

3 November 2020
RBFF webinar series: #4 of 4

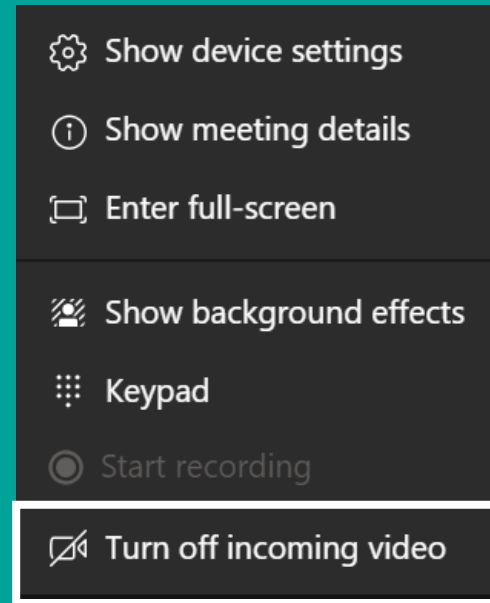
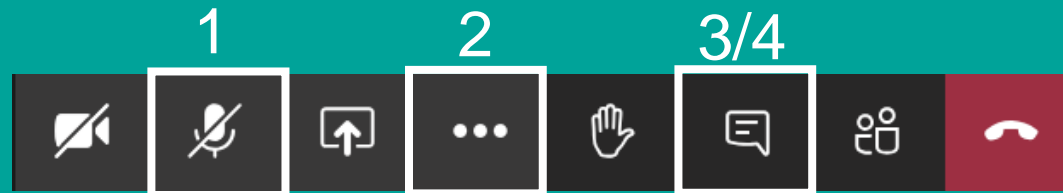
Verification in RBF projects - Value for money or waste of time?



Meeting Netiquette



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2. If your internet connection is poor, switch to audio-only call
3. Ask questions in chat box, answers provided at end
Please indicate name/organisation and who it is addressed to
4. For technical questions during the call, write in the chat box



Agenda

Time	Agenda item	Presenter
14:30 – 14:40	Welcome remarks: Value for money at UK Aid and Verification within the RBFF	Philip Mann - UK Aid (FCDO) Barbara Richard - EnDev HQ (GIZ)
14:40 – 14:50	Illustration of verification in the field: Gaining customer insights based on collection of socio-economic data in Cambodia (ICS RBF, Mekong)	Dennis Barbian – EnDev HQ (GIZ)
14:50 – 15:00	Q&A field verification	
15:00 – 15:20	Examples of applying verification tools: <ol style="list-style-type: none">1. Verification processes to deliver on results and impact – Lessons from Tanzania (Solar RBF, TZ)2. Challenges and innovative solutions to verification - Experiences from HIVOS and Techno Brain in Kenya (Biogas RBF, East Africa)	Josh Sebastian – EnDev Tanzania (SNV) Victoria Ndungu – EnDev Kenya (HIVOS)
15:20 – 15:30	Q&A verification tools	
15:30 – 16:00	Discussion and Conclusion	

Today's Presenters



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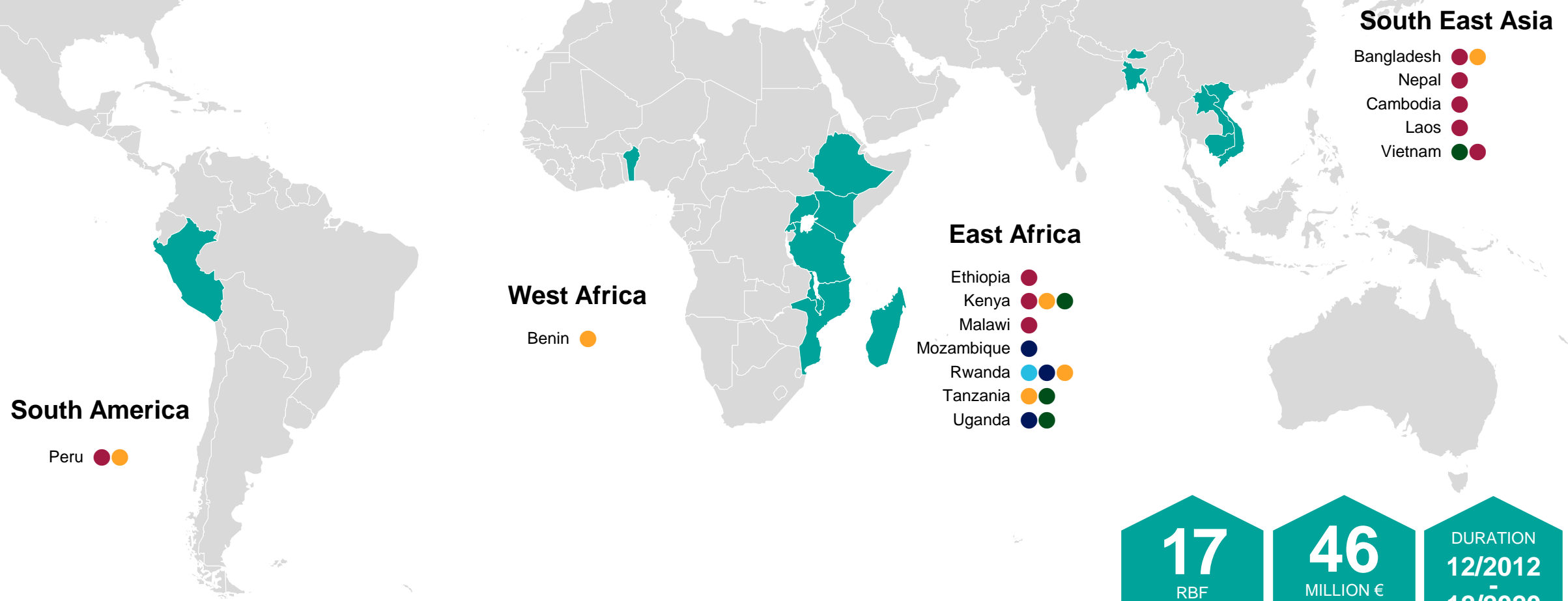


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EnDev's RBF Facility financed by UK Aid at a glance



17
RBF PROJECTS

46
MILLION € VOLUME

DURATION
12/2012 - 12/2020

- Hydro
- Grid extension
- Cooking energy
- Solar
- Biogas

RBFF KPI Achievements



(Preliminary results)

- 5,8 million people gained improved access to energy
- 1,4 million deployed technologies (stoves, solar water heater, picoPV, solar appliances, biogas digesters)
- 42,000 connections through mini-grids and grid extension and densification

New RBFF Knowledge Product
→ Coming Soon!

