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| **Interviewer name** | XXXX |
| **Sub-contractor organization** | XXXX |
| **Interview date** | 7th December 2020 |
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| **Interview participant** | |
| * **Code** | N5 - GMT20201207 |
| * **Participant name** | XXXX |
| * **Organization name** | XXXX |
| * **Gender** | Male |
| * **Stakeholder category** | Non-governmental organization involved in energy financing |
| * **Country** | Nigeria |

CF: Hello. Good morning.

Participant: Good morning XXXX, How are you doing?

CF: Yes, I can hear you, Dr XXXX, Good morning. It's a pleasure to have here really?

Participant: Anytime! Anytime!

CF: How have enjoy your weekend?

Participant: Thank God, interesting yea honestly, interesting year?

CF: Amazing! Thanks so much for accepting to be to have this conversation and I was really I was really very excited when you said yes, because I've been doing that your area, you are strong on the finance side. Well, that's really get some some ideas. And then what exactly do you thinking I mean going on particularly as it connects to energy access and then again looking at the subjects, but which of course some people have argued that the most of our policies and most of our programs are not properly gendered. So now a bit of a background it is projects, we're working on is where we are looking at gender Equity issues around energy access in the global South but we are concentrating more on four countries. So in Africa, we are looking at Nigeria and Ghana and then in Asia, we are looking at India and Pakistan. Now this four countries have different trajectories if had different experiences, so what we are now doing is I mean we did yes, we'll also find out from experts in these various countries what's have been going on and then to try to understand these issues and lots more. So what we are doing this part of the whole data collection, hopefully in the coming year end of the first quarter early very early in the second quarter. We will share will be who have some things to be able to share in terms of our key findings and hopefully we'll be hosting a workshop where we will share some of the key findings. Not just about what we discovered in Nigeria, but also may have to do some cross country comparison and then that's really does toolkit thinking about what to do or what not to do what actions to take or not to take on things like that. So thanks so much for coming thanks for accepting. And then without further Ado is Monday. I will just launch straight see tell, it's really tell me tell me a bit about your your current job your current position the organization where you walk and I will receive course would you work for and what do you do?

Participant: Thank you and i am honored to be part of this Rich research, I am XXXX XXXX ideal, I'm the co-founder, MD of XXXX. So we are on impact investment and financial advisory firm based in Lagos. We do our work across Africa and all of our investments and our advisory work are centered around climate impact transactions, so in across all the sectors because like we all know climate change affect all the sectors and a lot of sectors also also contribute to climate change. So a lot of Investments around mitigation and adaptation to climate change. So we've been doing that for the past over 10 years now and we do quite some investments in the off-grid energy space particularly solar so solar transactions we also do some of sustainable agriculture called chain and by refuse waste-to-energy, but yeah, but we're very strong in the off-grid energy space definitely an educational purpose of people.

CF Interesting what led you to go into all of this?

Participant: I used to be a proper Commercial Banker, you know, so I mean I was in three Banks this strategy did Commercial Bank indeed power sector Investments, then three years ago, you know joined my partner to start, to to scale this business of is you know, so and unroll the other is in because I wanted to be part of a conversation or matters that concerns people's lives and people's future, you know, and like we all say now globally the climate change is that that that threat, you know, threaten a bodies existence, you know, so I mean big part of such conversation of on how to save Humanity it started as a cool, Is it cool journey to be on and I believe its going to be done because for the past 18 months now there have a lot of dialogue globally across executive and private sector, even government ends to see how they can also take action in combating climate change across the various sectors.

CF: Interesting, So I see a lot of things around. I see you really playing around issues on climate Finance energy access and things like that.

Participant: Yes

CF: Oh great. So if this is the case really what specific can say climate Finance issues energy access issues that they've been working on over the years?

