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## Energy for All Initiative

### Establishment of Energy for All Partnership (E4ALL)

## ABBREVIATIONS

ADB	.	Asian Development Bank
CDM	.	Clean Development Mechanism
DMF	.	design and monitoring framework
DMC	.	developing member country
E4ALL	.	Energy for All Partnership
FDC	.	Foundation for Development Cooperation
GHG	.	greenhouse gas
GERES	.	Groupe Energies Renouvelables, Environnement et Solidarités
IEA	.	International Energy Agency
LPG	.	liquid petroleum gas
MDG	.	Millennium Development Goal
NGO	.	non-government organization
SNV	.	SNV-Netherlands Development Organisation
SHS	.	solar home system
TA	.	technical assistance
TOR	.	terms of reference

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## I. INTRODUCTION

1. In support of its poverty alleviation mandate and *Strategy 2020* focus on inclusive growth, the Asian Development Bank (ADB) is committed to increasing access to clean and affordable energy for people throughout the Asia and Pacific region. ADB's current draft Energy Policy<sup>1</sup> identifies increasing energy access to the poor as one of three pillars for ADB's overall support in the energy sector.

2. ADB has played an important role in supporting its developing member countries (DMCs) to increase access to modern energy services and has been active in providing financing to rural electrification projects, both through grid extension and off-grid applications.

3. ADB is now implementing the Energy for All Initiative, which builds on ADB's strengths and experience to develop new approaches and methodologies for replicating and scaling up access to reliable and modern energy services for the poor. The Energy for All approach is two-pronged and consists of: (i) strengthening ADB's internal capacity to support scalable and replicable access to energy projects through support to operational departments and improved knowledge management; and (ii) establishing a regional partnership—the Energy for All Partnership (E4ALL)—to scale up access to energy for the poor on a regional basis.

4. E4ALL is the outcome of extensive consultation with stakeholders on how to rapidly scale up access to energy at the regional level. ADB hosted workshops in April and June 2008<sup>2</sup>, at which relevant stakeholders identified the need for a regional partnership to develop new strategies and methodologies to bring successful approaches to scale, and to attract additional resources and finance to generate the impact required. A draft concept paper for a regional partnership was circulated and more than 80 organizations contributed feedback<sup>3</sup> (see Appendices 6 and 7).

5. The central theme of E4ALL will be to stimulate the scaling-up process by improving the sharing of information and the flow of financing towards eligible projects using appropriate technologies and with a proven business case. The partnership will also leverage additional resources to address other common challenges, such as: (i) the need for research and development to develop appropriate products/solutions to address the needs of the rural and urban poor; (ii) appropriate policy and regulatory approaches that support the spread of off-grid and/or decentralized clean energy solutions; and (iii) capacity-building for rural communities and agencies to be able to absorb and benefit from the various technologies/solutions.

6. This report presents the rationale for establishing E4ALL and outlines the objectives, activities and structure of the partnership.

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<sup>1</sup> ADB. 2009. *Review of the Energy Policy, Working Paper*. Manila

<sup>2</sup> These include a workshop on Financing Village-Level Energy for Development in Asia and the Pacific in April 2008 (<http://www.adb.org/Documents/Events/2008/Financing-Village-Energy/>) and a pre-event on Expanding Access to Energy at the Asia Clean Energy Forum in June 2008 (<http://www.adb.org/Documents/events/2008/ACEF/pre-forum.asp>).

<sup>3</sup> The Foundation for Development Cooperation (FDC) was engaged to help prepare the concept paper and consolidate comments.

## II. ISSUES

7. In Asia and the Pacific region alone, there are still nearly 1 billion people without access to electricity<sup>4</sup>, and 1.8 billion people rely on biomass and traditional stoves for cooking and heating<sup>5</sup>. There is growing awareness of the potential for cleaner and more renewable energy to provide an environmentally sustainable and cost-effective means of supplying off-grid access to energy for the poor, particularly in developing countries.

8. Although there is no specific Millennium Development Goal (MDG) for energy, it is clear that the widespread lack of access to modern energy services among the poorest acts as a severe impediment to progress in meeting most of the MDGs. Access to modern, cleaner energy is often essential to achieve significant improvements in indoor air pollution, infant and maternal health, education, agriculture and the eradication of hunger.

9. The chronic lack of access to cleaner and more sustainable energy supplies has major implications for economic growth by placing significant restraints on the productive capacity of micro-entrepreneurs and rural supply chains. It is also increasingly apparent that continued use of wood, kerosene and traditional biomass for cooking, heating and lighting is increasing the contribution of poorer communities to greenhouse gas (GHG) emissions.

10. The efforts of governments and multilateral development banks to improve access to energy have largely been focused on the extension of electricity grids. While developing countries have achieved significant strides in extending access to electricity through integrated grids, this approach still leaves large numbers of people, especially in rural areas far from transmission lines, without access to power. Even in areas where the grid is accessible, the absence of financing for connections to household wiring commonly precludes the poor from the benefits of electrification. Moreover, many households are discouraged from connecting to the grid due to the poor quality and intermittent quantity of electricity supplied. Lastly, access to the electricity grid rarely addresses the most prevalent aspect of energy poverty: the continued reliance on biomass for cooking and heating.

11. Although grid extension continues to be the predominant method for extending access to electricity, off-grid renewable energy sources such as solar lighting systems and micro-hydro power are increasing in importance and use. Likewise, fuels such as liquid petroleum gas (LPG) and biogas are being employed to replace traditional biomass and inefficient cooking stoves. A number of successful models for providing off-grid access to energy have been demonstrated in developing countries in Asia and the Pacific. In Bangladesh, Grameen Shakti has installed more than 205,000 solar home systems (SHS) through rural energy micro-credit schemes. SNV-Netherlands Development Organisation (SNV) has installed over 244,000 biogas digesters in Asia through its Asia Biogas Programme, which combines technical assistance, capacity building, credit provision and a capital cost buy-down mechanism to develop a sustainable biogas sector in each participating country. In Cambodia, the non-government organization (NGO) Groupe Energies Renouvelables, Environnement et Solidarités (GERES) has developed and commercialized an improved cook stove through existing market channels. More than 300,000 energy efficient ~~New~~ Lao+ stoves have been sold in Cambodia since 2003. The economic benefits along the length of the supply chain have helped the stove gain market share. Some of the key features common among these models include: (i) technical viability of

<sup>4</sup> IEA 2006. *World Energy Outlook 2006*. Paris.