Rigorous Verification of Results: Value for Money or Waste of Time?

Lessons from 7 years of applying Results-based Financing in Energy Access Markets



Dennis Barbian, EnDev HQ

Verification in the field – Lessons from the EnDev Mekong RBF project



‘Market Acceleration for Advanced Clean Cookstoves in the Greater Mekong Sub-region’

Countries: Cambodia, Laos, Vietnam

Project period: 03/2015-12/2018

Implementer: SNV

Technology: Advanced Biomass Cookstoves (IWA Tier 2-4)

- EnDev RBFF project to **kick-start** and **accelerate** a market for ‘**Advanced Biomass Cookstoves**’ that are significantly **healthier, safer** and **more fuel efficient** than other biomass stove alternatives.
- Market development approach **adapted to each country**. In **Cambodia**, assisted **manufacturers** to **enter the market**; **distributors** get opportunity to **test product & market, develop business models**.

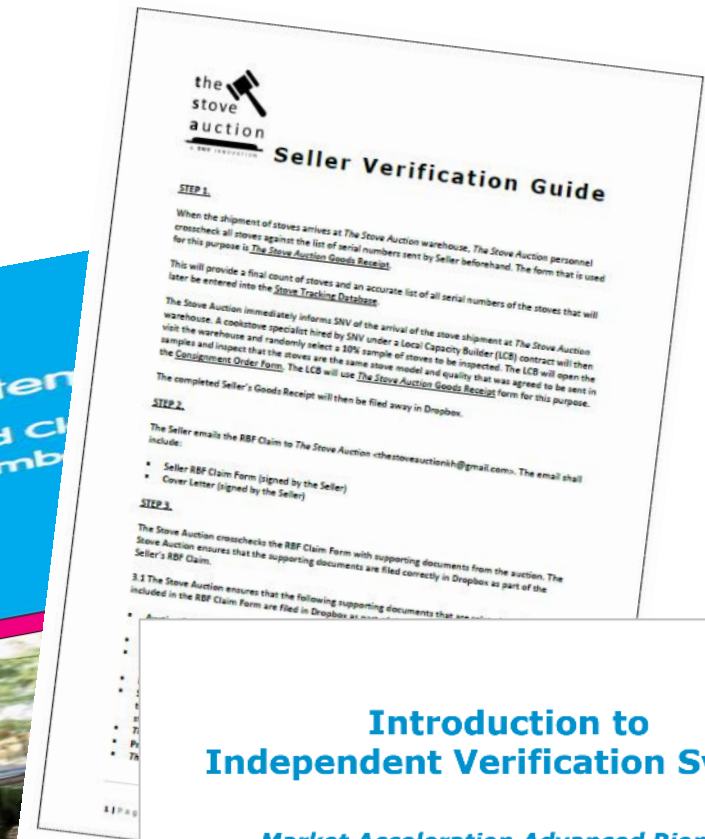
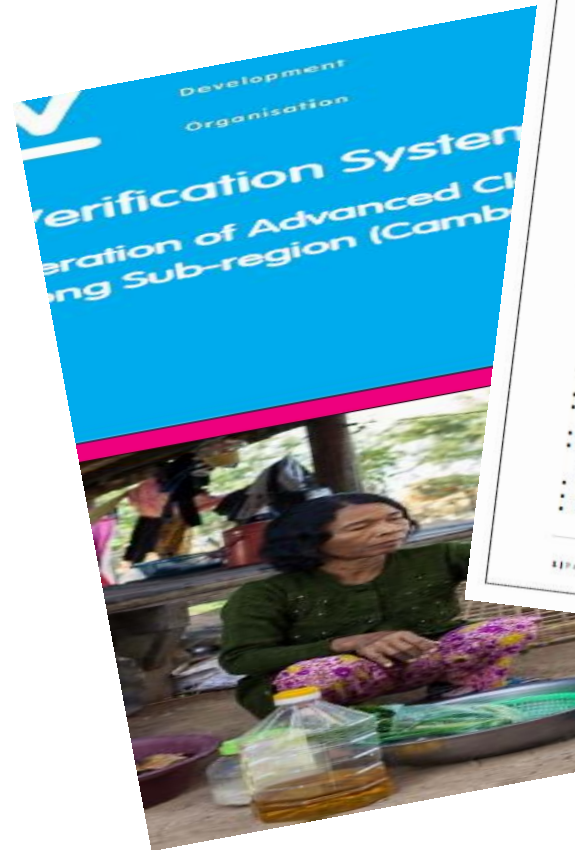


