



MEC Africa Overview

MicroEnergy Credits

March 2015



Who is MicroEnergy Credits?

Key Stats

- In operation since 2008
- Offices in Mumbai and Nairobi
- \$11 million in CO2 offset sales contracts signed to date
- 15 MFI partners representing 40.5 Million clients
- 450,000 MFI clients currently receiving energy services
- >\$4,000,000 carbon revenues generated for partners

Mission

MicroEnergy Credits (MEC) is a service provider headquartered in Mumbai, India that helps financial institutions start clean energy lending programs, strengthens these with cloud-based technology and last-mile services. Through 10 financial institutions serving 45 million customers, we have empowered over 450,000 households with clean energy and achieved over 1.5 million tones of emission reductions to date, and MEC plans to reach 5 million more households across Africa and Asia over the next five years.

Management Team



April Allderdice, CEO and Co-Founder
Grameen Shakti, McKinsey, National Renewable Energy Laboratory



James Dailey, CTO and Co-Founder
Grameen Tech/MIFOS, Climate Solutions



Sam Grant, Africa Regional Director
XacBank, ShoreBank, Women's World Banking

MEC Partnership

MEC and Financial Institutions Partner to provide:

Clean energy products

- Solar PV lighting systems,
- Clean cookstoves (including LPG)
- Water purifiers

That benefit households and microentrepreneurs

- Environment, health, education, and gender benefits
- Expanded opportunities for income generation

At affordable rates

- Clean energy loans make products accessible to low income customers
- Clients typically start saving on energy within first six months



MFIs benefit from:

- New lending unit
- Better serve client needs and improve local development outcomes
- Technical expertise in renewable energy products
- Expand client base

MEC has 2 active Financial Partners in Kenya

Current Partners	Customer Base	Branches
Equity Bank	8.5 million	170 (15,000 Agents)
Juhudi Kilimo	20,000	20

MEC can pilot clean energy initiatives quickly through Juhudi Kilimo in Rural off-grid areas and scale them through Equity.