<sup>5</sup> IEA 2006. *World Energy Outlook 2006*. Paris. India data from IEA 2007. *World Energy Outlook 2007*. Paris. Pacific data from UNDP 2007. *Energy and Poverty in the Pacific Island Countries*. Bangkok.

the product, (ii) availability of credit through partner banks or microfinance institutions (MFIs) to finance up-front investment costs, (iii) market-based orientation (e.g., end-user equipment purchase or fee-for-service model), (iv) private sector service provision, (v) effective supply chain, and (vi) strong level of community participation.

12. Despite the success achieved by these and other off-grid models, most remain isolated projects and have not been consolidated, replicated or scaled up due to a lack of effective avenues for information sharing across projects, donors, and communities involved. The absence of a regional platform for coordinating activities, sharing lessons learned, and promoting knowledge exchange constrains the growth of the sector and the development of best practices, and inhibits product development and supply, consumer awareness, and partnership formation. Moreover, without a mechanism for coordination in the Asia-Pacific region, there is also the risk that new entrants to the field, rather than leverage and strengthen existing organizations and initiatives, may reinvent the wheel and duplicate effort.

13. Another challenge to replicating and scaling up successful models is the absence of funding for large-scale project development. Many of the organizations that have been instrumental in expanding access to energy through innovative, off-grid models are NGOs dependent on donor funds. Although the economies of scale achieved from the aggregation of distributed demand can be significant, large-scale project development is resource intensive and can involve search and administration costs that are prohibitively high for NGOs.

14. The participation of the private sector and financial institutions has been an essential component of many access to energy projects. Attracting private sector participation in the scaling up process requires projects to demonstrate a proven business case for development and expansion. Attracting increased private sector support will require government and/or donor efforts to help catalyze participation. However, governments and the donor community have been slow to devote increased program resources to the special challenges of provision of energy services for the poor in a sustainable manner, and to re-think their paradigms for such program development so that they catalyze private participation including local financing.

15. Strides toward improving access to energy have been made in Asia and the Pacific, but in the absence of a well-developed regional platform for coordination, information exchange and project development, demand for access to energy continues to outstrip the pace of improvements.

### **III. THE PROPOSED PARTNERSHIP**

16. E4ALL will provide a platform to stimulate the scaling up of access to energy by improving the sharing of information and resources and the flow of financing towards eligible projects using appropriate technologies and with a proven business case.

#### **A. Impact and Outcome**

17. The impact of E4ALL will be improved economic, environmental and health conditions of the poor in DMCs in Asia and the Pacific. The outcome will be increased access to sustainable modern energy services in the Asia-Pacific region. The design and monitoring framework is attached as Appendix 1.

## **B. Outputs**

18. E4ALL will generate four main outputs: (i) a self-sustainable regional platform to improve coordination, networking, mentoring and information exchange established; (ii) innovative financing mechanisms demonstrated and mainstreamed in partner organizations; (iii) scaling up models deployed and replicated; and (iv) partnerships facilitated to develop, finance and implement access to energy projects on the ground.

## **C. Implementation Arrangements**

### **1. Organizational Structure**

19. Initially E4ALL will function as a network with a lightweight organizational structure, including a steering committee, working groups and a secretariat.

20. The steering committee will provide guidance and high-level, strategic inputs to E4ALL on the establishment, operations and sustainability of the partnership. The steering committee will be comprised of representatives of key partners, donors, financial institutions, foundations, private sector and other expert contributors. Specific tasks assigned to the steering committee will include, but will not be limited to (i) providing guidance on branding and increasing the exposure of E4ALL; (ii) advising on the partnership's strategy and approach to scaling up access to energy, including advice on the type of activities to be undertaken; (iii) advising on strategies for synergizing partners' activities and leveraging the strengths of existing initiatives to avoid duplication of effort; (iv) reviewing the activities of the partnership to ensure that the objectives are being met; and (v) advising on a business plan and identifying long-term sources of funding to sustain the partnership. The terms of reference (TOR) for the steering committee is included in Appendix 2.

21. The working groups will enable partners, developers and communities to access donors, financiers and investors, assisting in the identification of suitable projects and leading to greater leverage, coordination and cooperation. The working groups will be the locus of partnership activities and will contribute intelligence, technical know-how, credibility and regional cooperation, including both public and private sectors. Working groups will be established according to demand. Practitioners and stakeholders with on-the-ground experience will be invited to advise on specific requirements, implementation, research, monitoring and evaluation. Examples of issues to be addressed by working groups include: (i) financing . identify and implement innovative investment models, microfinance, and supplier credit schemes, including various carbon financing and investment options, such as the Clean Development Mechanism (CDM); (ii) technology . identify and recommend appropriate technologies and scale up successful project examples to levels that can be supported by national or sub-regional level action; (iii) business models . capture experience and knowledge of local practitioners, ensure viable project business cases and promote the role of the private sector; (iv) networks and donor coordination . aligning with national, regional and donor energy policies and the needs of operational lending departments, developing links for local community and institutional capacity building, and promoting leadership on the issue of access to energy for the poor. The TOR for the working groups is included in Appendix 3.

22. Organizations with relevant experience and commitment that are interested in leading a working group will send expressions of interest to the E4ALL secretariat. The format for submitting expressions of interest is included in Appendix 4. The partnership will offer working group chairs and participants an array of benefits including: (i) a platform for networking,

cooperation and information exchange; (ii) administrative and logistical support while carrying out activities; (iii) facilitation of project development and facilitating access to potential sources of funding; (iv) and a platform for identifying solutions to sector challenges through open innovation; The partnership will also highlight achievements and bring recognition to organizations, models and approaches that contribute to scaling up access to energy in the region.

23. A small secretariat will be established to support the steering committee and working groups and engage with relevant partners, sponsors, project developers and other constituents to achieve the program of activities. ADB will provide incubator support to the partnership for two years, during which time the secretariat will have its headquarters in ADB, with a presence in other key locations in the region, including Singapore. The TOR for the secretariat is included in Appendix 5.

