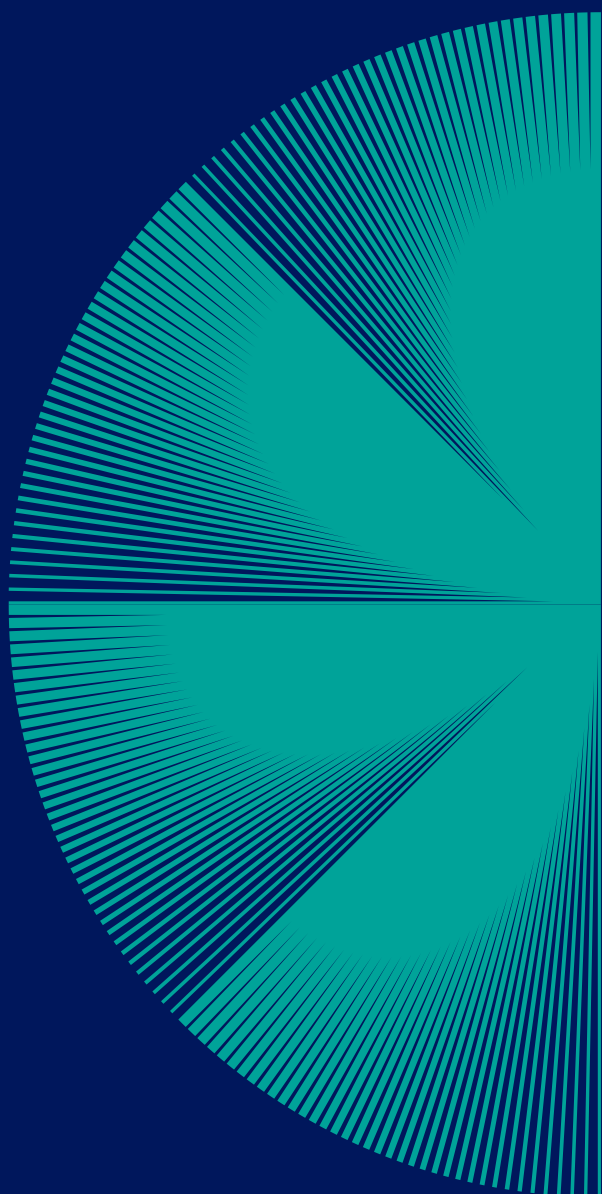




RBF Projects that Leave No One Behind

A Practical Guide for Designing Inclusive
Results-Based Financing (RBF) Projects

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Abbreviations

BDS	Business Development Services
DGIS	Directorate General for International Cooperation of the Ministry of Foreign Affairs of the Netherlands
DSS	Demand-Side Subsidies
EnDev	Energising Development
GETA	Gender Equality Technical Assistance
IDPs	Internally Displace People
LNOB	Leave No One Behind
MFI	Microfinance Institution
MSME	Micro-, Small, and Mid-sized Enterprises
PAYGO	Pay-As-You-Go
RBF	Results-Based Financing
SDG	Sustainable Development Goals
SIINC	Social Impact Incentives
SSS	Supply-Side Subsidies
TA	Technical Assistance
WTP	Willingness To Pay



1 Using RBF to Make Energy Access Inclusive

To achieve Sustainable Development Goal 7 (SDG 7) by 2030, prioritising the principle of Leave No One Behind (LNOB) is imperative to achieve universal energy access. A broad coalition, including UN member states, donors, and implementing agencies has pledged to integrate the LNOB principle within their interventions, recognising it as fundamental for fostering sustainable progress toward SDG 7 (UN CEB, 2017). The LNOB commitment strives not only to reach the poorest of the poor, but also to combat discrimination and inequalities. Furthermore, the Agenda endeavours to “reach the furthest behind first” (UN General Assembly, 2015).

Energy4Development (EnDev) is an international flagship programme for providing energy access. It focuses on supporting access to affordable, reliable, sustainable, and modern energy as a means to deliver social, economic, and environmental change. While EnDev has always worked to provide vulnerable groups with access to modern energy, LNOB became an explicit objective in EnDev’s programming for 2023-25. The programme foresees that a quarter of all beneficiaries will be from underrepresented LNOB target groups by 2025 (EnDev, 2023c).

Drawing upon the LNOB concept delineated by the United Nations Sustainable Development Group (UNSDG, 2022), EnDev defines its LNOB objective “as the programme’s commitment to address discrimination, exclusion, and inequalities of certain vulnerable groups through context-specific approaches and measurable results”. EnDev considers those ‘left behind’ as vulnerable groups who, for social, economic, religious, ethnic, legal, or other reasons, are not yet able to access or fully benefit from energy service markets. EnDev distinguishes

between four groups of LNOB beneficiaries: 1) the poorest of the poor, 2) refugees, internally displaced people (IDPs), and host communities, 3) women and girls, 4) other groups, such as people with disabilities, the elderly, indigenous people, and/or any other severely marginalised group left behind in terms of energy access. The LNOB principle can be applied to all of EnDev’s primary beneficiary groups: households, social institutions, and micro-, small- and middle-sized enterprises (MSMEs).

Tailor-made approaches are essential to provide energy access for these groups, taking into account their specific needs and circumstances. Thus, EnDev’s country projects have developed a broad range of intervention strategies focused on LNOB, ranging from RBF and Demand Side Subsidies (DSS) to technical trainings, BDS, and access to finance targeting LNOB groups.

