

# **ADA Experience on Energy Inclusive Initiative in Central America**

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Green Microfinance Training

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- ▶ Over the past 20 years, ADA has been dedicated to increasing the financial inclusion of populations excluded from conventional banking channels in developing countries. Our work consists primarily of empowering and supporting the growth of microfinance institutions (MFIs), professional associations and networks. We also work closely with governments to support and develop the regional and national microfinance sectors.
- ▶ ADA has developed innovative microfinance products for our MFI partners that can positively impact the lives of thousands of people. Our work includes projects on the financing of young entrepreneurs, housing and access to sustainable energy.

# ADA's approach



1 Regional Network

7 National Networks



Feasibility Study

Market Study



Product Identification exercise



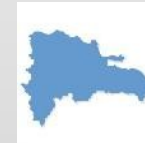
Product Design

MFI Level

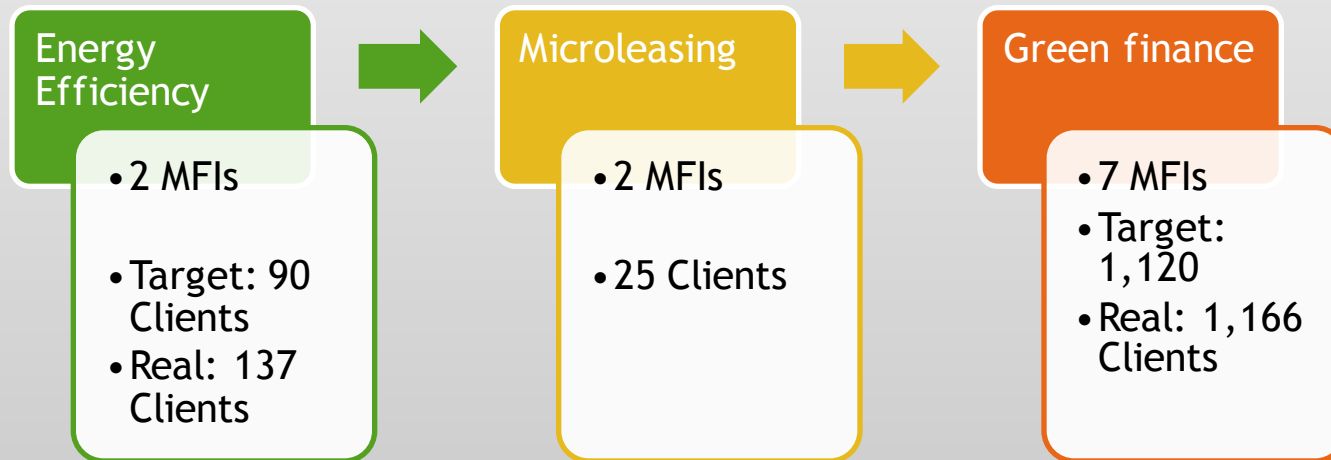
Through this approach we worked on:

- Energy efficiency credits
- Microleasing
- Green finance

# Overview of the Initiative



# Overview of the Initiative



\*All information as of December 2016 - After a 18 month pilot phase

\*\* 3 more microleasing Pilots are ongoing

# Results

## Challenges

- ▶ Selecting the right provider and equipment
- ▶ Interesting the clients in the equipment
- ▶ Resistance to change from the credit officers

## Lessons learned

- ▶ The provider is the best ally when commercializing the products. Brand, marketing, quality, durability, post-sell service, etc...
- ▶ Permanently listen to your clients
- ▶ Involve your staff from the early stages of product design

# Milestones

- ▶ Increasing access to solar energy for the low income population
- ▶ Opening a market that was unknown before to the MFIs
- ▶ Overcoming the barriers of giving non-financial products
- ▶ Establishing a new product design process in the MFIs
- ▶ Improving the MIS to include these type of products
- ▶ Creating green units at certain MFIs to develop a broader portfolio