## **2. Partners and Collaborators**

24. E4ALL is intended to be a partner-driven initiative, open to all individuals and organizations that are active in implementing, financing, developing and scaling up access to energy projects in the Asia-Pacific region. Participation is encouraged from experienced project developers, funders, donors, practitioners, networks and institutions, plus a strong private sector contribution.

25. The participation of financial institutions and the private sector will be vital for the success of the partnership since improved financing models are crucial to scaling up access to energy. For example, microfinance, carbon financing and equity/revolving funds are important and innovative modalities for access to energy projects. Many successful existing models adopt a market-oriented approach, so private sector participation will enhance quality and sustainability of programs.

26. The benefits partners can expect to derive will vary according to their orientation and interests. For example, project developers will gain access to business development services, advice on project structuring, access to both commercial and donor financing, and opportunities to interact with and learn from the experiences of other developers. Investors and financial institutions will benefit from pipeline development, as well as knowledge sharing on technologies and financing mechanisms. Donors and development agencies can expect improved coordination and collaboration, exchange of best practice approaches and strategies for scaling up access to energy, and a platform to develop a systematic approach to monitoring and evaluation. Technology suppliers and entrepreneurs will gain access to customers, investors and financial institutions.

27. The partnership will provide all stakeholders, projects and organizations regular updates, networking opportunities, and the possibility to participate in partnership events, workshops and learning activities.

## **3. Activities**

28. Each working group will prepare a work plan, identifying targets and a program of activities to be undertaken to achieve these targets. The responsibility for implementing the work plan will rest with each working group chair, with support provided, as and when required, by the secretariat. E4ALL will seek to devolve the program of activities as far as possible to the local level, with close support, consultation and input from expert partners and active

stakeholders. The partnership will capitalize on the on-the-ground capacity offered by a range of institutional and project partners. A matrix of potential activities to be performed or promoted by E4ALL, aggregated from the efforts of other organizations in the region, is included in Appendix 6. This matrix is indicative and is not intended to define or delineate specific working groups.

#### **4. Review**

29. E4ALL will be reviewed after two years to assess its strategy and impact and gauge demand for its services. As the partnership demonstrates its effectiveness, additional resources will be mobilized in collaboration with other partners, and regional centers may be established.

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DESIGN AND MONITORING FRAMEWORK<sup>1</sup>

Design Summary	Performance Targets/Indicators	Data Sources/Reporting Mechanisms	Assumptions and Risks
<p><b>Impact</b></p> <ul style="list-style-type: none"> <li>Improved economic, environmental, and health conditions of the poor in DMCs in Asia and the Pacific</li> </ul>	<ul style="list-style-type: none"> <li>Increase in income among people in project areas</li> <li>Improvement in meeting the MDGs</li> </ul>	<ul style="list-style-type: none"> <li>Donor and other organization data and reports</li> <li>DMC energy data and national reports</li> <li>DMC data on MDGs</li> </ul>	<p><b>Assumptions</b></p> <ul style="list-style-type: none"> <li>There is continued regional collaboration to address energy poverty.</li> <li>Public, private and donor resources to address access to energy are available.</li> <li>DMCs have the political will to increase access to modern energy services for the poor to meet MDGs.</li> </ul>
<p><b>Outcome</b></p> <ul style="list-style-type: none"> <li>Increased access to sustainable modern energy services in the Asia-Pacific region</li> </ul>	<ul style="list-style-type: none"> <li>Increased investment in access to energy projects among partner organizations compared to baseline year</li> <li>More and larger access to energy projects among partner organizations</li> </ul>	<ul style="list-style-type: none"> <li>Donor and other organization data and reports</li> <li>DMC energy data and national reports</li> <li>Partner organization progress reports</li> </ul>	<p><b>Assumptions</b></p> <ul style="list-style-type: none"> <li>Energy access is a priority for DMCs.</li> <li>Private sector and financial institutions see energy access as a potential untapped business opportunity.</li> <li>Access to finance for poor and rural households is available.</li> <li>A regional partnership is an effective vehicle to scale up access to energy.</li> </ul> <p><b>Risks</b></p> <ul style="list-style-type: none"> <li>Governments in the region will be preoccupied with other development priorities.</li> <li>Private sector and</li> </ul>

<sup>1</sup> This design and monitoring framework (DMF) supports the DMF for TA-6443: *Energy for All Initiative*.

Design Summary	Performance Targets/Indicators	Data Sources/Reporting Mechanisms	Assumptions and Risks
			<p>financial institutions will prefer opportunities in large-scale energy investments.</p> <ul style="list-style-type: none"> <li>The regional partnership cannot address the barriers to scaling up access to energy.</li> </ul>
<p><b>Outputs</b></p> <ol style="list-style-type: none"> <li>Self-sustainable regional platform to improve coordination, networking, mentoring and information exchange established.</li> <li>Innovative financing mechanisms demonstrated and mainstreamed in partner organizations</li> <li>New approaches and methodologies for scaling up access to energy deployed and replicated</li> <li>Partnerships to develop, finance and implement access to energy projects facilitated</li> </ol>	<ul style="list-style-type: none"> <li>At least 100 organizations involved in providing access to energy in Asia-Pacific participate in the partnership through the steering committee, working groups and partner activities and events.</li> <li>Partnership website established and receiving at least 500 visits per month to access knowledge management tools (best practice case studies, reports, open innovation IT tools, etc.)</li> <li>At least 3 financing models suitable for sustainably delivering access to energy used by partner organizations by 2010</li> <li>At least 20 financial institutions in Asia-Pacific actively financing access to energy projects by 2010</li> <li>At least 10 scaling up projects facilitated through partnership by 2010</li> </ul>	<ul style="list-style-type: none"> <li>Donor and other organization data and reports</li> <li>DMC energy data and national reports</li> <li>Partner organization reports</li> <li>Partnership publications and events</li> <li>Partnership website reports</li> <li>Partnership data and surveys</li> </ul>	<p><b>Assumptions</b></p> <ul style="list-style-type: none"> <li>Organizations involved in access to energy see value in a regional partnership, take leadership in steering the partnership and contribute resources to sustain the partnership.</li> <li>Financial institutions see a business opportunity in lending for small-scale energy investments</li> <li>The private sector sees business opportunity in the provision of small-scale energy services and products</li> <li>Communities are willing to take part in planning, constructing and/or managing energy systems</li> </ul> <p><b>Risks</b></p> <ul style="list-style-type: none"> <li>The partnership will not generate sufficient interest and will not be sustainable.</li> <li>Financial institutions</li> </ul>