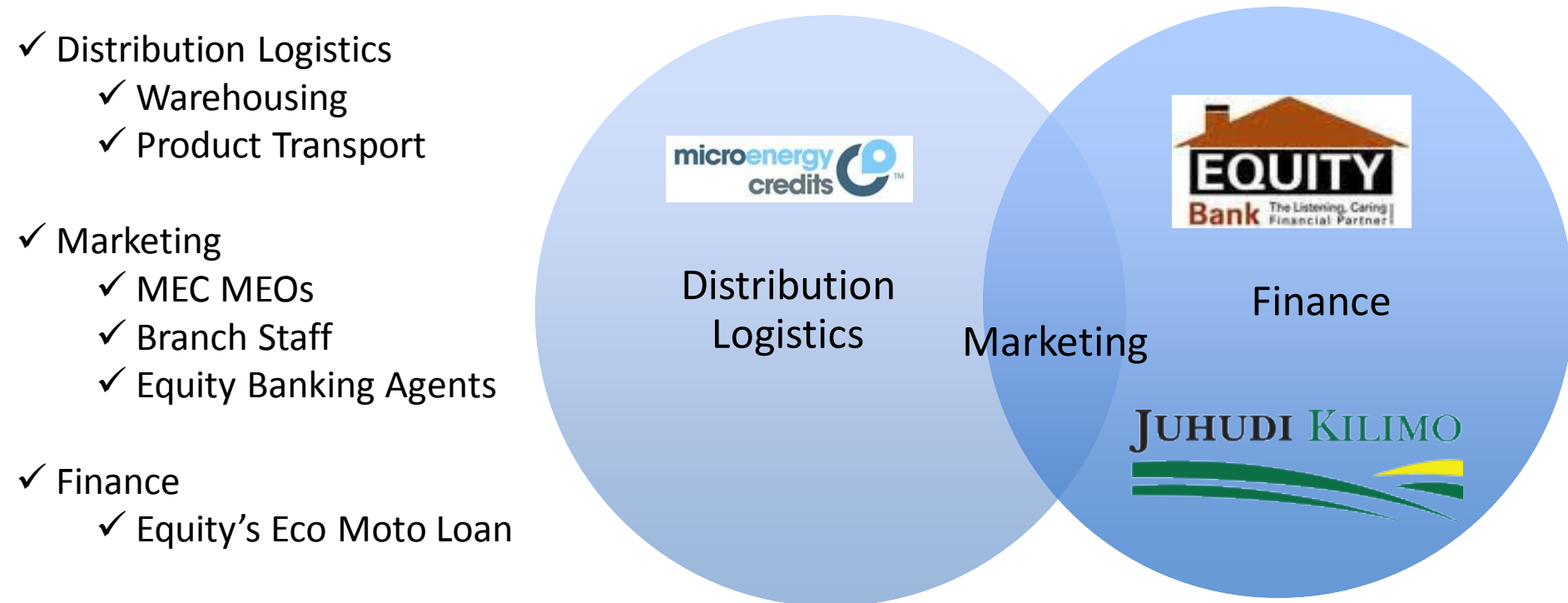
24 MEOs



2 Program Managers










Equity Clean Energy Program Activities



MEC and Equity will reach **1 million households** with clean energy in three years by leveraging the Equity Bank Branch and Agent Network, bringing together marketing, finance and distribution logistics.

MEC Signed Marketing Agreements with 9 Clean Energy Product Suppliers in Kenya with Product Margin

Product Type	Company	Products
Water Filters	Hindustan Unilever - Pureit	
Cookstoves	Burn Manufacturing	
	EcoZoom	 
Solar	Barefoot Power	
	Greenlight Planet	
	Orb Energy	
	D.Light	
	Sun Transfer	
	Fosera	

The Equity Clean Energy Program has made tremendous progress in 2014 and is moving towards the goal to empower **1 mm HHs** with access to clean energy in three years.

Equity Clean Energy Program Goals

- Provide finance for the highest quality clean energy products available on the market through the Eco Moto one page loan.
- Provide customer education in order to maximize the economic, health and environmental benefits possible from each clean energy product.
- Ensure access to after-sales services and warranty support.

Key Program Achievements to date:

- Eco – Moto loan piloted
- 4,257 clean energy products distributed to date
- 58 Equity branches trained and activated
- 45 Equity Agents recruited and trained as clean energy stockist
- 96 Equity Energy Days held at Branches
- Over 1000 Equity staff with clean energy in homes



Eco Moto Loan

Loan Attributes:

- One page loan application for clean energy products
- K300 admin fee
- 20% annual interest
- Eligible to all customers in good standing
- Average loan size is K3,000-K15,000, but there is no set minimum or maximum
- Loan repayment is 1 year, but customers are encouraged to repay loan in 3-6 months to reduce interest costs.
- Loan approval time is 2-3 days.
- Currently, loan sales comprise over 23% of total sales.



ECO-MOTO LOAN APPLICATION FORM PART 1: INDIVIDUAL/AGENT ORIENTATION

Applicant Information:

Name _____ Account No _____
National ID _____ Mobile No _____
Date of Birth ____/____/____ Gender Male ____ Female ____
Physical Address _____

Business/Employment details:

Nature of business _____ Business location _____
Name of the employer _____

Loan Information:

Product Name: _____ Product Quantity: _____ Cost _____
Product Name: _____ Product Quantity: _____ Cost _____
Amount Applied _____ Owners Contribution _____
Repayment Period _____ Monthly/weekly Installment _____

Security Offerings (Either of the following)

(If chattel, one of them is the item being bought)

Chattels ☐ Guarantors ☐ Others ☐
Details _____ Name _____
Value _____ ID No _____
A/C No _____

Referee Details

1st Referee's Name _____ Relationship _____
Tel/Mobile No: _____ Physical location _____
2nd Referee's Name _____ Relationship _____
Tel/Mobile No: _____ Physical location _____

Personal Declaration:

I the undersigned hereby declare that the information provided is true to the best of my knowledge.