*Want to know more?
Access project resources [here](#)*



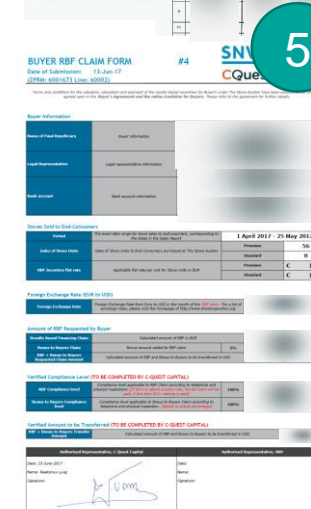
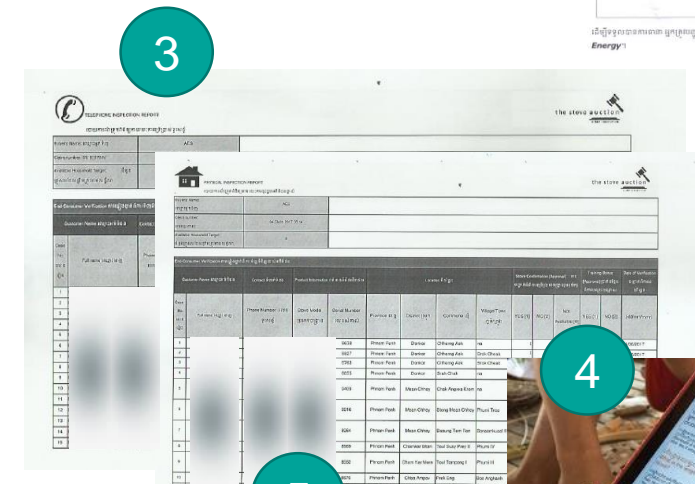
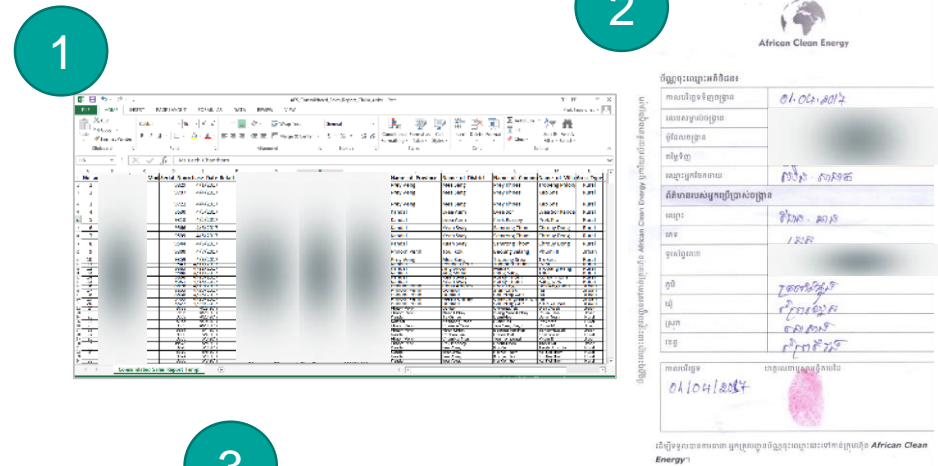
Setting up the Verification System

- Verification in Cambodia project component:
 - Last-mile distributors get **RBF incentives** for cookstove **sales & user training**.
 - RBF incentives paid **once transactions have been independently verified** by an Independent Verification Agent (IVA).
 - **Verification Guidelines** and **Tools** are documented in project's **Operations Manual**.
 - Verification results are **stored** and **archived** by project for **accountability**.



Process Overview

- **Claim Submission** (~2 weeks processing time*)
 - Enterprise submits 'RBF Incentive Claim' incl. evidence (e.g. 'Sales Reports' [1], 'Warranty Cards' [2])
 - 'Completeness Check' and 'Paper Trail Check' as first-level verification
 - 'Master Database' checks for duplicates
- **Phone & Field Verification** (~2 weeks processing time*)
 - IVA draws random samples (according to sampling requirements) for 'Field-' and 'Telephone Verification' [3]
 - IVA performs telephone and field verification on sampled customers using 'electronic survey questionnaire' [4]
 - IVA submits 'Verification Report' to project
- **Claim Disbursement** (~1 week processing time*)
 - Project calculates incentives [5] and makes disbursement to recipient



A glimpse into the Field Verification



Tracing the customer



Conducting the survey



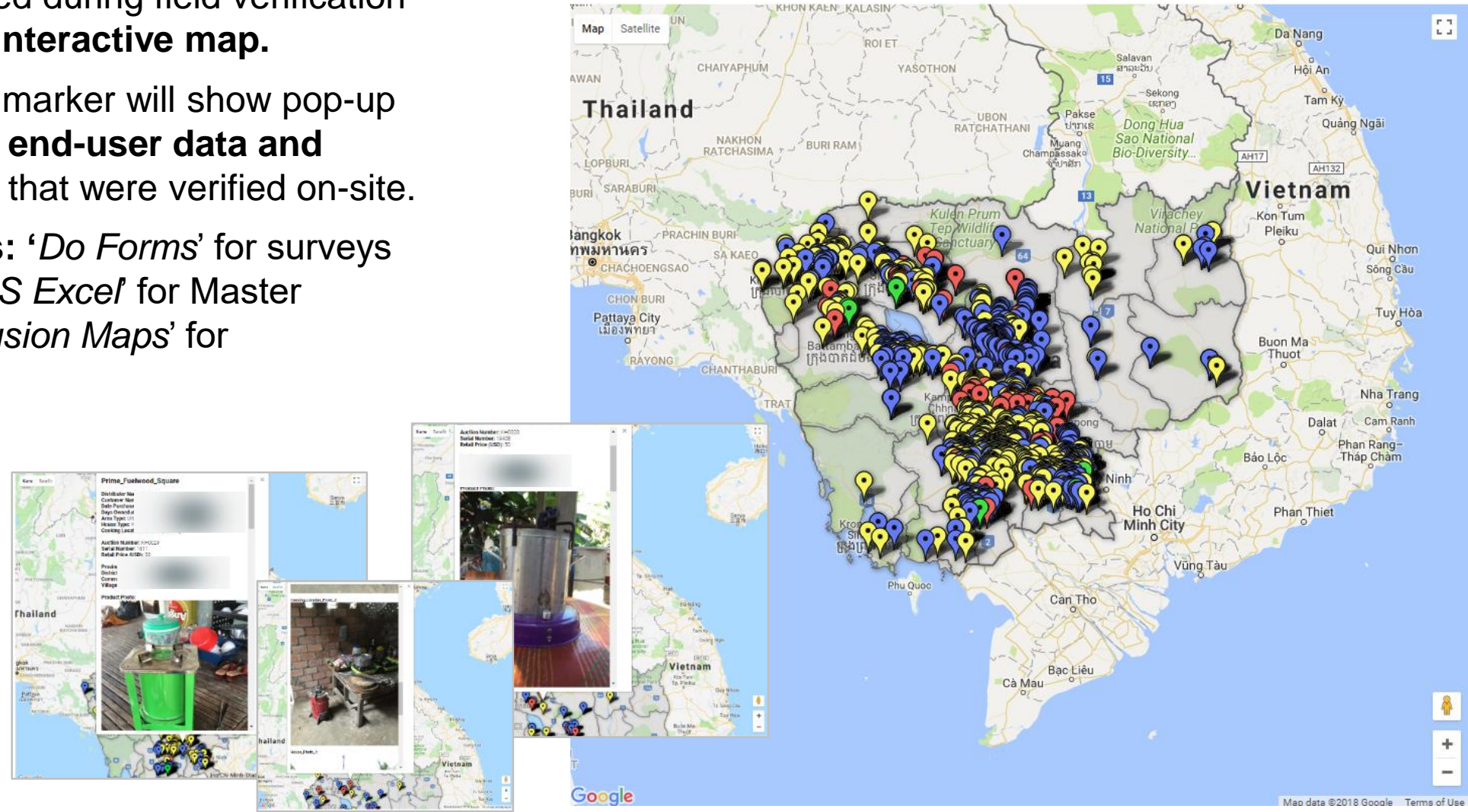
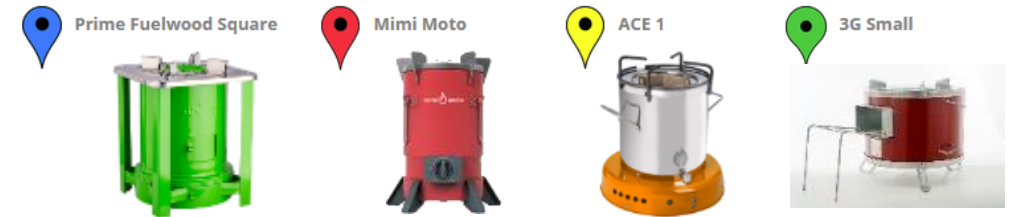
Photo of kitchen & house, GPS coordinates