Design Summary	Performance Targets/Indicators	Data Sources/Reporting Mechanisms	Assumptions and Risks
			<p>are not active in access to energy and do not want to extend their services in project areas.</p> <ul style="list-style-type: none"> <li>• The private sector is not active in the provision of small-scale energy services and products</li> <li>• Communities are not united to plan, construct and manage the systems.</li> </ul>
<p><b>Key Activities with Milestones (for years 2009-2010)</b></p> <ol style="list-style-type: none"> <li>1.1 Secretariat established and relevant consultants engaged by February 2009</li> <li>1.2 Steering Committee constituted and first meeting convened by March 2009</li> <li>1.3 Small, ongoing research capacity established within secretariat (ongoing from March 2009)</li> <li>1.4 Partnership formally launched and sessions on access to energy convened at Asia Clean Energy Forum, 17-19 June 2009</li> <li>1.5 Partnership website established by June 2009</li> <li>1.6 At least 4 working groups established by August 2009</li> <li>1.7 Practitioner-based technical exchanges, including workshops and training programs to capitalize on learning, sharing, and networking, and case studies and best practices for adaptation and transfer, supported across the region.</li> <li>1.8 Business plan developed and approved by the steering committee by December 2009</li> <li>1.9 One or more regional centers of excellence established to drive information, resources and support to communities by December 2009</li> <li>2.1 Specialized equity or revolving funds and/or other innovative financial products developed and established with key partners to scale up community-level energy financing.</li> <li>2.2 Financing best practices and lessons learned disseminated through partnership website, workshops and publications</li> <li>2.3 Brokering process between energy companies, suppliers, project developers and MFIs developed.</li> <li>3.1 Frameworks developed to establish public-private partnerships to implement and finance projects on the ground</li> <li>3.2 Micro-entrepreneurs and communities assisted to engage with relevant institutional, donor and private funding mechanisms, and advised on new carbon economy opportunities, such as the CDM</li> <li>3.3 Defensible and evidence-based business case scenarios produced and disseminated</li> </ol>			<p><b>Inputs</b></p> <ul style="list-style-type: none"> <li>• ADB provides incubator+financial and organizational support</li> <li>• 72 person-months of international consultants and 60 person-months of national consultants</li> <li>• Working group chairs provide additional resources and technical support</li> <li>• Additional financial and technical resources are mobilized from partners as the partnership demonstrates its effectiveness.</li> </ul>

<b>Design Summary</b>	<b>Performance Targets/Indicators</b>	<b>Data Sources/Reporting Mechanisms</b>	<b>Assumptions and Risks</b>
<p>4.1 Existing projects that meet the criteria for additional investment and resources identified for partner support, and input provided to partners to develop % scaling up+projects that can be supported by ADB or other partners</p> <p>4.2 Partnerships developed with those already working on the ground with target communities</p> <p>4.3 Energy for All Partnership further developed as a mobilizing force with strong roles for the private sector, public agencies, financial institutions and NGOs</p>			

## **TERMS OF REFERENCE STEERING COMMITTEE, ENERGY FOR ALL PARTNERSHIP**

### **1. Background and Objective**

1. In support of its poverty alleviation mandate, the Asian Development Bank (ADB) is committed to increasing access to clean and affordable energy for people throughout the Asia and Pacific region. ADB is now implementing the Energy for All Initiative to develop new approaches and methodologies for promoting access to reliable and affordable modern energy services by the poor. Energy for All is being implemented through two parallel tracks: strengthening ADB's internal capacity to support scalable and replicable access to energy projects; and establishing a regional partnership- the Energy for All Partnership (E4ALL) to scale up access to energy for the poor in Asia and the Pacific.

2. E4ALL will serve as a platform to stimulate cooperation, share ideas and information, advocate new approaches and methodologies, mainstream appropriate financing mechanisms, and, most importantly, help drive the implementation of scalable, replicable, and financially sustainable access to energy projects. The partnership has set a target of providing access to modern energy services for 100 million people in the region by 2015.

3. The organizational structure of E4ALL will consist of a steering committee, working groups and a secretariat. ADB is now constituting the Steering Committee, which will provide leadership, mandate and overall direction. The Steering Committee will comprise representatives of key partners, donors, financial institutions, foundations, private sector and other expert contributors.

### **2. Scope of Work**

4. The Steering Committee will provide guidance and high-level, strategic inputs to E4ALL on the establishment, operations and sustainability of the partnership. Specific tasks assigned to the Steering Committee will include, but will not be limited to, the following:

#### **A. Establishment**

- (i) Providing guidance on branding and increasing the exposure of E4ALL
- (ii) Identifying additional strategic partners
- (iii) Advising on the partnership's strategy and approach to scaling up access to energy, including advice on the type of activities to be undertaken
- (iv) Advising on strategies for synergizing partners' activities and leveraging the strengths of existing initiatives to avoid duplication of effort

#### **B. Operations**

- (v) Providing direction and oversight to working groups. Where appropriate, Steering Committee member organizations may also chair working groups.
- (vi) Providing ongoing guidance on approaches and methodologies to scale up access to energy in the Asia-Pacific region
- (vii) Reviewing the activities of the partnership to ensure that the objectives are being met

### C. Sustainability

- (viii) Advising on a business plan and identifying long-term sources of funding to sustain the partnership.
- (ix) Advising on strategies to encourage private sector participation in E4ALL

## **4. Requirements and Implementation Arrangements**

5. The Steering Committee will be constituted with effect from March 2009 and will be supported by the E4ALL secretariat. The Steering Committee will meet 1-2 times annually with the inaugural meeting to be held in Singapore in March 2009. A chair or co-chairs will be elected at the inaugural Steering Committee meeting. Nomination to the Steering Committee will be for an indefinite period, subject to decisions taken by the Steering Committee or revision of these terms of reference.