Participant: Okay, let me put it this way. So climate violence has two choose two angles. There's the adaptation which is financing transactions that that will cope with the effects of climate change that we are currently facing the heat wave the flood the rising sea levels under likes then the other part is mitigation, which is where we can talk about solar. For example, whereby let's go into transactions that reduce the major cause of climate change which is the greenhouse gas emissions, you know, so and because energy is the number one contributor of the emissions so that is why this been in more they've been this biased global conversation around energy Finance as the way to combat climate change. You just one piece of the puzzle, you know, so, you know, so wow I made that I made that Clarity because people get it confused sometimes, you know people just I think that if they're funding Universe energy does just the only climate Finance there is you know, so so that's what you do basically and it's been an interesting Journey as an investor and as a financial advisor in the space the missing elements there are about three to five missing elements. Okay, there's lack of coordination within the sector amongst the players because in the off-grid particularly in the renewable energy and let me solo record Africa. What you will find is a lot of XXXXs entrepreneurs, and if you if you dig deeper, you will find out that a lot of the entrepreneurs are just engineers, not the business entrepreneur and a business people, you know, You're a find a case where a lot of them are the ones playing across the entire supply chain of the business. There's no partnership whatsoever, they are the operations personnel management maintenance. they are the ones that will do engineering do procurement do construction. They are the ones that will manage customers relationship. So everything and that is what we investors don't we like to see particularly when I even is more comfortable, you know, so a lot of coordination in terms of partnership is not there and in the angle of Finance, Finance, the commercial Banks, even the private sector private Equity investors, particularly locally that that yet the more years of experience, you know for let me say that no, yes, very Innovative and creative enough to really really release the kind of funding that is needed, you know to, to come to catalyzes this sector, you know, and this is sector where the best bet is to to advocate for energy as a service or power the service, you know what I'm saying? and if that's the case, our money must be must be on the patient, you know, you see bank can only give loan for five years you understand what I'm saying? Like, you know, what kind of charge would you want to charge that will make your money back in five years lack of creativity. And then part of the work we are also doing for xxxx is to train Commercial banks across Africa to say a yes, you could you know that you don't have long-term capital but as a Commercial Bank, you can actually aggregates all these solar companies into one SPV or Consortium and on the back of the fact that the bank is the one back in them. You could issue a bond of 10 years or eight years, you know, you can get a good rates because a bank like a Commercial Bank is back in that SPV, do you understand what I'm saying then you cannot have a tall this but you know, I don't know why that creativity is not yet. It hasn't really settled in, you know, so we've been trading caring but I don't know why I know and that's why I keep arguing anywhere it would be anywhere in the world. I told them that there's not there's nothing that lack of bad cable project as long as there are challenges. Those are the opportunities that one second thing is this the issue of climate change of combating climate change or cutting down on a mission is just saying that let us switch, let us replace the existing data source of energy to a cleaner source of energy meaning that that sector or that business that is currently using the dirty energy source is the key consumer is the markets of the clean energy source let's just switch from diesel from coal to solar to wind and the market is still there. They will still pay for the Tariff. But what's most do is for us to be able to deploy the required patient Capital Jonathan should us to show us to make the cost of the energy affordable and reasonable Joy. So that is what I can say that the transactions are there, but the transactions can be baked if we are not the chef that will bake it. So all the children because of the day, you know, so not the kind of dialogue we're having and so fast slow. So what were also doing is to see how we can do our own transactions very quickly, you know to scale and so demonstrate to them that this is the model we've /been telling you guys for the past two years to support now we've done it we've issued a bond it’s working. Everybody's happy, customers are happy the businesses are happy, investors are happy, everybody's happy, so can we make this a new product for the financial system? so we get there.

CF: Interesting! Interesting! i mean, I like this insights really now just to to link it up with something that I also consider important and firstly in relation with some sort of policy context. Are there some sort of policy context that shape your work particularly with the current issues developing idea development and policies for example at the state level and National level that shift the kind of work you do influence the kind of work you do.

Participant: Um, no, and I'll tell you why I called my I mean we call ourselves and it disruptive innovator, Oh, right, in fact investor because why we say that is because every business that we support or we're about to support the business model must be designed such a way that you must be able to thrive within the confines of the current policy and the political system i would paint these scenarios of what are the worst case scenario, you know, so if you can survive the worst case scenario, we're happy to do business with you. But if we have to rely that a government must do this policy or most give you subsidy for your business to be sustainable. Then we will not do it's particularly in this kind of environment where every government has three years before even the even…..

CF: I like the fact of three years because that’s the reality.