Applicants Name _____ Applicants Signature (as per the bank specimen) _____
Date _____

Witness (Relationship Officer) _____ Witness Signature _____ Date _____

PART 2: FOR OFFICIAL USE ONLY

Income(A)		Expenditure(B)	
Other Income e.g. Salary , rent etc.		Transport cost	
		Rent	
		Salaries	
		Loan installment	
		Household Expenses	
		Other expenses	
Total		Total	
		Net (A-B)	

Branch Credit Committee Approval

Approved ☐ Amount Kshs. _____ Period (Months) _____

Rejected ☐ Reasons _____ Deferred ☐ Reasons _____

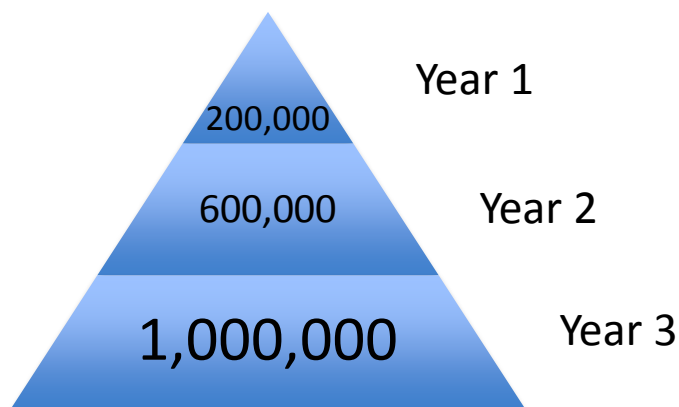
Bcc Members

Name	Position	Signature
_____	_____	_____
_____	_____	_____
_____	_____	_____

MEC Africa Strategy

In order to reach **1 million customers** in 3 years MEC will:

- Branch and Agent Engagement - Support branches through training, and incentives to finance 150 products per month per branch.
- Marketing and customer education catalyzed through:
 - Viral SMS referral program,
 - Video promotions at branches and on tablets,
 - Energy days
- Largest distribution network for clean energy products in Africa through Equity's Agent Network.
- Clean Energy Loan - Continually improve our partner's clean energy financial products.



Year 1:

- Activate all 187 Equity and Juhudi Branches
- Activate 170 Equity Banking Agent (EBAs)

Year 2:

- Activate 3 EBAs for each Equity Branch -510 EBAs total

Year 3:

- Strengthen existing active EBAs and further expand EBA Activation to 1000.

How do we support our bank partners and agents to reach their goal of 150 product distributed to HHs per month?

Tactic	Details
Incentives	<ul style="list-style-type: none">• Customer referral program- applicable for staff• Rewards to Clean Energy Champion (CEC) at branch- free product, lunch, airtime• Rewards to top selling branch per month- free meal for entire branch staff• Reward to top selling branch over 6 months- exposure visit to India for branch manager and credit manager• Offer staff a reduced price for clean energy products to acquire staff buy-in• Easier for staff to market products they are using
Recognition	<ul style="list-style-type: none">• Email branch managers with monthly branch sales to alert them of top selling branch for the month• Present top selling branch with an MEC Clean Energy Certificate each month
Relationships	<ul style="list-style-type: none">• Regularly visit branches and establish relationships with branch staff to personally motivate them to push the project• Frequent visits from MEC staff may motivate staff by making them accountable every visit to provide answers and results
Communication	<ul style="list-style-type: none">• Monthly emails to branch managers• Frequent visits to branches• Monthly calls to branch manager and credit manager “checking in” on program progress
On going Training	<ul style="list-style-type: none">• Provide Clean Energy Certification training• Clean Energy Product Training

MEC leverages cloud based technology to increase field operational efficiency.