Given EnDev’s overall objective to support the development of energy access markets, employing RBF approaches to reach LNOB customers is a promising strategy. The principal benefit of RBF projects is that they allow implementers to steer the direction of market development by offering incentives for specific achievements, for example by encouraging the private sector to reach vulnerable customer groups who would otherwise not be served. EnDev has been piloting RBF projects for the provision of energy access for over a decade now. In 2013, EnDev’s UK-funded RBF Facility began as a large-scale pilot programme with 17 projects across 14 countries. Although the RBF Facility has come to an end, EnDev’s country projects continue to utilize RBF as a key tool for promoting energy access. With more than 50 different past and present RBF projects, the instrument has become

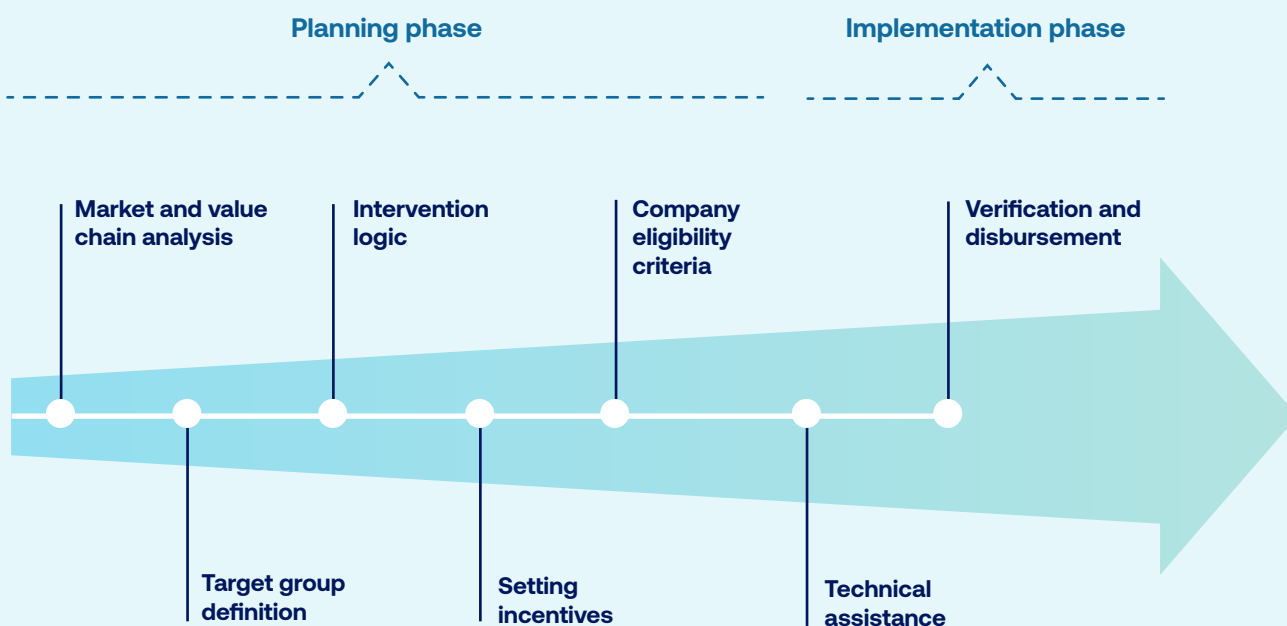
an integral part of EnDev’s toolbox, complementing the more traditional instruments of technical assistance. Thus, EnDev has accumulated a wealth of experience, providing insights into success factors and serving as an incubator and trusted source for innovation.¹ One example for a novel approach is EnDev’s Social Impact Incentives (SIINC) pilot project in Kenya, which uses RBF incentives to encourage social impacts at the target group level.²

EnDev’s RBF projects have thus far yielded numerous co-benefits, particularly for women and marginalised communities. These include new employment opportunities, reduced energy expenses, and improved health outcomes. Moreover, EnDev has supported economic empowerment through access to electricity and appliances for productive uses. Despite these

achievements, there remains ample opportunity to embed LNOB considerations even more deliberately within RBFs. By exploring the potential for more inclusive RBF projects, EnDev reaffirms its commitment to addressing discrimination, exclusion of certain vulnerable groups, and existing inequalities.

Purpose and Outline. This guide provides insights on planning and implementing RBF projects that consider various LNOB aspects, including gender. Organised around different phases of RBF planning and implementation (refer to Figure 1 below), each section explores strategies for strengthening LNOB considerations. Practical examples of successful LNOB-oriented RBF approaches from EnDev country projects are also included.

Figure 1: **How to integrate LNOB along RBF planning and implementation**



1 For more on EnDev’s RBF experience see EnDev (2021): [Transforming energy access markets with Results-based Financing. Lessons from 7 years of implementation under EnDev’s RBF Facility financed by UK Aid.](#) Bonn/Eschborn: GIZ; and EnDev (2021): [Rigorous Verification of Results: Value for Money or Waste of Time? EnDev’s Results-Based Financing Facility – Lessons from 7 Years of applying RBF in Energy Access Markets.](#) Bonn/Eschborn: GIZ.

2 EnDev (2023): [Achieving Social Impacts in the Energy Sector: Lessons from EnDev’s SIINC Pilot Project in Kenya.](#) Bonn/Eschborn: GIZ.



This guide advises on how to pursue LNOB objectives at two different levels:

- 1. Targeting customers:** The RBF project offers incentives to companies to provide energy access services to customers from LNOB groups. RBF incentives paid to an RBF partner (service or energy appliance provider) can improve either the affordability and/or accessibility of energy goods and services to LNOB customers.
- 2. Targeting energy companies:** Alternatively, an intervention can provide incentives to encourage LNOB considerations at the company level. In this case, the financial incentive is offered to an RBF partner (service or energy appliance provider) to reward certain LNOB results within the company's operations (e.g., the inclusion of women and marginalised groups in the workforce, gender-responsive product design, etc.).