Checking serial number & paper trail

IT Tools

- GPS locations collected during field verification are **visualised in an interactive map**.
- Clicking on a location marker will show pop-up that contains range of **end-user data and photos** for the stoves that were verified on-site.
- **Off-the-shelf IT tools:** ‘*Do Forms*’ for surveys and cloud storage, ‘*MS Excel*’ for Master Database, ‘*Google Fusion Maps*’ for visualisation.



Recommendations

- Enterprises might need help with **data management**
- **Acceptability** of verification activities varies by culture and technology
- Invest up-front to **selecting the right IVA** partner
- Verification **frequency & turn-around** times – participants need predictability
- Consider geographical clustering & other **cost control** measures



Thank you for
your attention!

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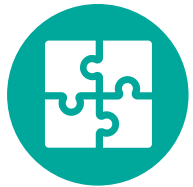
Verification Processes to Deliver Results & Impact: Lessons Integrating Lean Data in Tanzania's Solar RBF



RBF for Rural, Remote and Vulnerable Solar Market Development in Lake-Central Zones of Tanzania



Improve access to quality solar systems through a results-based financing (RBF) mechanism working with the private sector to stimulate the first level of solar growth in more remote interior markets.



Avails financial incentives to quality solar distributors upon the verified sales of Lighting Global approved solar products to rural consumers.



600,000 people with access to clean energy services (128,000+ systems) through 2.9 Million EUR transacted to the Private Sector over the two Stages (RBF 1: 2013-2018 and RBF 2: 2019-2020) (Preliminary achievements).

RBF in Tanzania

	RBF Stage 1	RBF Stage 2
Timeframe	2013 - 2018	2019- 2020
Incentives deployed	EUR 1.9M	EUR 1M
Persons gaining access to solar electricity	390,000	210,000*
Participating firms	11 firms	9 firms
Market context	Market assessment showed two zones with high latent demand	With high population areas penetrated, focus on more remote markets
Design elements	Fixed incentive values across regions based on Lighting Global (LG) brightness and duration specs	Incentive values based on LG specs and a new Vulnerability Access Index (VAI)
Verification	Independent Verification Agents (IVAs) using phone and onsite	IVAs plus an added Sustainability Verification Agent (SIVA) – 60 Decibels
Incentive Disbursement	Single Instalment, quarterly on outputs (product sales)	1 st Instalment, quarterly on outputs (product sales) 2 nd Instalment, 6-12 months post-sales on outcomes (sustainable market invest.)



Foundations of Output Oriented Verification: Tanzania Experience 2013-2018

Core principles in verification of consumer product sales:

- **Multi-Perspective:** Phone and Onsite verification are each carried out by multiple IVAs simultaneously.
- **Value Added Service:** Greater degree of positive cooperation with retailers and customers when gathering insights of their solar experience.
- **Feedback:** Closing supplier verification inclusive of retailer and customer experience review