Technology
<ul style="list-style-type: none">• Carbon Tracker<ul style="list-style-type: none">○ Aggregates sales data to enable monitoring and after-sales services.○ Generates investment grade data that is transparent and traceable
<ul style="list-style-type: none">• OFMA – Order Fulfillment Management Application<ul style="list-style-type: none">○ Manages orders, deliveries
<ul style="list-style-type: none">• ODK Enabled Android Smart Phones<ul style="list-style-type: none">○ Field staff report sales data directly from the field.○ Data is automatically uploaded and aggregated in Tracker.
<ul style="list-style-type: none">• EchoMobile<ul style="list-style-type: none">○ SMS notifications, referrals, surveys

- **Carbon Tracker**

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- **OFMA – Order Fulfillment Management Application**

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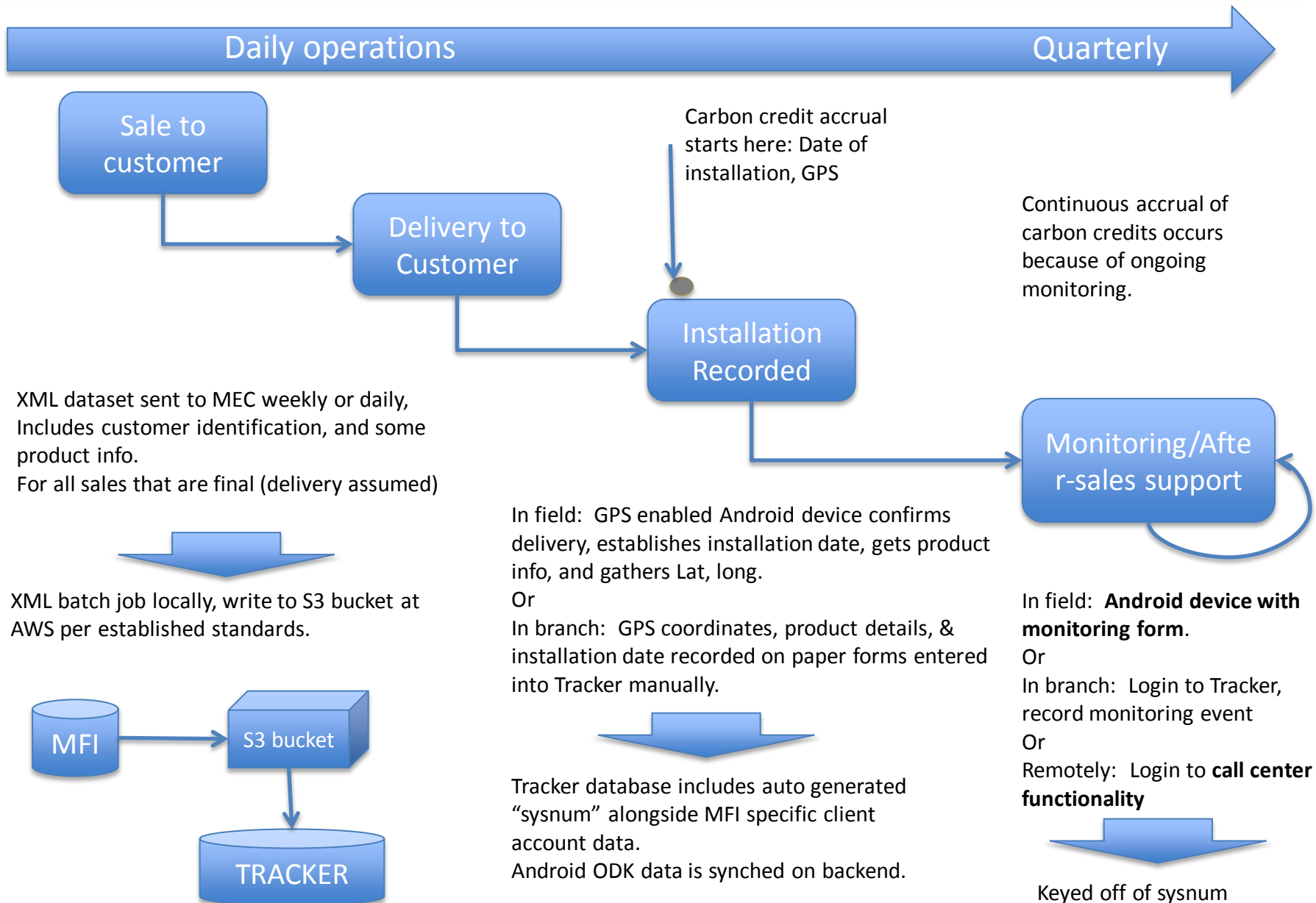
- **ODK Enabled Android Smart Phones**

