



SCALING ENERGY ACCESS THROUGH ON-GRID AND OFF-GRID ELECTRIFICATION

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**Reaching the Last Mile:
Gender and Socially Inclusive
Approaches for Energy Access**

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Changing lives through access to finance for clean energy and water.

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About Arc Finance

- Established in 2008, Arc Finance is a global non-profit that brings together practitioners, funders, pro-poor enterprises and end-users to **promote access to finance for clean energy and water**
- Our expertise is in providing a neutral platform with the **tools, technical services, catalytic investment and linkages** that allow these diverse groups to find common opportunities
- Arc is currently implementing two USAID-funded programs: the **Renewable Energy Microfinance and Microenterprise Program (REMMP)** (global focus) and the **Microfinance Support Program under the Partnership to Accelerate Clean Energy Deployment (PACE-D)** (India focus)



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Our Business Models

Microfinance

- Microfinance organization provides loans for clean energy
- 100% women clients; 100% repayment rates
- 2 MFI partners deploy women agents to promote and sell products (one with 100% women agents and one with 30%)
- One partner has solarized its entire client base

Asset Finance

- Energy enterprise provides the finance for energy products to end-users “in-house”; use of PAY-G metering and mobile payments to enable payment in small increments
- 30% women clients, few women as agents/promoters

Remittances

- Financing for energy product is provided by family members in the diaspora via cross-border money transfers
- 50% of recipients are women
- Money transfer company deploys agents to promote and sell products in Haiti; 30% women agents



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Our Research Methodologies: Understanding Energy Use and Decision-making in the Household

Energy Diaries:

New, innovative approach to studying energy at the household level, building on Financial Diaries methodology. Resulting in rich gender-based data.



Market Research:

Gender-disaggregated, foundational research conducted prior to business model planning. Informs business planning and product selection.

Customer Phone Surveys:

Sample of customers in each target country interviewed annually. Produces gender-disaggregated data on product performance, customer perspectives.



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Our Impact: Scaling Energy Financing to Benefit Women

- **Over 334,000** clients have purchased clean energy products ranging from solar lanterns to solar home systems, benefiting over **1.6 million** people
 - 82% of all clients and **87% of financed clients are women**
- Over **\$17.7M** has been disbursed in energy loans with 0% PAR; energy lending programs are financially sustainable and very profitable for MFIs
- Over **2.4MW** installed (13% of sales are SHSs, 70% lanterns with mobile charging capacity, 11% simple lanterns); **98% of women purchase units under 10W**
- Clients are **highly satisfied (98%)**; 87% would recommend the product to others; 60% interested in buying bigger products

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Innovation in Reaching Women: Energy Financial Literacy

Arc Finance has developed an **end-user energy financial literacy program** that is being piloting with Friends of Women's World Banking, India (FWVWB-I).

The goal is to **deepen client understanding** about the financial and social benefits of clean energy products and **track the correlation with sales**, with special emphasis on promoting larger clean energy devices.



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