Besides utilising an LNOB-targeted approach, LNOB-sensitive aspects can also be integrated into the core design features of any RBF, without necessarily requiring LNOB to be the primary focus.



2 Designing Inclusive RBF Projects

2.1 LNOB Aspects in the Planning Phase

2.1.1 Analysing the Target Market and Value Chain

At the outset, it is crucial to obtain a comprehensive understanding of the context, identify challenges for marginalised groups to gain energy access, and assess the potential of an RBF approach to address these issues. Depending on the intended results and target groups (i.e., at customer and/or company level), an analysis of the target market and/or the value chain may be required; existing gender analyses can add insights. The section below highlights the relevance of each analysis for different RBF design elements.

A **target market analysis** can assist in identifying customers that are not reached by commercial approaches. It should be built on disaggregated data for the targeted LNOB groups and can include the following dimensions:

- Household incomes, energy-related expenditures, and willingness to pay (WTP) for energy services and products³
- Available consumer financing (e.g., credit schemes of local micro finance institutions (MFIs); pay as you go (PAYGO) offers by suppliers)
- Existing energy access for domestic consumption and productive uses and demand, including suppressed demand⁴

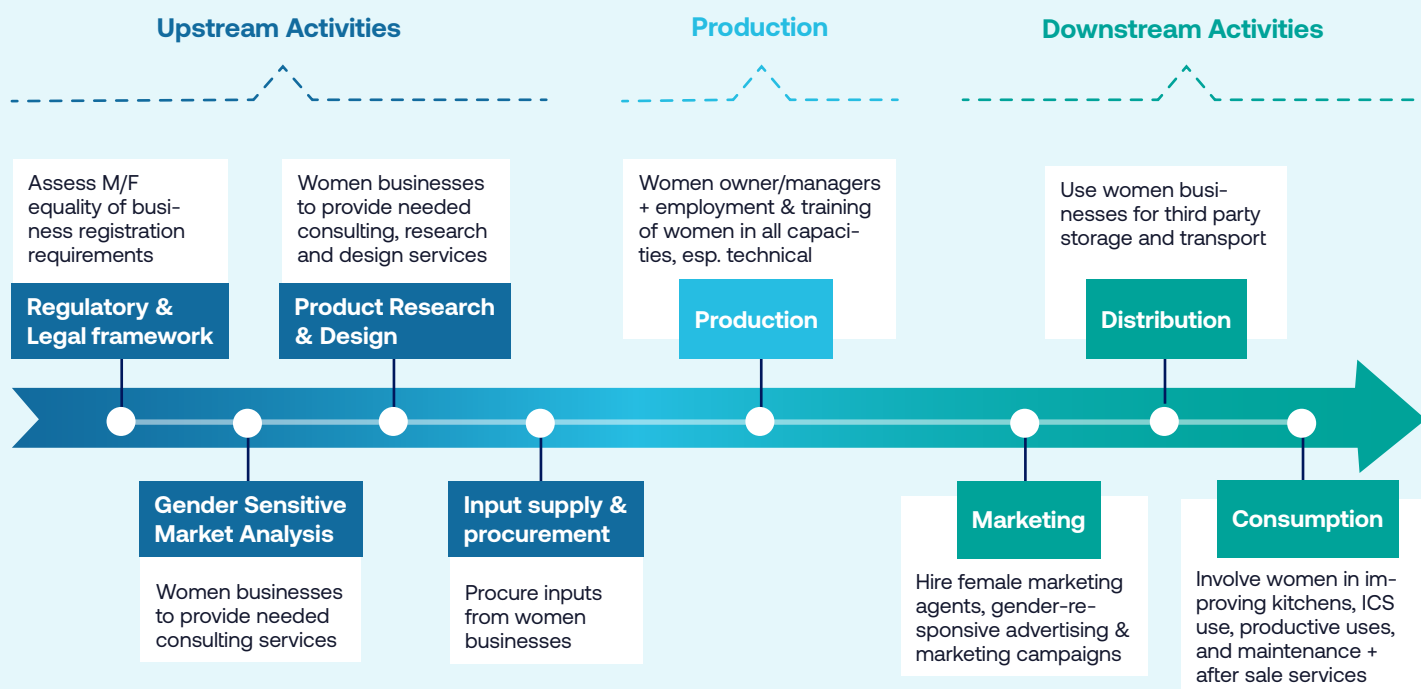
- Women's time used for cooking and fuel collection
- Consumers' product preferences
- Social acceptability vs. potential conflict of limiting support to a minority group
- Phone network coverage in target area and usage of mobile money services among potential beneficiaries.

If the focus is on targeting energy companies, it is beneficial to implement a **value chain analysis**. Performing a value chain analysis helps to identify various avenues for strengthening the participation of marginalised groups. It is crucial to contemplate who is excluded and the underlying reasons for their exclusion. Energy access companies operate within the cultural milieu of their respective countries, which influences e.g. the composition of their workforce, payment schemes, workplace culture, and other operational systems. Consequently, marginalised groups may be underrepresented or confined to entry-level, unskilled positions or a certain type of work. Figure 2 illustrates a value chain analysis focussing on possible entry points for implementing a gender transformative approach at the company level.

3 On an aggregated level, the ability/willingness to pay (= products being affordable) is often defined as up to 5% of the total monthly household expenditures. In its [Off-Grid Solar Markets Trends Report 2022: State of the Sector](#), the World Bank introduced an additional category of "affordable at a stretch", where the OGS product costs between 5 and 10 percent of overall monthly expenditure for pico-products and up to 15 percent for larger systems (Lighting Global et al., 2022).

