



SELCO Incubation Centre

Energising Rural Energy Entrepreneurs

giz Deutsche Gesellschaft
für Internationale
Zusammenarbeit (GIZ) GmbH


INFINITE OPPORTUNITIES | GERMANY+INDIA


SELCO®

S³IDF
Small Scale Sustainable
Infrastructure Development Fund



Background



Access to energy can improve the livelihood of the rural poor in many ways. Households in rural India are already spending significant amounts of money on energy, but not necessarily on the cheapest or cleanest energy products and services. The market potential for clean and affordable energy is huge. India's rural Base of the Pyramid (BoP) consists of 114 million households. The aggregated potential market for clean energy consumer products and services is estimated to be USD 2.11 billion/year. However, for clean energy, start-up companies targeting the BoP, this market comes with many barriers and risks such as lack of technical know-how and business skills, as well as access to financing.

The Solar Electric Light Company (SELCO) Incubation Centre addresses these barriers by linking the expertise of existing successful rural energy enterprises such as SELCO with start-up entrepreneurs.

For more information, please visit: www.selcoincubation.org

Objective

The SELCO Incubation Centre aims at utilising SELCO's rural solar business expertise to support new start-up companies in delivering sustainable energy solutions to rural communities.

What does the Incubation Centre offer?

- Identification and selection of promising entrepreneurs.
15 to 45 days of classroom training on business and operational skills.
- On-ground mentoring and support, e.g. preparation of individual business plans.
- Business development services.
- Support to raise the right mix of social investments at different stages of growth.



How is this programme different from other incubation initiatives?

- Emphasis on hands-on business and operations training by experienced practitioners with strong mentoring and support on the field level.
- Focus on local start-up companies without previous experience or English language skills.

Potential Impacts

- Improved business capacities for 25 rural energy entrepreneurs per year, of which at least 5 enterprises will become ready for external investment.
- Creation of employment in rural areas throughout the value chain of the new enterprises.
- Socio-economic benefits through the increased use of renewable energy products in rural households and businesses: reduced expenditures for fossil fuels, health benefits, time savings, etc.
- Reduction of greenhouse gas emissions through the replacement of fossil fuels with renewable energy technologies.

Key Stakeholders

→ THE SOLAR ELECTRIC LIGHT COMPANY (SELCO)

SELCO, (<http://www.selco-india.com>), a social enterprise established in 1995, provides sustainable energy solutions and services to underserved households and businesses. SELCO aims to empower its customers by providing, at the doorstep, a complete package of product, service and consumer financing through regional rural banks, cooperative societies, commercial banks and micro-finance institutions.

→ THE SMALL SCALE INFRASTRUCTURE DEVELOPMENT FUND (S3IDF)

The Small Scale Infrastructure Development Fund (S3IDF, www.s3idf.org), is a non-profit organisation that addresses poverty alleviation in developing countries by applying and disseminating its Social Merchant Bank (SMB) approach that assists local entrepreneurs provide sustainable energy and other infrastructure.

The services delivered by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH draw on a wealth of regional and technical expertise and tried and tested management know-how. As a federal enterprise, it supports the German Government in achieving its objectives in the field of international cooperation for sustainable development. It is also engaged in international education work around the globe. GIZ currently operates in more than 130 countries worldwide.

Germany has been cooperating with India by providing expertise through GIZ for more than 50 years. To address India's priority of sustainable and inclusive growth, GIZ's joint efforts with the partners in India currently focus on the following areas:

- Energy - renewable energy and energy efficiency
- Sustainable Urban and Industrial Development
- Natural Resource Management
- Private Sector Development
- Social Protection
- Financial Systems Development

Within the context of the Indo-German Energy Programme (IGEN), GIZ is supporting the Ministry of Power (MoP) in the promotion of Energy Efficiency. Together with the Ministry of New and Renewable Energy (MNRE), GIZ is further working on increasing the usage of Renewable Energy in the country.

Deutsche Gesellschaft für
Internationale Zusammenarbeit (GIZ) GmbH

Michael Blunck
Indo-German Energy Programme
Project Manager - Renewable Energy Component
GIZ Office (India), 1st Floor, B5/2 Safdarjung Enclave
New Delhi 110 029
E: michael.blunck@giz.de
www.giz.de
www.igen-re.in