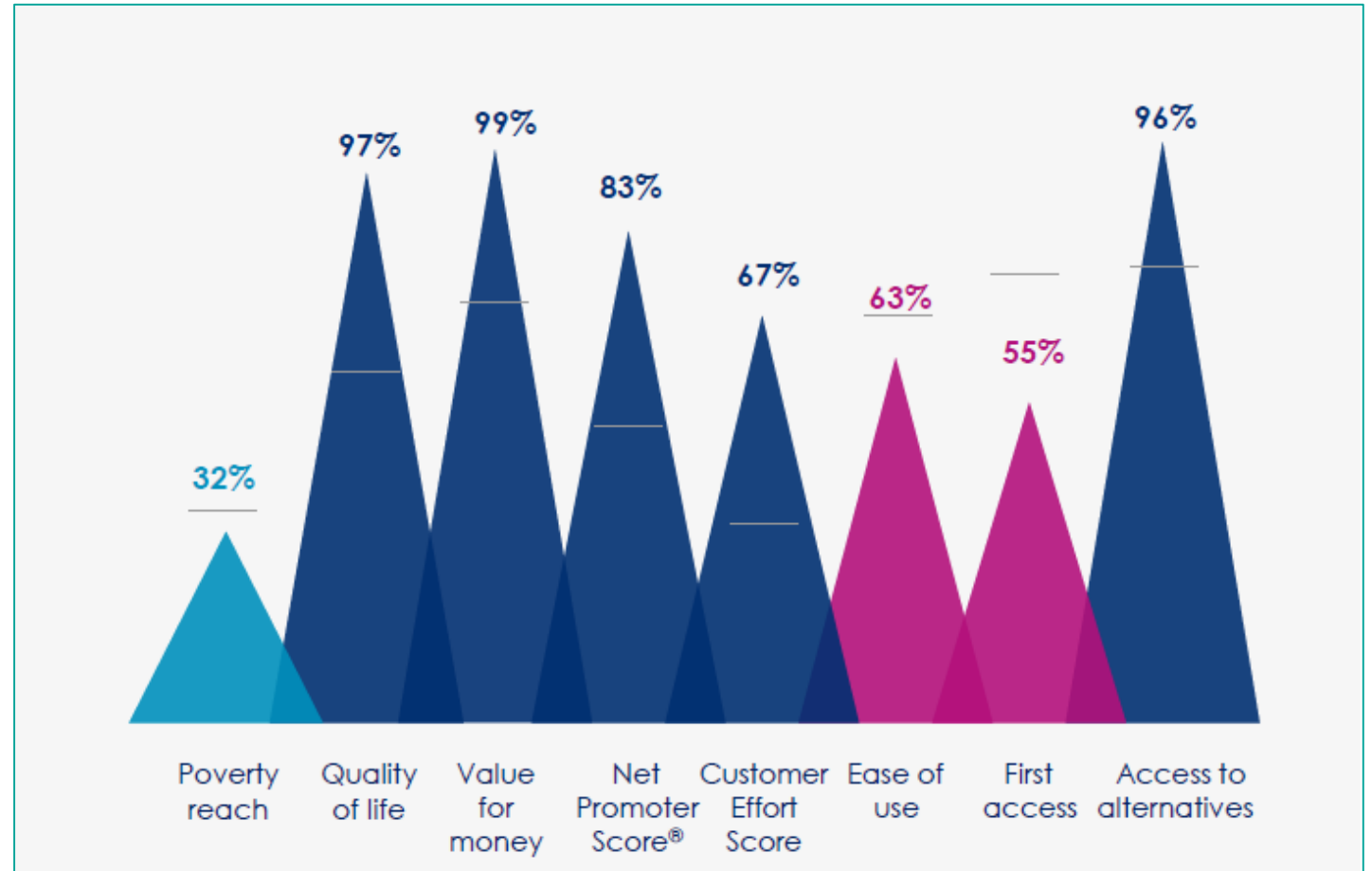


“The feedback on RBF Claims is almost more valuable than the RBF Incentives themselves”.
– *RBF Supported Firm, 2016*

Integrating Outcome Oriented Verification: Tanzania Experience 2019-20

A second stage of verification introduced 6-12 months *after* initial consumer product sales:

- **Lean Data Methodology**: Concise impact measures capturing the voice of respondents.
- **Key Performance Metrics**: Assess industry standard impacts in service delivery, poverty and gender.
- **Benchmarking**: Consistent and comparable against personal progress, program peers, broader industry



Integrating Outcome Oriented Verification: Tanzania Experience 2019-20

Indicator	SNV RBF Companies	60 Decibels Energy Benchmark
Poverty reach	73%	49%
First access	78%	49%
Access to alternatives	82%	69%
Net Promoter Score (NPS)	65	45
Challenges experienced	32%	37%
Customer Effort Score (CES)	4	3.4
Quality of life 'very much improved'	56%	56%

60 Decibels delivery of IVA roles to assess the sustainability of market investments has been invaluable to contextualizing the impact of solar firms in the Tanzania RBF.

Lean Data with 60 Decibels has proven to be robust and adaptable to capturing insights of employment quality and consumer experience during COVID-19.

Implementing Lean Data – Lessons Learned

Context is crucial to enhance the value added to outcome-oriented verification:

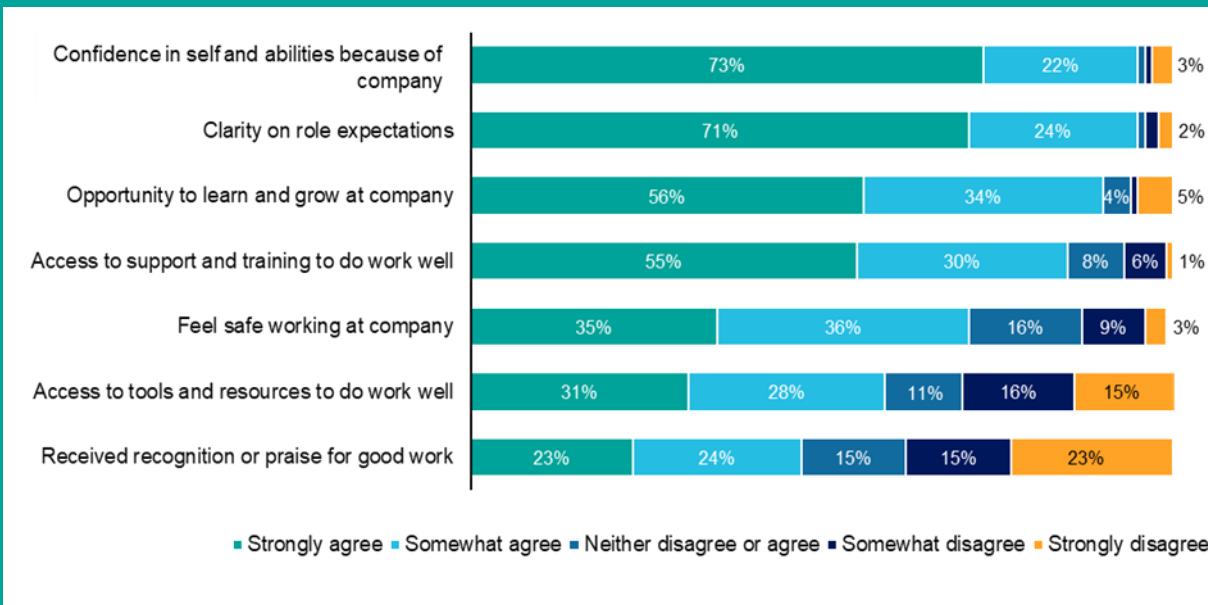
- Benchmarking performance relative to those of program peers and the wider industry creates tangible values for players to measure themselves against
- Extending the verification timeline of the customer experience provides a fairer basis to assess and steer performance fund design and rewards for intervention sustainability

Players will proactively address issues of impact when they are concisely articulated:

- Industry standard metrics and methods normalize vocal minorities and amplify the voiceless
- Creates a starting point for firms to better unpack and tackle business model re-tooling.