## TERMS OF REFERENCE WORKING GROUP, ENERGY FOR ALL PARTNERSHIP

### 1. Background and Objective

1. In support of its poverty alleviation mandate, the Asian Development Bank (ADB) is committed to increasing access to clean and affordable energy for people throughout the Asia and Pacific region. ADB is now implementing the Energy for All Initiative to develop new approaches and methodologies for promoting access to reliable and affordable modern energy services by the poor. Energy for All is being implemented through two parallel tracks: strengthening ADB's internal capacity to support scalable and replicable access to energy projects; and establishing a regional partnership- the Energy for All Partnership (E4ALL) to scale up access to energy for the poor in Asia and the Pacific.

2. E4ALL will serve as a platform to stimulate cooperation, share ideas and information, advocate new approaches and methodologies, mainstream appropriate financing mechanisms, and, most importantly, help drive the implementation of scalable, replicable, and financially sustainable access to energy projects. The partnership has set a target of providing access to modern energy services for 100 million people in the region by 2015.

3. The organizational structure of E4ALL will consist of a steering committee, working groups and a secretariat. Working groups will be the locus of E4ALL activities and will contribute intelligence, technical know-how, credibility and regional cooperation, including both public and private sectors. E4ALL is now seeking expressions of interest from organizations with the expertise and commitment to lead working groups on relevant topics.

### 2. Scope of Work

4. Working groups will focus on a particular theme, topic or region and will enable partners to improve coordination and cooperation, address barriers to scaling up relevant to the topic, and develop projects. Indicative examples of working group topics include biogas, off-grid lighting, microfinance, the Pacific region, and Afghanistan and Pakistan. Specific tasks assigned to the working groups will include, but will not be limited to, the following:

#### A. Working Group Chairs

- (i) Submit expressions of interest to the E4ALL secretariat.
- (ii) With the support of the E4ALL secretariat, initiate working groups and recruit relevant participants.
- (iii) With input from working group members and the E4ALL secretariat, develop a work plan, including priorities, targets, a program of activities with milestones, and budget. Present work plans to E4ALL steering committee for advice and recommendations.
- (iv) With working group members, mobilize resources to implement activities.<sup>7</sup>
- (v) Identify appropriate working group member organizations to take the lead on specific activities.
- (vi) With support from the E4ALL secretariat, design and implement a monitoring and evaluation protocol.

<sup>7</sup> Incubator support to working groups will be provided by ADB during the E4ALL establishment phase.

- (vii) With administrative and logistical support from the E4ALL secretariat, convene working group meetings.
- (viii) Implement recommendations from the E4ALL steering committee.
- (ix) In collaboration with the E4ALL %distributed innovation<sup>8</sup>+(DI) advisor, develop and implement a DI strategy for the working group. The DI strategy will include: (i) identification of challenges to be addressed using DI; (ii) identification of appropriate existing DI tools and platforms to use to seek solutions to challenges; (iii) integration of DI into the work plan for each working group; and (iv) timeline and milestones for implementation.
- (x) With input from the DI advisor and working group members, evaluate solutions generated through the DI process and select challenge winners.
- (xi) Submit updates on working group activities to the E4ALL secretariat for the E4ALL newsletter.
- (xii) Prepare bi-annual progress reports for the E4ALL steering committee.

#### B. Working Group Participants

- (xiii) Provide input to the working group chair on the work plan.
- (xiv) Participate in working group meetings.
- (xv) Contribute to achieving the work plan, and, when appropriate, take the lead on specific activities.
- (xvi) Lead, host or contribute to technical exchanges and workshops, and facilitate involvement of beneficiary communities.
- (xvii) Design and develop %scaling up+access to energy projects, in collaboration with other E4ALL partners.
- (xviii) Implement recommendations from the steering committee.
- (xix) Share best practices and lessons learned with other working group participants and E4ALL partners through working group meetings, workshops and technical exchanges and E4ALL website and events.
- (xx) Disseminate knowledge generated through working groups and drive information and ideas through country and regional microfinance networks, banking associations, private sector energy providers, business associations and other relevant channels.
- (xxi) Monitor own organization's activities and report results to working groups.

#### 4. Requirements and Implementation Arrangements

5. Working groups will be established according to demand with effect from February 2009 and will be supported by the E4ALL secretariat. Working groups will meet at least once a year, but may meet more frequently, depending on the work program. Participation in working groups is encouraged from organizations in Asia and the Pacific with knowledge and experience relevant to each topic.

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<sup>8</sup> Distributed innovation (DI) is an approach to research, development and deployment, which harnesses knowledge outside the boundaries of any one organization through open challenges accessible to all potential problem solvers. DI will be pilot-tested in two or more E4ALL working groups.

## ENERGY FOR ALL PARTNERSHIP (E4ALL): EXPRESSION OF INTEREST TO LEAD A WORKING GROUP

Proposed Working Group: {Please list the theme or topic of the working group you propose to lead.}

1. <b>Organization name:</b>
2. <b>Organization background:</b> {To help us assess your organization's suitability to lead the proposed working group, please provide information about your organization, including mission, activities undertaken and planned, organizational strength (number and expertise of staff, annual budget if possible), and experience in the proposed field.}
3. <b>Proposed work plan for working group</b>
a) <b>What targets will be achieved?</b> {Please provide information about the number of beneficiaries reached and the countries in which proposed working group activities will be implemented.}
b) <b>What activities will be undertaken?</b> {Please provide information about the kind of activities the working group will undertake, e.g., workshops, technical exchanges, developing project proposals, etc.}
c) <b>Timeline</b> {Please provide an indicative timeline for achieving targets described above}
4. <b>Expectations from Partnership:</b> {Please indicate here what benefits your organization expects to derive from leading the proposed working group. Check as many boxes as applicable.}
<input type="checkbox"/> Networking, coordination and information exchange <input type="checkbox"/> Administrative and logistical support while carrying out working group activities <input type="checkbox"/> Facilitating project development and access to potential sources of funding <input type="checkbox"/> Access to open innovation for identifying solutions to sectoral challenges <input type="checkbox"/> Recognition of organization's achievements in scaling up access to energy <input type="checkbox"/> Other: {Please specify.}
5. <b>Contribution to the Partnership:</b> {Please describe how the proposed activities will support the objectives of the partnership.}

Responses in this form should be limited to two (2) pages. Additional information may be included as an appendix.