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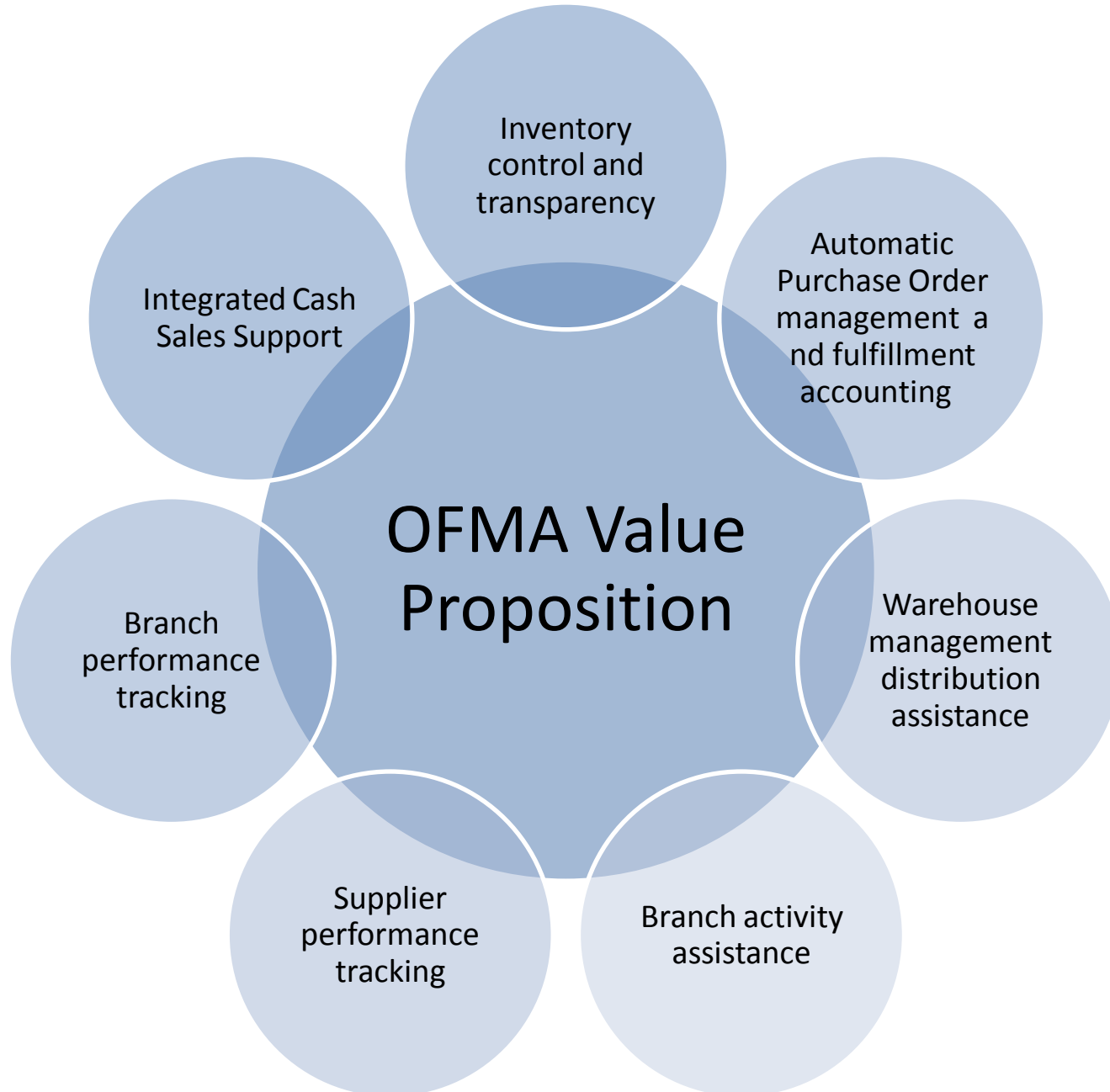
- **EchoMobile**