4 Suppressed demand refers to needs-based energy demand that is not reduced due to affordability issues.

Figure 2: Sample gender value chain analysis



2.1.2 Defining the Target Group

Defining the target group refers to determining who the project aims to reach (e.g., households below the national poverty line), while choosing the targeting mechanism refers to selecting a mechanism by which members of the target group can be identified (e.g., by relying on existing social welfare programmes). Targeting becomes particularly relevant when dealing with Demand-Side Subsidies (DSS) to ensure efficient use of funding, minimise the risk of market distortions and free-riding, and create a public perception of fair participant selection.

There are **various targeting mechanisms** that can be used for an LNOB-focused RBF (compare table 2). To identify the most appropriate targeting mechanism for each context, several factors need to be considered including:

- Data availability from local, national, or international sources on income levels, gender, refugee/IDP status, disabilities, etc.
- Existence of reliable and up-to-date national public household classification systems, which can be used, for example, to identify social welfare recipients.
- Ownership of ID cards, phones, or other relevant items that allow an unambiguous identification of a person/household.
- Social acceptability of targeting certain groups in the relevant country context, as well as security concerns (e.g. consideration to not expose individuals as belonging to certain persecuted groups).

Table 2: Targeting mechanisms

Targeting mechanism	How it works	Examples	Attention points
Untargeted	The incentives are available to everyone in the geography/country.	The Nigeria Electrification Project (NEP), implemented untargeted DSS in a first instance with view of targeting at later stage.	May distort markets and lead to many free riders, e.g., households that benefit from price reductions but would have purchased the product anyway. Free-riders decrease subsidy efficiency.
„Self-selection“	Incentives are provided for products that are typically utilised by the target group only and not the wider population.	SunnyMoney subsidised lanterns in Zambia to target households that cannot typically afford the products.	Free-riding may be an issue if smaller products are also purchased by better-off and/or on-grid customers as back-up products.
Geographical targeting	Only households within certain geographies are eligible for incentives, e.g., geographies with a high poverty prevalence.	The Kenya Off-Grid Solar Access Project (KOSAP) in Kenya (SSS) focused on underserved counties. SNV’s Vulnerability Access Index (VAI) selects regions within Tanzania according to a set of vulnerability criteria.	May distort markets (on a country level) and lead to free riders. To avoid free-riders, income-levels within the geography should be as homogenous as possible (= low Gini coefficient). Thus, include an analysis of income distribution within the region/county in the market analysis.
Economic targeting	Use existing household income data or a household classification system to select beneficiaries based on income thresholds.	The Rwanda Renewable Energy Fund (REF) uses the government’s Ubudehe household classification. For its Results-based Financing for Refugees (RBF4R) scoring approach, Practical Action uses the database of the UNHCR/WFP targeting framework for food assistance.	Data/classification systems need to be up-to-date, representative, and reliable.
Demographic targeting	Beneficiaries are selected based on gender-, ethnicity-, or emergency relief-related criteria.	Nepal RE Subsidy Policy targets beneficiary groups as women-led households, earthquake victims, endangered indigenous community and Dalit.	Clear definitions needed (e.g., who counts as “endangered”) as well as communication to non-beneficiaries of why they were not or why certain beneficiaries are included in the support scheme.

Example

EnDev’s DSS Component – Targeting approaches

Under the Demand-Side Subsidies (DSS) component funded by Directorate General for International Cooperation of the Ministry of Foreign Affairs of the Netherlands (DGIS), EnDev is developing and piloting approaches for delivering DSS in four countries: Liberia, Malawi, Niger, and Uganda. The designs were developed following an in-depth analysis of relevant

target markets and available data. The results of these analyses informed the selection of the target groups as well as the target mechanism for each country pilot. Table 3 below gives an overview of the selected target groups, targeting approaches, and background information on the design choices for each country.



Table 3: **EnDev’s DSS component – Overview of targeting approaches**

Country	Target group	Targeting approach	Background
Liberia	Households living in poor counties	Geographic targeting at county level	Due to a lack of household-level data, counties were identified based on their high levels of multi-dimensional poverty. All households living in these counties are eligible for subsidised solar products.
Malawi	Poorest and poor households	Socio-economic targeting	In Malawi, the United Beneficiary Registry (UBR), a government database containing data on the socio-economic status of households, is used to individually target the poorest and most vulnerable households in four districts.
Niger	Refugees and host communities	Geographic targeting and demographic targeting	Refugees and host communities are eligible for solar products within selected municipalities of Niger. Refugees are identified with UNHCR-registration, while all other households living within the target areas are considered host community members.
Uganda	Refugees and host communities	Geographic targeting and demographic targeting	Due to limited household-level data for host-communities, several vulnerable refugee-hosting districts were identified taking into account multi-dimensional poverty levels.

2.1.3 Working out the Intervention Strategy

Market analysis and target group definition form the basis for developing an intervention strategy, which clarifies how the project objectives will be achieved through inputs such as technical advice, financial incentives, and collaboration with partners that complement these activities. When designing an RBF project, which is a type of subsidy programme, one should strive for a high subsidy efficiency. This means designing a subsidy scheme that allocates resources in the most cost-efficient way to reach public policy objectives. The amount of the subsidy is one element, but choosing the product to be incentivised and the customer group eligible to receive a price discount is equally important.