Expressions of interest should be sent to:

Jiwan Acharya  
Climate Change Specialist (Energy)  
Asian Development Bank  
[jacharya@adb.org](mailto:jacharya@adb.org)  
Tel: +632 632-6207

Shaanti Kapila  
Energy for All Initiative Coordinator  
Asian Development Bank  
[skapila@adb.org](mailto:skapila@adb.org)  
Tel: +632 632-4444, local 70020

## **TERMS OF REFERENCE SECRETARIAT, ENERGY FOR ALL PARTNERSHIP**

### **1. Background and Objective**

1. In support of its poverty alleviation mandate, the Asian Development Bank (ADB) is committed to increasing access to clean and affordable energy for people throughout the Asia and Pacific region. ADB is now implementing the Energy for All Initiative to develop new approaches and methodologies for promoting access to reliable and affordable modern energy services by the poor. Energy for All is being implemented through two parallel tracks: strengthening ADB's internal capacity to support scalable and replicable access to energy projects; and establishing a regional partnership- the Energy for All Partnership (E4ALL) to scale up access to energy for the poor in Asia and the Pacific.

2. E4ALL will serve as a platform to stimulate cooperation, share ideas and information, advocate new approaches and methodologies, mainstream appropriate financing mechanisms, and, most importantly, help drive the implementation of scalable, replicable, and financially sustainable access to energy projects. The partnership has set a target of providing access to modern energy services for 100 million people in the region by 2015.

3. The organizational structure of E4ALL will consist of a steering committee, working groups and a secretariat. The small secretariat will support the steering committee and working groups and engage with relevant partners, sponsors, project developers and other constituents to achieve the program of activities.

### **2. Scope of Work**

4. The E4ALL secretariat will manage the day-to-day operations and outreach of the partnership and will provide administrative, logistical and technical support to the steering committee and working groups. The secretariat will maintain the E4ALL network of partners and will further develop E4ALL as a mobilizing force with strong roles for the private sector, public agencies, financial institutions and NGOs. Specific tasks assigned to the secretariat will include, but will not be limited to, the following:

#### **A. Steering Committee**

- (i) Manage the formation and ongoing composition of the steering committee. Identify and recruit members, issue invitations, and organize and facilitate steering committee meetings and intersessional work.
- (ii) Draft and present E4ALL plans and reports to the steering committee. These include: (i) strategic plan, including work plan with milestones, (ii) business plan, and (iii) bi-annual progress reports.
- (iii) Implement steering committee recommendations on the strategy, organization and operations of the partnership. Assist working group chairs in implementing recommendations on E4ALL activities.

#### **B. Working Groups**

- (iv) Review and approve expressions of interest from working group chairs

- (v) Assist working group chairs in formation and management of working groups, including identifying appropriate member organizations and facilitating meetings.
- (vi) Support working group chairs in preparing and implementing work plans. Provide input on establishing priorities and targets and identifying a program of activities, and provide support in conducting activities.
- (vii) Assist working group chairs in designing and implementing monitoring and evaluation protocols.
- (viii) Convene meetings of working group chairs, if and when required, and ensure coordination and cross-pollination among working groups.
- (ix) Support working groups in developing %scaling up+ access to energy projects. Provide input and facilitate links with experts, resource persons and sources of finance.
- (x) With input from the %distributed innovation<sup>1</sup>+(DI) advisor during the DI pilot phase, assist working groups in DI implementation and manage DI process.

### C. Publicity and Promotion

- (xi) Develop E4ALL logo and branding
- (xii) Design, establish and maintain E4ALL website, which will serve as an information clearing-house on access to energy in Asia and the Pacific and will facilitate the exchange of knowledge among practitioners through collaborative IT tools.
- (xiii) Establish effective communication arrangements, including via the internet, publications, promotional material and a newsletter, and disseminate to E4ALL partners.
- (xiv) Produce E4ALL annual report
- (xv) Present E4ALL at relevant conferences and events
- (xvi) Manage E4ALL events, including launch and access to energy sessions at ADB's Asia Clean Energy Forum
- (xvii) Conduct outreach and liaise with development partners, private sector and other stakeholders.

### D. Knowledge Management and Research

- (xviii) Identify research gaps and commission studies in response to demand from partners
- (xix) Identify existing case studies and/or produce new case studies for dissemination to partners and on website
- (xx) Track developments in access to energy field
- (xxi) Track access to energy investment within ADB and in the region

### E. Administration

- (xxii) Promote the establishment of the E4ALL network and maintain it by facilitating regular updating of data, communication among stakeholders, dissemination of information, and events.
- (xxiii) Attract resources to support E4ALL activities and manage budget

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<sup>1</sup> Distributed innovation (DI) is an approach to research, development and deployment, which harnesses knowledge outside the boundaries of any one organization through open challenges accessible to all potential problem solvers. DI will be pilot-tested in two or more E4ALL working groups.

- (xxiv) Field requests pertaining to E4ALL
- (xxv) Create and maintain database of partners
- (xxvi) Recruit and engage consultants, as and when required
- (xxvii) Support ADB operational departments to develop access to energy projects
- (xxviii) Define project selection criteria and make recommendations to donors about partner-developed projects to support.
- (xxix) Support project development activities that further the goals of the partnership, but remain outside the framework of the working groups.

#### F. Monitoring and Evaluation

- (xxx) Develop performance impact criteria
- (xxxi) Gather baseline data and follow-on data relevant to E4ALL activities for independent and ADB impact assessment
- (xxxii) Monitor progress of partnership
- (xxxiii) Capturing of data

#### **4. Requirements and Implementation Arrangements**

5. The secretariat will be operational with effect from February 2009. ADB will provide incubator support to the partnership for two years, during which time the secretariat will have its headquarters in ADB, with a presence in other key locations in the region, including Singapore.