Participant: And that’s what international investors to say. They want to exit in three years. And that is that three is starts from a new president or a new governor not the one that’s but about to leave actually so this for example before we see I got my time with this is because currently the currently the energy Market is largely of-grid and discentralised, do you understand? it’s our generator that is polluting the environment but it's already like so so when people tell its grid, there's no, but there's no it doesn't there's no grid now, because all of us have generators, so we're already self-sufficient. So what we are now saying is that you come up with this is are doing now is that people that all of us have generators? We did not buy the generators because will like our fancy the regenerators look we brought the generator because we want energy you want power. So if they could be in Innovative entrepreneurs and then innovative investors as well. Okay that can find a way to switch or replace those fossil fuel power generators to solar and battery and something more something clean. Okay. Okay, and then we use a matrix system such that the consumer or the business will pay the energy provider as they consume the energy. Okay, but that can only we can only arrive at a reasonable time if if the funding is patience.

CF: Yeah.

Participant: Do you understand what I am say so and consumers are tired of buying Patrol buying this will maintain the generator waking up in the morning signal generator at night. People are tired of that, they just want the system that works they don't care if it’s government or private whoever can give them a good price and convenience they will switch.

CF: Interesting! Interesting! Now what it leads to my other question now to what extent does gender, gender Equity factor on your work particularly with the kind of finance that you provide? I mean, so it does it does it really doesn't really factor in any way and if it does how?

Participant: Considering the fact that we also try as much as possible to align our work with the SDG’s, you know, so we always, we always recommend, you know to two women to apply for, to, to partner with us. So I give an example we have over 200 installers working with our different investment companies and what we always say when our investing company please try to get installers is a very rare advised them to go for women installers in order to have more women to have a balance of men and women 50/50 I have observed that in this society that women are not coming out sometimes, you know, they don't they don't come out, you know, you know just I don't know why but few of them applied on those that apply we work with them. Well, you know, so bit is when those ones that apply then tell a good story probably those want to be encouraged to apply but you know, and I know that the REA the rural electrification agency, they have been doing a lot of good work, you know trying to include women in the energy that and that's getting pretty okay, but for investors it’s not really, No it's not a deal-breaker, you know, we kind of, it will be nice to have to support any gender inclusion, but if it is not here, we focus on the business model of the transaction.

CF: Interesting! Interesting! Now, can you really say that our existing policies agenda sensitive particularly in relation to energy access?

Participant: I mean, let me put it this way the answer is no but I'm pretty sway from a recent researcher read I found that out that and its true actually women are the the most impacted beneficiaries of energy access. So what I mean is they so particularly when you when you when you're powering a residence estates or even rural communities, you know, we have more with I'm staying at home. You understand what I'm saying? And that boost that will boost their productivity, you know convenience as well. So yeah, they actually benefit more from energy access because they stay more home, you know, supporting the family so yeah, but in terms of policy wise, you know, I haven't seen any policy in Nigeria even Africa that that's is for them, i have not said, I mean there being lots of programs led by NGO’s, you know local you know those, those programs is just to encourage women to venture into the space so they could give them incentives like lower interest rates or just say that this program is just for women that are going into solar business, you know, something like that but is not really a government political driven program its just NGO Society supported democracy did sector.

CF: So interesting. So how how how, Can gender Equity be improved in this case now actually within, within our context knowing that women are the most they're the ones mostly impacted and then somehow I mean there is also a what's I like the way someone's called it the poor cousin to energy or electricity access, which is the issues of clean cooking that nobody talks about it and the people have argued that for example in the past three years. There's a lots of Investments going into Energy access mini-grids and all of that for nobody talks about this one that also impacts a lot of women what they have to say about that.