Output and Outcome verification require unique attention to enhance natural synergy:

- Improving an outcome-oriented metric requires 12 months of dedicated attention by firms - much longer than output-oriented reporting and reward cycles of 3 months.
- RBF rewards need to be patient and sensitize to avoid penalizing 'under' performance during service improvement phases



“I have lights in my house, and I have also installed lights in my parents’ house. I am now able to support them. I was not able to support them when I was not an agent.”

– RBF Supported Sales Agent, 2020

Thank you for
your attention!

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Victoria Ndung'u, HIVOS

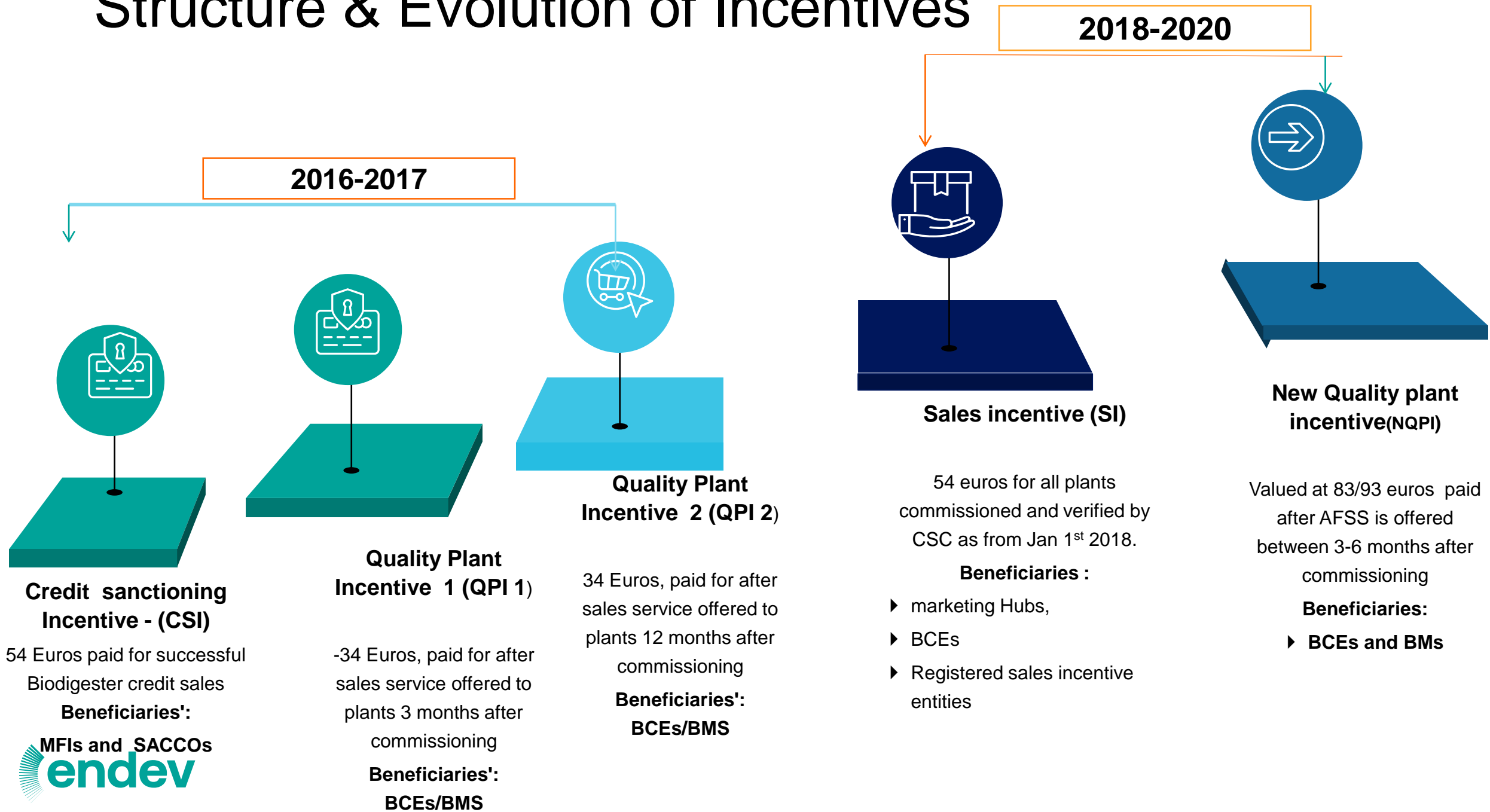
Challenges and innovative solutions to verification - Experiences from HIVOS/SNV and Techno Brain (Biogas RBF, East Africa)



Biogas Business Boost Benefiting Farmers Project (4BF)

- 4BF was a component of the Africa Biogas Partnership Programme/ ABPP (July 2015 - March 2020)
- Incentives implemented in Kenya, Tanzania & Uganda to restore relevance and viability of the Biogas sector after market collapse
 - <https://www.africabiogas.org/>
 - <https://www.africabiogas.org/videos/>

Structure & Evolution of Incentives



Market Development Ingredients

PRODUCTION Of BIODIGESTERS

Affordability

- Investment subsidy
- Investment costs
- Credit availability
- Cost Reduction Model

Reputation

- Functionality
- Quality
- Integrity of products / services and actors in the sector

Programme mgt

- Drive / ownership
- Credibility
- Relevance
- Implementing modalities
- Capacity (mgt / fin)
- **Monitoring and Verification**

Business case / benefits

- Demand: market pull vs programme push
- Energy and agriculture
- Supply: attractiveness, growth, margins
- Value chain linkages
- **Business case for farmer / BCE/MFI**

The Monitoring and Verification System



Household Info 1

Plant Code*
5687

Family Head Last Name*
Victoria

Family Head Middle Name

Family Head First Name*
Ndungu

< Prev Next >

Report: Accounts
UG: Plants Due for AfSS 2

AfSS 2 Due Month/Year	Account Owner	Account Name	Commission Date	AfSS 2 Due Date	Completion Date	Zone 1 - Geog
Apr 2021 (8)	Walter Okello	UG-EAS-2004-012332	15/04/2020	15/04/2021	02/04/2020	Eastern Region
	Walter Okello	UG-CEN-2004-017901	05/04/2020	05/04/2021	12/03/2020	Central Region
	Walter Okello	UG-WES-2004-BSU/012499	20/04/2020	20/04/2021	02/04/2020	Western region
	Walter Okello	UG-WES-2004-07434	04/04/2020	04/04/2021	20/03/2020	Western Region
	Walter Okello	UG-CEN-2004-017902	22/04/2020	22/04/2021	07/03/2020	Central Region
	Walter Okello	UG-WES-2004-07432	22/04/2020	22/04/2021	01/04/2020	Western Region
	Walter Okello	UG-CEN-2004-017904	19/04/2020	19/04/2021	22/03/2020	Central Region