## POTENTIAL ACTIVITIES OF THE ENERGY FOR ALL PARTNERSHIP (E4ALL)

<p style="text-align: center;"><b>Outcomes</b></p> <p style="text-align: center;"><b>Strategy</b></p>	Scaling up energy services that are safe, clean, affordable and easily accessible.	A network developed to enhance support for the efforts of donors, NGOs and the private sector in expanding energy access for the poor in the region.	New approaches and methodologies developed to scale up models that work.	Improved coordination at the regional level through learning, networking, information sharing and mentoring best practices	Sustainable benefits stimulated.
Support the scaling-up of successful existing approaches and encourage the implementation of promising new and suitable approaches and financing mechanisms to increase access to energy with greater level of private sector participation.	Identify existing models suitable for replication, support partners in developing new projects, and provide exposure to partners and other institutions.	Further develop E4ALL as a mobilizing force with strong roles for the private sector, public agencies, financial institutions and NGOs.	Produce defensible and evidence-based %business case+ scenarios.	Publish a practitioner-based book of short case studies, and interactive web site to capture best practices and build the network.	Facilitate workshops at the ground level that involve the recipient communities, led by relevant partner organizations.
Enable communities to learn from core challenges and successes in energy lending, including reference to leading case studies that have demonstrated a business case for development.	Support practitioner-based technical exchanges across the region, including workshops, training programs, to capitalize on learning, sharing, networking, case studies and best practices for adaptation and transfer.		Establish one or more regional centers of excellence to drive information, resources and support to communities.		
Facilitate the exchange of information and experiences between expert practitioners, and the development of new partnerships.	Create and maintain a coalition of stakeholders, as a vehicle for public/private sector participation, contributions, resources and sponsorship, to promote and scale up projects.		Convene sessions on scaling up access to energy at the ADB annual Clean Energy Forum.	Develop suitable frameworks to establish public-private partnerships to implement and finance projects on the ground.	Develop partnerships with those already working on the ground with the target communities.
Enable communities to self-manage local development projects by promoting training and information sharing.	Assist micro-entrepreneurs and communities to engage with relevant institutional/donor/private funding mechanisms, and advise on new carbon economy opportunities such as the Clean Development Mechanism		Recommend and stimulate the establishment of specialized equity/revolving funds and/or innovative financial products with key players/partners to scale up community-level energy financing.	Develop a brokering process between energy companies, suppliers, project developers and MFIs.	
Support project implementation by commissioning research to examine the role of innovative financing and to identify other measures to narrow the gap between supply and demand of energy in communities.	Drive information and ideas through country and regional microfinance networks, banking associations, private sector energy providers and business associations.		Develop a small, ongoing research capacity, with a strong performance monitoring and evaluation element, to focus on measurement of impact on poverty as a result of improved energy access.		

## **POTENTIAL BENEFITS DERIVED FROM A REGIONAL APPROACH AND CRITICAL SUCCESS FACTORS**

### **1) POTENTIAL BENEFITS DERIVED FROM A REGIONAL APPROACH**

- (i) A regional platform will assist donors with coordination and collaboration.
- (ii) The Energy for All Partnership (E4ALL) can steer expert-led initiatives and raise funding potential of leading models.
- (iii) Intra-regional technical exchanges between practitioner organizations are very effective.
- (iv) Feedback information and experience to assist multi-lateral agencies like ADB, the International Finance Corporation (IFC), etc.
- (v) Innovation, product development, added funding, clarified business cases, insurance, etc, are all necessary to achieve the overall objective.
- (vi) E4ALL can provide a brokerage role, seeking finance, technology and development partners.
- (vii) Added stakeholder orientation to local networks, NGOs, private sector.
- (viii) It is critical to develop a systematic regional approach for monitoring and evaluation of the impact of grassroots initiatives.
- (ix) A regional approach can track progress against national, regional, global goals such as the Human Development Index.
- (x) E4ALL will provide synergy, flexibility, status for partners, and will stimulate economies of scale.
- (xi) Communities require more systematic links to capacity-building services.
- (xii) Regional expansion can lead to lower production and implementation costs.
- (xiii) Public-private partnerships of all varieties remain critical to scaling up across the region.

### **2) CRITICAL SUCCESS FACTORS**

- (i) Leadership role of recognized regional organizations is critical.
- (ii) Scaling up successful models will yield enormous untapped potential, with expertise pooled to bring region-wide benefits and visibility, particularly through working groups.
- (iii) The challenge is widespread in rural areas but common in many slums and informal communities of the poor in urban and peri-urban areas; there is a need to collect reliable information on the needs and supplies at village level and in urban communities of the poor.
- (iv) Weak research and development and training is a barrier to implementation, and project funding typically neglects the ongoing costs of maintenance.
- (v) Climbing the energy ladder leads to immediate impacts on poverty, income, gender, health, nutrition, environment, enterprise development and economic growth.
- (vi) Technology needs assessments are required plus data on impact of energy access at the village level.
- (vii) Energy connection and energy efficiency are as important as energy access.
- (viii) There is a continuous need to define access to energy (technology choices, rural/urban needs, etc.) neutral of special interests.
- (ix) All stakeholders will benefit from a renewed focus on facilitating national and local-level action throughout the region.

## LIST OF ORGANIZATIONS AND PROJECTS CONSULTED

The following contributed feedback on the design of the Energy for All Partnership (E4ALL):