Participant: Good one because one of our investee company that is green energy biofuels, they have been doing business for eight years now and what we do what they do, what we do is to produce ethanol you know biofuel for cooking, you know, and and the company uses a water ice in sawdust fish stock and then, you know will ferment that into ethanol then cooking stove and we have the biofuel and that is to really replace charcoal, kerosene wood and I tell you one thing we have about 45 thousand distributors over, 90% actually women across Nigeria and also some part in West Africa over 90% of women, you know direct and indirect they are very active, you know, they are distributed evenly users and that has really impacted their lives because they are not longer, they are not inhaling emission anymore, the site also better because they are not exposed to other it was so so that has been a direct impact particular. So what I saw the point is that when it comes to clean cooking that has direct impact on women because women are the ones are cooked the most. Okay so sweet and that's what they have issues on health they have issue with our sites and other things other complication might come up elsewise, but having that clean cooking technology, right that has that has not just help them in terms of that else does also help them financially and economically, you know, and they can now see because once they know that this thing works I know women also the best sellers, you know what I mean? That's the best sellers. So once they know it works they want all their fellow women to also use it and go cooking is what they do on a regular basis even for those that work, you know, so because it comes natural to them, you know, so that has direct impact on them and and, and for energy access because women to stay at home longer more than men. So once these energy access you can pump water easily you can watch the TV, you can teach your children, some books. So once there is light there are a lot of things that comes easy there are a lot of work that you should do but you will not do because there is no energy, energy access, so you know the more you are productive the longer your life expectancy, you know, increase so that really kind of impact that will have on women even though men as well, you know,

CF: Interesting! you know, some women argued that hey giving me access to electricity is increasing my work because you are giving me light and I have to work more.

Participant: That is human nature. Dr. You do you do you know how to do you think your praising someone, you give to them the test to then after, It's too much it’s the one affecting me blah blah blah. So that happens a lot, yes that happens a lot.

CF: I remember someone mentioning that but I couldn't help it was so hilarious.

Participant: so hilarious, it is!

CF: Okay. Just, just imagining for moments really let's just imagine for a moment that we don't have any financial, but he cop don't have any policy constraints without any Financial constraints. What are the other issues. We should be looking at in order to try to address this issue of gender Equity particularly as it relates to energy access. Just imagine for a moment that we don't have Financial or policy constraints. What are your issues we should be looking at in order to make sure we address this.

Participant: Okay. Like I said, I don't see any I don't see any policy. You know so it one of those countries where you keep working as if there is no policies so, financially there was no financial issue money is fine. I see a lot of gender participation why because a lots of demonstration will have been done when mean demonstration, i mean that a lot of project that would have made statements that this is a sustainable model this is sustainable sector for everyone to flourish and try that would have been done much quicker, you know, and if that had been done and the story is been told very well and accurately then a lot of women will be encouraged to also participate in the whole sector on ecosystem, you know the challenge we have now because of the lack of a better flow, Okay. It is delaying. It has delayed demonstration that this thing were talking about off-grid energy solar energy is truly sustainable, you know because of that delay then that is why we also have limited or with shrinking actually shrinking level of interest from not just the women actually even from the man, you know, so the fact is that is the problem that is truly the problem.

CF: Yeah, interesting! Interesting. Wow, what's rules do you think maybe organization or that professionals may play in achieving this?