4. ABPP CSC - PCR

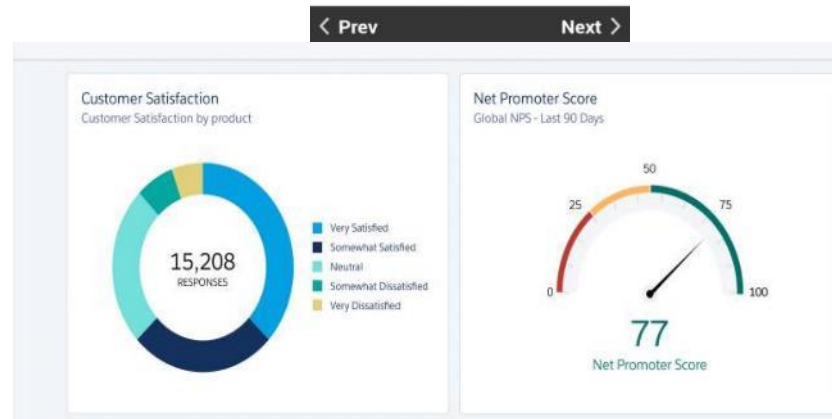
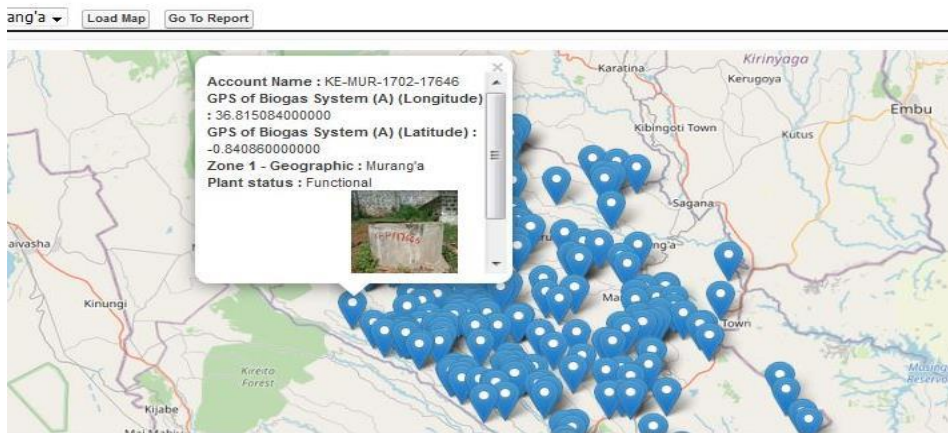
Select Geographical Area : KE-
KER-1507-14106