Alliance for Mindanao Off-Grid Renewable Energy (AMORE), Philippines  
 Alternative Energy Promotion Centre, Nepal  
 Appropriate Technology & Community Development Institute, Papua New Guinea  
 APPROTECH ASIA  
 Australian Research Council (ARC)  
 ASEAN Centre for Energy (ACE)  
 Asian Development Bank (ADB)  
 AusAID  
 Bank of Philippine Islands  
 Barefoot Power  
 BP  
 Center for International Development, Harvard University  
 Citi Foundation  
 Clean Air Initiative for Asian Cities (CAI-Asia) Partnership  
 Computers Off Australia  
 Development Bank of the Philippines  
 Distributed Generation and Rural Electrification  
 E+Co Asia  
 Energy Visions Japan Co., Ltd.  
 ESAF (Evangelical Social Action Forum), India  
 Foundation for Sustainable Technologies (FoST), Nepal  
 Fuel for Poor Communities, Nepal  
 GE Energy Financial Services  
 German Organization for Technical Cooperation (GTZ)  
 Global Environment Facility (GEF)  
 Global Sustainable Energy Solutions, Australia  
 Green Microfinance  
 Groupe Energies Renouvelables Environnement et Solidarités (GERES), Cambodia  
 Global Village Energy Partnership (GVEP) International  
 Inter American Development Bank (IDB)  
 International Finance Corporation (IFC)  
 International Resources Group (IRG), Philippines  
 Japan International Cooperation Agency (JICA)  
 Kabalikat para sa Maunlad na Buhay, Inc. (KMBI), Philippines  
 Khaula Karya & Depot Teknologi Khaula, Indonesia  
 LIMRA Innovations & Technologies, India  
 MicroEnergy International  
 Milamdec Foundation, Inc., Philippines  
 Mindanao Microfinance, Philippines  
 National Center for Small Micro Enterprises Development, Fiji  
 National Network on Gender and Energy (NANEGE) and University of Peradeniya, Sri Lanka  
 Pacific Islands Applied Geoscience Commission (SOPAC)  
 Pacific Islands Renewable Energy Project Appropriate Technology and Community  
 Development Institute (ATCDI), Papua New Guinea  
 Peace and Equity Foundation, Philippines  
 Pelena Energy, Australia  
 People's Credit and Finance Corporation, Philippines

PlaNet Finance, Japan  
Poverty Reduction Fund, Lao PDR  
Preferred Energy Inc., Philippines  
Private Financing Advisory Network (PFAN) of the Climate Technology Initiative (CTI)  
Project ACCESS, Solar Electric Co., Philippines  
RENDEV, Sri Lanka and Bangladesh.  
Renewable Energy Asia Partnership  
Renewable Energy & Energy Efficiency Partnership (REEEP)  
ReEx Capital Asia  
Rural Power Project - LGF Proj. Mgt Office (LGU Guarantee Corp.), Philippines  
Sardovaya Economic Enterprise Development Services (SEEDS) Ltd, Sri Lanka  
SEEDFINANCE Corporation, Philippines  
Shell Foundation  
Sibol ng Agham at Teknolohiya (SIBAT), Philippines  
Small-Scale Sustainable Infrastructure Development Fund, Inc. (S<sup>3</sup>IDF), US/India  
SNV-Netherlands Development Organisation  
Solar Electric Company Inc., Philippines  
Secretariat of the Pacific Regional Environment Programme (SPREP)  
Standard Chartered Bank  
Sunlabob Renewable Energy Systems Ltd., Lao PDR  
TERI, Lighting a Billion Lives Campaign, India  
Triodos Bank  
University of the Philippines  
University of the South Pacific  
USAID, Office of Energy and Environment  
USEPA . Partnership for Clean Indoor Air  
Vanuatu Agriculture Development Bank  
Vanuatu Renewable Energy and Power Association (VANREPA)  
Winrock International  
World Bank  
World Business Council for Sustainable Development (WBCSD)  
World LP Gas Association (WLPGA)  
YAMOG Renewable Energy Development Group, Philippines

## STAKEHOLDER CONSULTATION FEEDBACK SUMMARY

Following is a summary of key comments on the partnership concept paper received during the stakeholder consultation process.

1. Overall there is support for the partnership and the regional approach, with some caution expressed to avoid duplication with other initiatives, but rather to strengthen and leverage existing efforts, leading to greater aggregate impact. There is strong support for developing a vehicle that will achieve greater participation of, and partnership with, private sector entities throughout the region.
2. There is a desire for an up-front financial commitment to be made by ADB. Roles of ADB and other partner organizations should also be well defined. These roles should stress methods of ~~action~~ and less ~~talk shop~~ as there is a common concern among many that this initiative will only result in several meetings and not enough action.
3. The partnership focuses primarily on the ~~demand~~ side of the issue, but does not adequately address the ~~supply~~ of services and products. This is probably directed at the lack of resource commitments (mainly financial) made at the onset.
4. The partnership needs specific country support to ensure that it does not create a ~~one size fits all~~ approach. Needs and issues in one country will differ in another (particularly between Asian and Pacific countries) as well as between individual communities within one country. There is a strong desire to have this initiative managed by an independent organization (away from the head offices such as Manila) to ensure that ~~on ground support~~ is achieved. Country-specific teams could then coordinate between projects and communities to report on what specific needs are identified, as well as where the potentials are for scaling up. There is clearly a strong role for ADB country offices and others with local expertise, policy awareness and community connections.
5. Country assessments on energy should also be carried out to create a base knowledge point. (However, one made the point . no more studies!) As part of this, the specific energy goals of each country should be identified to see how they can be complemented, thus achieving greater government support.
6. The partnership should stress not only identifying successful projects but also judge the potential for each project to effectively scale- up. As part of this process, the partnership should also facilitate, through knowledge exchange, innovative methods to achieve efficient and effective scaling-up of projects.
7. The partnership lacks a clear goal or set of ambitious but achievable targets and needs a stronger impact assessment component . supported by effective monitoring of progress and reporting.
8. Communication to rural areas cannot rely on IT. The partnership cannot rely entirely on emails or web pages to get information to those in rural communities and local projects. This reaffirms the need for a more country specific approach where a managing team could oversee the transfer of information to the necessary parties.

9. A strategy needs to be in place to keep the working groups in partnership and avoid becoming too independent of each other. Determine how they relate to each other, and how to devolve action, with clear leadership and coordination from the partnership.
10. The overall structure of the partnership needs to become more independent over time, eventually becoming totally independent of ADB leadership. It would be helpful to have an independent Chair of the Steering Committee from day one.
11. To avoid duplication of other existing initiatives/projects/organizations, the partnership must facilitate a strong networking component which encourages the fluid exchange of information across all involved organizations.
12. The partnership needs to set a clear timeline and plan for both short and long term . vision of growth and expansion towards a truly independent initiative. Potential partners want real detail of how and when the benefits will flow through to action on the ground.
13. Energy %efficiency,+in addition to energy %access,+needs greater relevance and focus reflected within the partnership.
14. There are challenges and strategy required for working across different legal frameworks. ADB could capitalize on its experience with a country-specific approach.