At the customer level:

Addressing affordability and accessibility gaps

LNOB groups are usually households or businesses with:

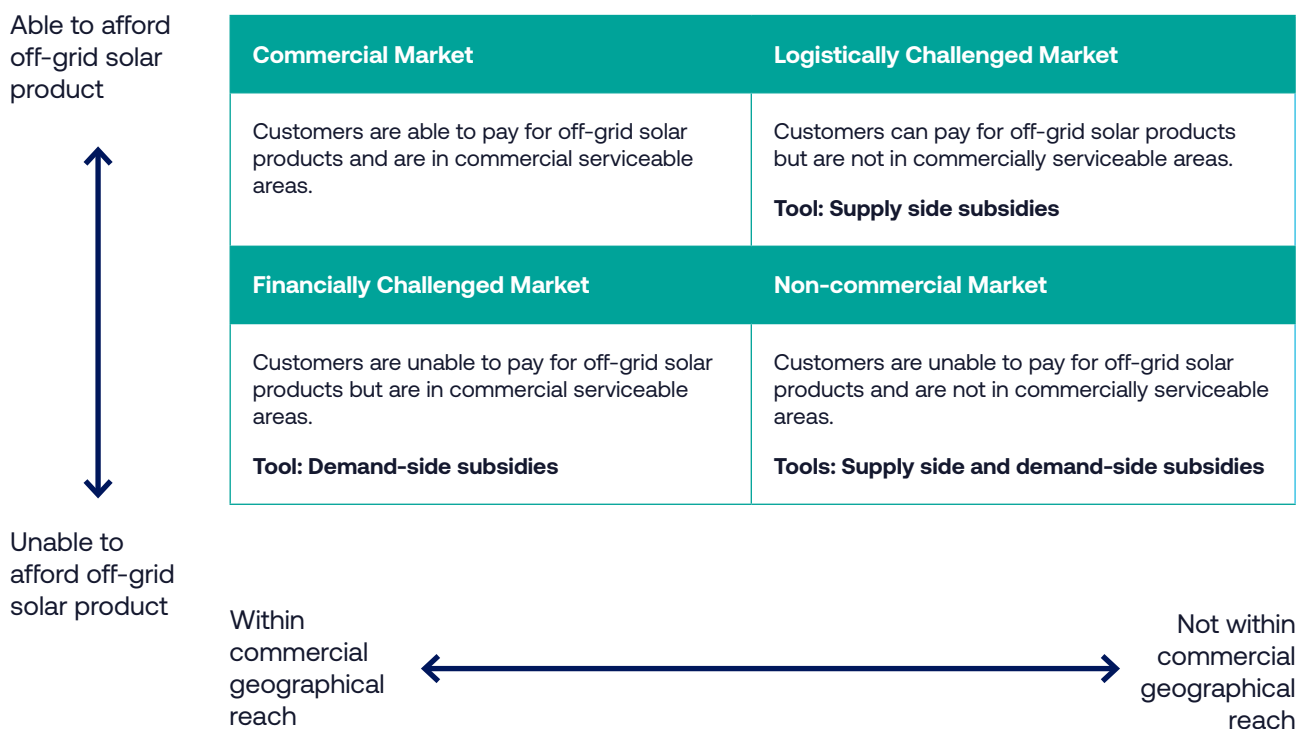
- low purchasing power and willingness to pay for energy access (i.e. an affordability challenge), and/or
- limited access to products due to remoteness, low population density, or discrimination (i.e. an accessibility challenge).

Affordability and accessibility gaps usually do not apply to the commercial market segment, which comprises customers who are both sufficiently affluent to purchase energy products and who live within areas that do not impose exorbitant service costs (see figure 3 below). This customer group can typically be served by the private sector alone, without needing further public support.

The non-commercial market segment consists of customers who cannot afford the product and/or reside in areas which are remote and of low population density. This segment often includes marginalised groups such as households below the national poverty line, minorities, and refugees, whose elevated risk profiles deter companies from engaging with them. However, from a public policy perspective, these groups are crucial targets for energy access interventions to bridge the gap towards universal access. Thus, initial assistance is necessary, often facilitated by donor support in the form of Supply-Side Subsidies or Demand-Side Subsidies. Employing RBF as a tool with a strong LNOB focus offers a promising mechanism to achieve these goals while still maintaining the objective of market development.



Figure 3 Four different market types and their challenges



Source: (GOGLA, 2021)

To reach LNOB groups in the non-commercial market, two RBF options have proven effective, employed either individually or in combination:

- **Supply-Side Subsidies (SSS):** These are RBF incentives that are paid directly to companies to mitigate the risks of serving LNOB customers with low WTP and living in challenging geographical areas.
- **Demand-Side Subsidies (DSS):** These are RBF incentives that are provided directly to the customers (in cash, mobile money, vouchers, etc.) to reduce the price of energy products but without eliminating the price completely. In some cases, incentives are channelled to customers via companies that are obliged to lower their retail prices. These incentives can bridge the affordability gap for households with very low purchasing power. Consider recommendations on how to limit their market distortion potential and make them a sustainable solution (Lighting Global/ESMAP 2024; GOGLA, 2020, 2021) and EnDev’s experience with DSS (EnDev, 2023b).

 At the company level:

Provide incentives to include marginalised groups in the value chain

At the company level, the objective of an RBF approach is to enhance the inclusion of marginalised groups within the value chain and/or to support these groups to move up the value chain. Biases, often rooted in societal prejudices or economic considerations (e.g. women are perceived as having more family obligations, or individuals with disabilities being perceived as less skilled) prevent companies from employing vulnerable groups in the energy access supply chain. Providing financial incentives (plus TA, see 2.2) to companies to improve the status quo may enable them to gain experience in employing marginalised groups and, in the long term, change their perceptions and staffing policies.

2.1.4 Setting Incentives

Providing financial incentives for pre-defined results is the core of any RBF approach. Incentives are only paid out to companies once the results have been achieved and verified. Thus, they motivate companies to do things that are in the public interest.