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Carbon Tracker Snapshot

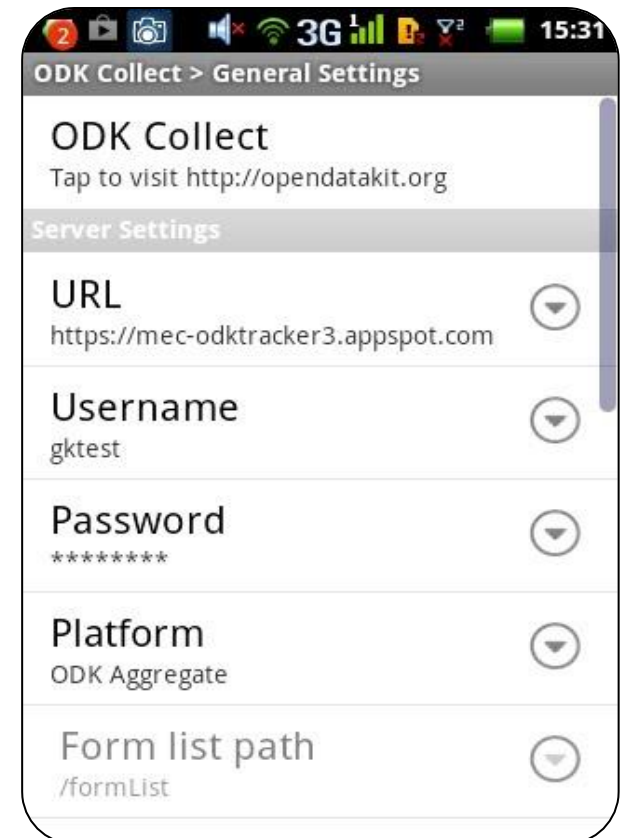


OFMA Value Proposition



ODK Enabled Smart Phones

- With the ODK enabled Android Smart phones our field staff are able to:
 - Capture Customer information for carbon data, after sales service,
 - Pictures of receipts, faulty products and marketing can easily be captured and sent.



Clean Energy is making a difference in the lives of Equity Customers.



Joseph Kamau and Teresia Wanjiku, customers of the Equity branch in Ruiru, with their JikoKoa and SunKing Pro 2 purchased through the Eco Moto loan.



- “It works like gas, that is how efficient it is” she says. Her husband nods and tells us that Teresia used to have problems with her eyes, from all the smoke of charcoal and firewood. “But this stove has no smoke!” he concludes.

- “I wake up at four a.m. to milk the cows before I get the children up to prepare them for school. Now I can do this in the light of the solar lamp and it is free. There is no charge for using the sunlight!”
- “I have used everything from firewood, charcoal to gas but this stove is the best” Teresia states with satisfaction. In a family of eight, fuel efficiency is an important aspect. “I use a quarter of the charcoal and can get heat enough for big sufurias!”

Improve health,
Save money,
Protect the
Environment.

microenergy
credits ™

