energy efficient (EE) technologies and benefits, increasing the demand for these options. Through context-specific GESI interventions such as gender-sensitive and inclusive trainings we **increase inclusivity** of these markets and associated policies.

We enhance the supply of energy products and services through trainings and incentives for suppliers, and we support innovation to **strengthen supply chains and facilitate access to finance**. Through our evidence-based advocacy, knowledge sharing, capacity development, and multi-stakeholder platforms – we provide governments with support in the **adoption and implementation** of a conducive enabling environment for RE and EE.

YOUTH EMPLOYMENT AND ENTREPRENEURSHIP

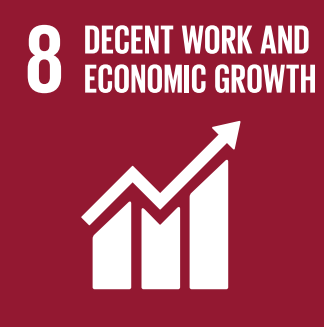
The global youth unemployment rate is estimated at 13.1%, with young people more likely to be unemployed, underemployed, or working in poverty.²

SNV's cross-sector Youth Employment and Entrepreneurship approach facilitates linkages between the labour market (demand side) and skilled youth (supply side) to stimulate employment and entrepreneurship opportunities.

Our overarching vision is to catalyse positive change at different intervention levels and ultimately contribute to resilient livelihoods for marginalised young women and men.

Contributing to SDG8, we provide out-of-school, underprivileged, underemployed, and unemployed young women and men with the tools, skills, and networks that will enable them to identify enterprise development and employability opportunities in our sectors of agri-food, energy, and water.

In the energy sector, this has translated into opportunities for young men and women to set up businesses in cleaner cookstoves, biodigesters, solar PV, and related appliances.



² Plan International, 'Youth Unemployment: The Facts' Global Development Commons, UNICEF, 2020, <https://gdc.unicef.org/resource/youth-unemployment-facts> (Accessed 9 May, 2020)



OUR CORE THEMES

Within and across all three sectors at SNV, we integrate three core themes:

1

Gender equality and social inclusion (GESI)

Embedding GESI-responsive programming so that systems, structures, and markets are inclusive – enabling women, girls, men, boys and gender minorities to have equitable access, agency and voice in their lives. Prioritising inclusion as a core practice and outcome, we take an intersectional approach to understand and address persistent inequalities.

2

Climate adaptation and mitigation

Addressing climate justice, ensuring that our projects, programmes, and influence strengthen resilience and adaptive capacity to climate-related hazards, while supporting faster transitions to low carbon development.

3

Strong institutions and effective governance

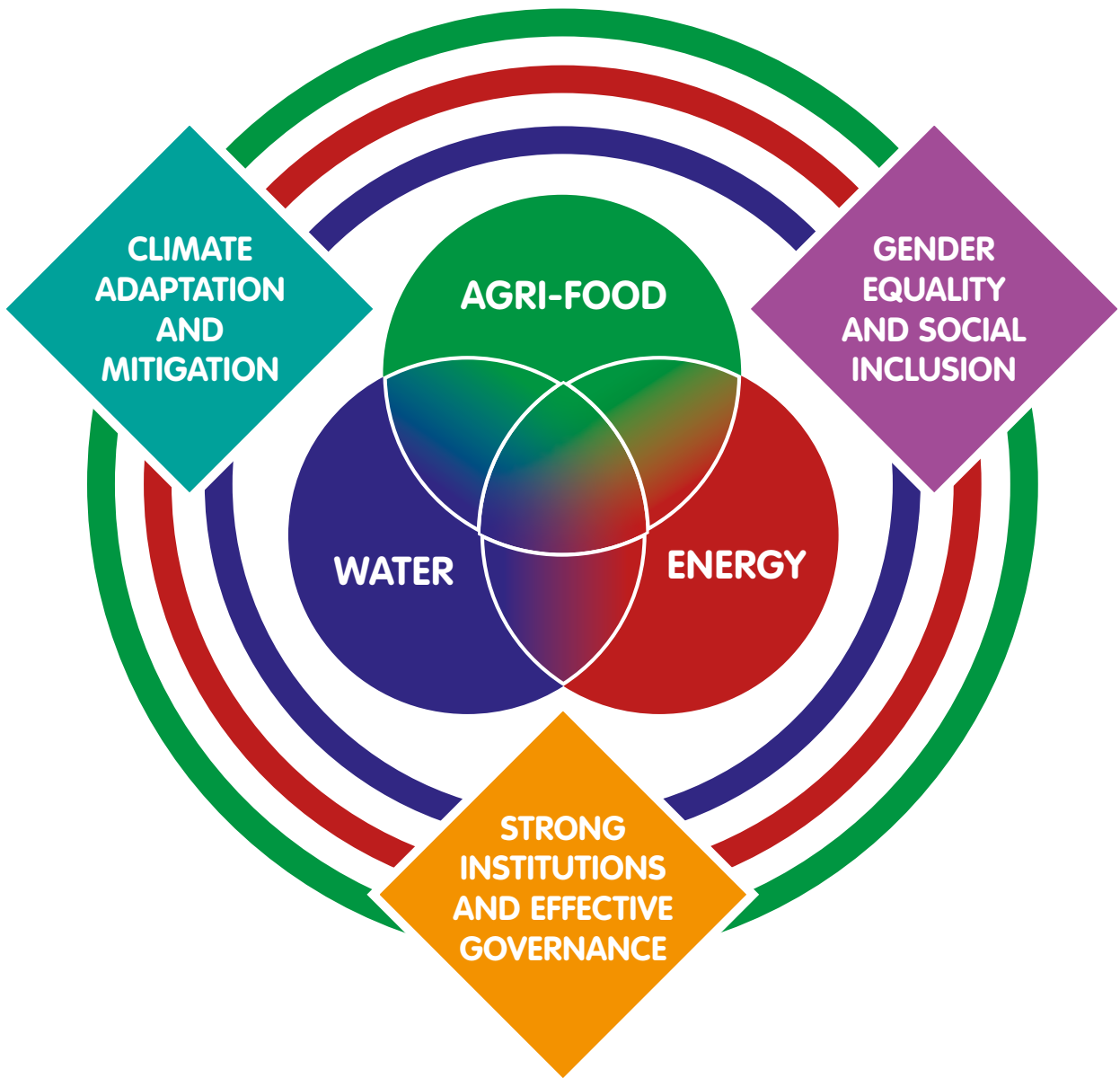
Strengthening institutional capacities to be more accountable, effective, and transparent, and governance systems to be inclusive, responsive, and representative.

Our work in the energy sector contributes directly to the transformation of systems to reduce greenhouse gas emissions and build resilience in the face of climate change. We are committed to the achievement of GESI as a necessary foundation for transforming and achieving equitable energy markets. To ultimately ensure sustainability of interventions and systemic change in the energy sector, ensuring good governance and strong institutions is critical in our work.

Alongside these themes, we are focused on deepening partnerships with financial institutions, governments, and the private sector to expand our **impact-driven finance** portfolio, to ultimately help make modern sustainable energy products financially affordable.

Our increased emphasis on **digitalisation** will further enable this and we are committed to working with digital innovation as a critical enabler to increasing energy access.

We also aim to intensify our collaboration across sectors wherever relevant, in order to increase our impact. One area in particular is the field of **productive use of energy**, for example by integrating renewable energy in agri-food value chains, adding value in terms of increased productivity, income and employment.





To read SNV's 2030
Strategy and other related
strategy documents, visit:

www.snv.org/2030-strategy



To learn more about SNV
in energy please visit:

www.snv.org/sector/energy