It is important that incentives are:

- **Provided for the right kind of result.** Results can be pinned down at any point in the value chain: e.g., incentives can be provided for product research and development, for product sales, or even for impacts achieved. For targeted LNOB RBFs, it is crucial that incentivised results are at the heart of the theory of change leading to an improvement in energy access for the targeted LNOB group (e.g., incentives addressing import barriers might be less relevant than incentives addressing affordability and availability issues).
- **Set at the right level.** If incentives are set too low, they may not be effective. If they are set too high, they risk distorting markets, as customers who benefit from significant discounts may become reluctant to pay the full market price in the future.
- **Verifiable.** As with all RBF schemes, the result needs to have an unambiguous definition and it needs to be verifiable. It must be clear for participating companies the criteria for which they will receive a payment. Verification also needs to strike a balance between sufficient robustness (i.e., results are reliable) and reasonable cost. For more information, see EnDev's publication on its RBF verification experience.⁵
- **Disbursed at the right time.** Disbursements must be in line with companies' capital requirements to make a difference. Ideally, incentive payments arrive reliably at a time relevant to companies' cash flow calculations. From a company's perspective, earlier disbursements are often preferable, though this preference can conflict with the results-based nature of the approach. A viable compromise may involve disbursing funds upon reaching certain milestones before sales occur. For LNOB-oriented RBFs, such milestones might include the implementation of a gender strategy, the employment of a specified number of staff from LNOB groups, or the development of a new sales strategy focused on LNOB. Whatever milestones are chosen as incentive indicators, they must be feasible for the company to achieve – including any pre-financing required until the RBF

incentives are disbursed – and must be aligned with their business strategy.



At the customer level:

RBF incentives

RBF incentives can be designed in different ways to address affordability and accessibility issues faced by marginalised groups:

- **Demand-Side Subsidies (DSS):** In this case, subsidies are provided to targeted LNOB customers by requiring participating companies to pass on the entire (or a significant share of) incentive as a price reduction. Incentives should be calculated to match the affordability gap facing the target group. Rather than being channelled through companies, incentives may also be paid directly to LNOB customers, e.g., via cash transfers, vouchers, or mobile money transfers. However, this approach is less common due to low literacy rates and limited connectivity in many LNOB communities as well as high transaction costs.
- **Supply-Side Subsidies (SSS):** These are paid directly to companies with the intention of improving the distribution of products to LNOB customers. As such, companies can freely decide how to employ the grant for market building activities, with price reductions typically discouraged.

In the case of non-commercial markets, a combination of DSS and SSS (in addition to other market-building activities) may be required to reach target groups. Furthermore, an understanding of the barriers facing the sector is needed to determine whether an RBF is the right tool for each non-commercial market (see section on target market analysis).

Here are a few suggestions for incentive indicators:

- Number of products sold to marginalised communities or in marginalised regions
- Number of products sold to female-headed households, MSMEs, or SIs benefiting women and girls (i.e., girls' schools, birth centres, etc.)
- Number of users/customers who have gained first time access

⁵ EnDev (2021): [Rigorous Verification of Results: Value for Money or Waste of Time? EnDev's Results-Based Financing Facility – Lessons from 7 Years of applying RBF in Energy Access Markets](#). Bonn/Eschborn: GIZ.



- The use of payment facilities relevant to LNOB customers, e.g., option to pay in multiple instalments (model of agricultural loans, PAYGO, mobile money payment, or other fintech options). For example, one mechanism to target women is to work with women village saving and loan associations (VSLAs), Saving & Credit Co-operatives (SACCOs) and other group collateral systems (e.g., Grameen Shakti in Bangladesh, One Acre Fund in Kenya).



At the company level

RBF incentives

RBF incentives can be designed in various ways to address the inclusion of marginalised groups within the value chain and/or support these groups in moving up the value chain. There are many means to make companies more inclusive, e.g., having a gender strategy in place, earmarking budgets for LNOB activities, providing inclusive workspaces for people with disabilities, or increasing the percentage of female employees. For the achievement of these milestones, supply side incentives can be offered directly to companies. These incentives should be informed by a value chain analysis, including an assessment of the social acceptability and the feasibility of the chosen design.

Milestone-based incentives may include:

- The successful development of a gender policy/ gender action plan and an accompanying budget.
- A % increase, or fixed number, of female staff. This target may be highly specific, e.g., women at management level, within production processes, or in the salesforce.



Combination of both customer-level and company-level incentives

The aforementioned approaches for incentive setting can also be combined. For example, a bonus per unit sold by a female agent (within a sales-based RBF) could be paired with a milestone-based mentorship programme for full-time staff. Along similar lines, a Gender Equality Technical Assistance (GETA) approach could be added to a sales-based RBF (see Tanzania project example below). This

combination of financial incentives with a TA package proves to be an effective strategy to increase women's employment and employee satisfaction.

Example

EnDev Uganda: Incentivising Support for Refugees and Gender Actions

In one of EnDev Uganda's RBF projects, companies are required to reach an equal share of refugee and host community participants, thereby integrating LNOB considerations in the RBF design. Contracts with participating companies include a clause stating that no more than 50% of products may be sold to host community households, ensuring that refugees benefit equally from the intervention.