Reachability

Disposition immediately after dialing*

Reachable

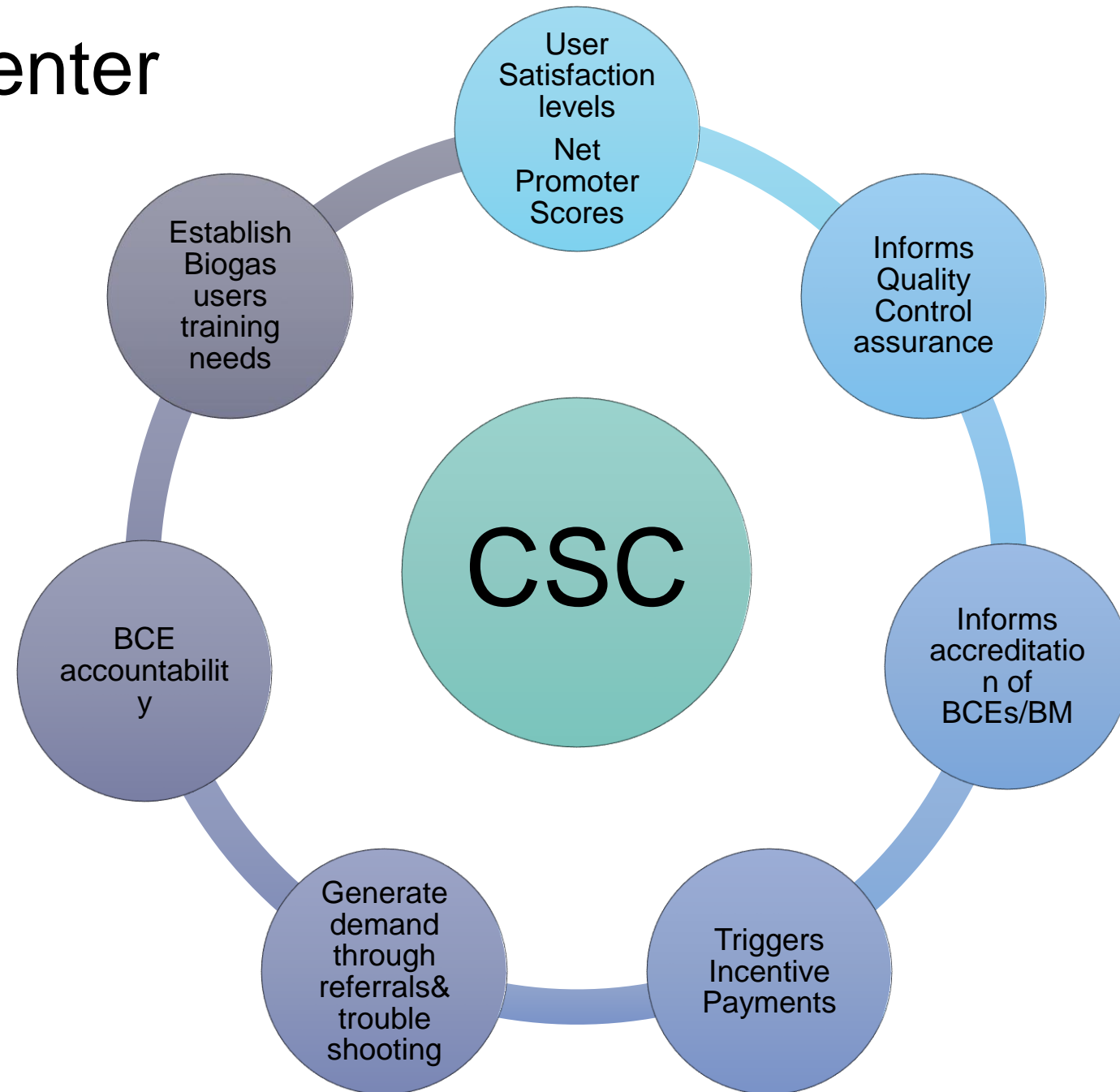
Unreachable



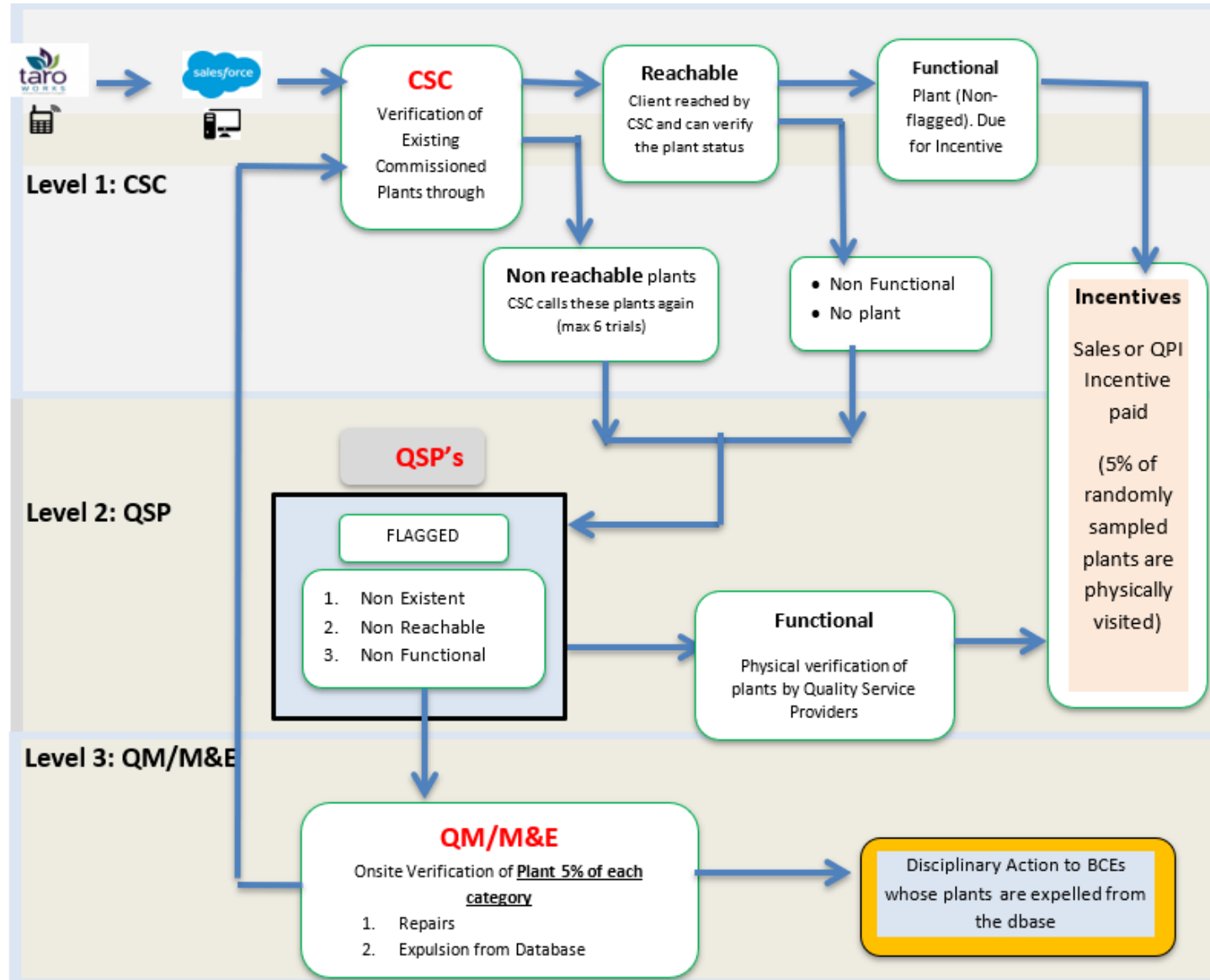
Robust yet flexible Monitoring, Verification and Learning System

The Customer Service Center Co – Benefits

- An independent verification system that conducts census verification of biogas plants through calling to ascertain biogas plant existence and functionality
- Based in multiple countries – call agents use the local languages
- Verification process guided by clear guidelines/protocol



Three Tier Verification Protocol



Insights and Learnings from the verification processes

- Automation – minimized human interference therefore reduced incidences of mistake and fraud (*digitalization reduces data flow process and improves quality of work , dignifies teams*)
- Integration of functions (M&E, Finance & QC) and alignment for better efficiency and effectiveness (a lean team is able to do the same work and better than a large field team.)
- Span of control – birds eye view able to tell the production and status at a glance
- A blended verification system (call center vs physical visitation 5% sampling) helps to triangulate the data
- Versatility – adaptability to many settings - scalable
- A continuous feedback and learning loop helps in adapting verification process to the needs of the users and beneficiaries.
- Continuous capacity building is critical for ease in process flow and builds ownership- BCEs and call agents trouble shooting
- Success of a verification system is dependent on a credible data collection and data management system - provides linkages to different datasets of the same plant



Discussion

Verification in RBF projects - value for money or waste of time?

- Please ask questions in the chat box.
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Conclusion



Thank you for joining us today!



Final RBF closing event – info soon:
https://endev.info/content/EnDev_RBF_Facility_webinar_series_%26_closing_event_2020_insights_from_7_years_of_implementation

Websites:

https://endev.info/content/Main_Page

https://endev.info/content/Results-Based_Financing

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