EnDev Uganda also offers additional 'top ups' rewarding gender actions. Participating companies, NGOs, or consortia qualify for an additional 10% bonus on top of the total overall incentive, if

- at least 60% of customers are women or women-led HHs
- at least 40% of the entity's employees in the direct management or distribution of the RBF are women
- the entity dedicates resources and time to provide capacity building in gender and equality training sessions for staff

Example

EnDev's SIINC pilot project: Targeting LNOB Groups

EnDev has piloted an innovative RBF project in Kenya. This so-called SIINC approach rewards enterprises for achieving social impact, rather than paying incentives based on sales figures alone (see more [here](#)). By making RBF incentive payments contingent on social outcomes such as improved quality of life (compare figure 4 below), the project prioritises positive effects on beneficiaries' lives and encourages energy enterprises to pursue social outcomes.




Figure 4 **A simplified and generic version of the impact matrix used in the SIINC pilot**

Impact	Indicator	Weighting factor	Baseline	Target	Result	Score	Impact score
Poor inclusivity	% of customers below poverty line based on lean data surveys	30%	30%	50%	45%	75%	23%
First time access	% of customers reporting first access to energy product or service purchased	30%	35%	65%	60%	83%	25%
Energy cost savings at end user level	% of customers experiencing decreased energy spending for HH	20%	15%	30%	40%	100%	20%
Quality of life	% of customers seeing quality of life improvement	20%	60%	70%	80%	100%	20%
Total score							88%


Source: (EnDev, 2023a)

2.1.5 Deciding on Company Eligibility Criteria

Eligibility criteria describe the minimum standards that must be met by all participants that want to participate in an RBF scheme. LNOB-focused RBF schemes should develop respective criteria for the selection of companies.

 RBFs aiming at the target group level might require that companies:

- already sell in underserved regions or are present in refugee and host community areas
- offer payment models like PAYGO to improve affordability for poorer customer segments
- sell suitable products for LNOB target groups, i.e., products that are affordable to poor customers or that offer particular benefits, e.g. solar lanterns that improve nighttime safety for women and girls

 RBFs aiming at the company-level might require that companies:

- already include people with disabilities in their workforce
- have a certain gender ratio within their workforce or gender-sensitive recruitment policies in place
- be female-owned/managed or have a quota for women in ownership/management
- already have anti-discrimination policies in place, and/or
- already have gender policies in place



When deciding on requirements, a balance must be struck between ensuring that companies are trustworthy and capable of delivering the intended results, and ensuring that small, locally-owned companies are not disadvantaged. Stringent eligibility criteria may be harder to meet for locally-owned companies than for international ones, which may exclude them from RBF participation. When setting the criteria, it is important to evaluate which criteria should be considered as a minimum (only companies that meet them are eligible to participate in the tender) and which criteria should be optional (companies are scored and ranked according to the points achieved).

Example

EnDev Liberia: Requiring Gender Action at the Company Level

EnDev Liberia is piloting gender-responsive eligibility criteria within their DSS RBF pilot. The project is requiring companies to either have an existing gender policy in place or participate in a training organised EnDev to develop and implement a gender policy during the pilot implementation phase.

2.2 LNOB Aspects in the Implementation Phase

2.2.1 Providing Technical Assistance to Companies

In addition to financial incentives, participating companies may benefit from technical assistance to bolster their efforts in setting up, operationalising, and implementing their LNOB strategies.

Possible approaches for integrating LNOB aspects through technical assistance include:

- Supporting companies in developing a road-map on how to proactively increase the ratio of female employees in areas that are traditionally male-dominated.
- Advising companies on how to design workspaces to better accommodate women and individuals living with disabilities.
- Supporting women and role models from other LNOB groups within the company.
- Designing more inclusive hiring processes within the companies.

Example

EnDev Tanzania: Advising on Gender Equality

In addition to regular RBF incentives, the participating firms have received a Gender Equality Technical Assistance (GETA) package. This support, delivered by SNV in partnership with Tanzania Gender and Sustainable Energy Network (TANGSEN), comprised tailored advisory services to each participating firm. The GETA process is designed to integrate a gender perspective in various work functions, specific to the individual firm context. For instance, it may offer guidance on how to proactively increase the representation of women in traditionally male-dominated areas or on how to apply a gender lens across the entire value chain, such as adapting solar products to women's needs.

Results from the GETA component of the Women's Employment Stimulus (WES) RBF Fund have been overwhelmingly positive, with participating companies reporting significant improvements in workplace conditions for women. Key indicators reflecting women's employment experience during the WES RBF period have shown significant improvements, indicating immediate progress in providing women with opportunities for growth, fostering confidence in their abilities, and enhancing their access to tools and resources. Nonetheless, there is still work to be done to clarify women's roles and improve safety in the workplace.



2.2.2 Promoting Inclusiveness in the Verification Process

Verification is a crucial element in any RBF project to ensure that companies have met the pre-agreed results and are therefore eligible to receive incentives payments.

The verification process can also be designed to feature LNOB-sensitive elements. Possible approaches are:

- Identifying a verification agency by making LNOB-relevant competences and staff a tender requirement (e.g., one may look for agencies with a strong gender equity orientation or with a high percentage of minority staff).
- Including technicians belonging to the targeted LNOB-group in field verification (e.g., asking

women to conduct interviews with the mostly female cookstove users increases safety; employing enumerators from the same LNOB-target group may lead to more open discussions of controversial and stigmatised issues).

- Including questions which address issues with high LNOB relevance in the phone and field verification surveys. For example, this may include inquiring about involvement of female/male household members in decision-making regarding product purchase or gender-related differences regarding access to finance, product usage patterns, and impacts. In refugee settings, it may include questions on potential conflicts with host communities, but also practical matters such as access to wood fuel in camp surroundings.



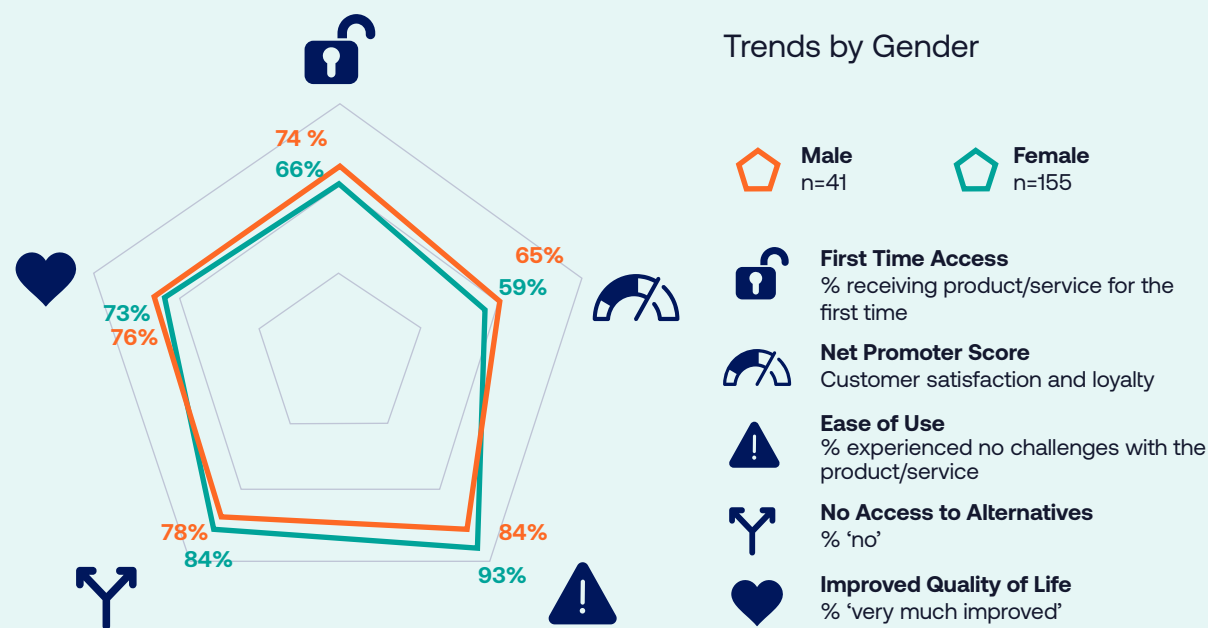
Example

EnDev's SIINC Pilot: Striving for Gender-Sensible Verification

For the SIINC project gender aspects were considered within the verification process. First, research assistants representing different groups, in this case male and female, were hired.

Second, gender-disaggregated data was generated during the verification process (see figure 5 below).

Figure 5 Sample SIINC verification results disaggregated by gender of respondents



Source: Results verification report for a company participating in SIINC

Example

EnDev Rwanda: Targeting via a Vulnerability Score & Inclusivity-orientated Verification Process

Results-based Financing for Refugees (RBF4R) is a complementary project alongside the ongoing Renewable Energy for Refugees Phase II (RE4R II) project, funded by the Swedish International Development Cooperation Agency (SIDA). Both projects are implemented by Practical Action. The primary aim of the RBF4R project is to increase access to HTC stoves for vulnerable households living in refugee camps through an LNOB-sensitive approach. The project applies a vulnerability score to determine beneficiary eligibility. This score is based on the UNHCR/WFP targeting framework for food assistance, and related data stored in the UNHCR ProGres database. It uses targeting criteria such as the following: households that are either female-headed, without education, or have a high number of dependents like children, older people, or people with disabilities.

The project assumes that the more of the selection criteria a household meets, the more likely it is to be among the most vulnerable.

EnDev Rwanda considered the following points to increase LNOB sensitivity during the verification process:

- “Walk the talk!” Integrating inclusivity – where possible – in the verification process of the LNOB-RBF projects
- Aim to collaborate with people with disabilities and women as verification agents
- Assurance of safe spaces for verification interviews with LNOB target groups.



3 Conclusion and Outlook

This practical guide has explored the elements of designing inclusive RBF projects that uphold the principle of Leave No One Behind (LNOB). EnDev's commitment to addressing discrimination, exclusion, and existing inequalities through targeted approaches has been exemplified in numerous RBF projects worldwide. From the initial planning phase to the verification stage, integrating LNOB considerations is critical for ensuring equitable access to energy services and fostering sustainable development. However, despite the progress made, there are still challenges to overcome.

One of the major challenges is sustainability – closing the affordability gap in the long-run, beyond 2030. With project implementation periods typically being 3-5 years, what happens to poor and vulnerable households after the energy access intervention is completed? EnDev's DSS component aims to address this challenge by incentivising long-term company presence in the target communities with established after-sales services and long warranty periods. Companies are also encouraged to prevent defaults by accurately matching product affordability with customers' willingness to pay. However, despite enthusiasm for market-based approaches, there is still a need to continue to subsidise energy access for the those who cannot afford it or who are otherwise excluded.

There is no silver bullet yet of how to mobilise funds for long-term subsidies, but many ideas are being tested. One such idea is to bring more impact investors on board. One example is EnDev's [Social Impact Incentive \(SIINC\) pilot](#) in Kenya in which companies received RBF incentives for their social impacts created (see box above). The idea is that once a public donor has supported a company to build up its social impact track record, impact investors come in to continue funding the LNOB-orientated business model.

As we strive towards achieving SDG 7 by 2030, it is imperative to prioritise LNOB principles in all energy access interventions. Embedding LNOB considerations more deliberately within RBF projects is an objective that requires continued focus and attention.



For more information on EnDev's various RBF projects, please visit the [RBF knowledge hub](#).



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