Particpant: So I was I will speak for our company, so let me first talk of capital they are two things, So let me let me start from the from a financial advisory level Okay, so we've been working closely with the United Nation as the African Development bank you know, and what we're doing with them is to build capacity of commercial Banks across Africa, you know and training them on how to really use financing to support this sector, okay and AfDB is will say I will put my money on the table. I'm not asking you to, because I know you don't have the patient Capital to be able to extend that kind of long-term funding. I will give you a line of credit for 10 years 15 years so that you can engage in a long-term Investments, you know, but to do so you have to be able to open your mind to possibilities of how to really finance this sector, you know and financing is not just about the money go into the transaction financing also starts with the coordination I am talking about they didn't that kind of Consortium that aggregation, you know, trying to build a corporate governance structure for that, you know for that SPV do you understand what I'm saying because the governance structure also strengthen the sustainability of the project okay? so so that is what Commercial Bank need to understand and I always tell them, any opportunity I have always say it that the commercial Banks they need to be business partners is not about your money. There are other things that you need to support in bringing this together. The other thing we also advocate for is that they need to be, we call it blended finance where by you blend the grants, you equity, your debt with all sorts. So what we are saying is that everybody should know, no one should work in isolation because as an impact investor, if I was to invest in a transaction, there are things that we look at that the Commercial Bank because of the way they are structured, they will not look at them so we need to blend our money blend our effort blend our resources so that we can ensure that the business is successful, the transaction is impossible just so everything comes together because one font provider will only see through their own lens but we need all other lenses, five other lenses to be able to make that business sustainable banking book profitable gender-inclusive all sorts again, but one can do that, you know, so that is the kind of thing that we need to start to see. Okay, and honestly, I always tell myself there is no I don't see it as easy. But people say that hey, XXXX, because you're you know it you can say it, it doesn't mean it is easy it also so I always try and see how we can also break it down, you know, you know in piecemeal shape so that people understand truly what is required and on the investment part. I will tell you everything I've just said that the bank should be doing is what we are also doing as impact investors, whereby we have crowd in guarantors from AfDB we are issuing a bond few weeks with arrogated about seven solar companies in Nigeria to come together bringing in all their 200 installers together in a we were leveraging technology because we need to make this thing fun like pan uber, bring technology so that there's data there's analytics this block-chain there is transparency in everything that is happening because data is the new currency like we always say so we need to eat as though and I would say one thing that I always say, and people that its always harsh and I will say the reason why I say it's because the Western world and I will say this on record. So the way energy access particularly for Africa has been narrated the last decade has been from the angle of solving energy poverty or giving energy to the poor people so which is why a lot of private sector investors when they see such narrative what they see is that you want me to give you part of my sales our budgets in supporting the endeavor, They don't see it as a money-making opportunity. But whereas in Africa Nigeria, the issue is not, yes energy access very important, but we never need to decarbonize the energy sector and when I say decarbonize, I mean that letter us to switch from diesel or petrol to either gas or solar or whatever it is okay, and that's switching is saying that there are industries there are companies, there are estates that have the money but are currently using diesel, now that is the same energy sustainable energy access, okay, but the narrative is if any of these investors see such opportunity they will put their money on the table because they know that the user of that energy is someone that has money and finally, and everything goes back to even look at the Telecom sector, Telecom did not start from, the from the rural communities It Started from the from the from from this segment of the market where there is either strong purchasing power people that could afford it. It was now when the business sector has been able to accumulate, you know, a lot of earnings or revenue that they were now able to, they now had economy of scale they are now able to expand to rural communities but in the energy space Africa, we're starting to do from rural communities, the Western world has given us so much grant and then they are saying to the investors give me more money, but the investor is saying but your grants, what you keep saying is that this grant you're given is energy access for the poor women and men, hey! why would a business person give money to a poor person that has the money to pay it back. I mean, do you understand? So that's it. That's the missing narrative around and misconception types, I see around energy access is a money-making opportunity. Okay, and we have to treat it as such, you know particularly from the private sector side.

CF: Interesting! Interesting. Wow. I mean you've touched on quite a good number things and then we've talked a bit of course in so many aspects of around energy finance and all of that and of course one of the things I have mentioned is that forget it there is even no policy on the ground started wasted so much time on that so no one last thing really is there anything you we have not discussed that you think you need to touch on?

Participant: I think we've, let me just let me clear myself on that policy Parts okay and the reason why I say that is because you know, what we always say even with some lawyers is that government should just stay at the angle of policy and that policy is to do the following is to protect the investment of the private sector in the sector, is to protect the service and the experience of consumers of energy, is to protect the integrity and the quality of the work of the players the in this applies to all the energy sector, but what the government is doing in the country is that they are the ones investing they are the ones buying the energy they are the ones even generating sometimes, they just sold it, they are the ones distributing they are still the ones transmitting, how do you want the private sector to play and scale this opportunity, you know unlike developed countries and I always use as an example. So the developed countries largely powered by coal, gas and all that but when they needed to switch, there were two things they did, they shut down some power plants they already do for shutting down or replacements, shut them down replace them with either wind or solar. Okay, then that I think was that because developed countries are already energy included. I mean they already had energy penetration across the country so what consumes what they also then deal was decided during solar credit saying that well, there's no land, there's even no land mass or Space to put solar panels, so people can even just decide to go and buy solar in London or anywhere put the solar on the roof generate energy and the excess energy is being sold back to the grid to the government or whoever, was in charge of their grid, because they already have smart infrastructure that can take grid, it can take energy from any roof, do you understand what I am saying, so you can see that for, if you even if the government shuts down a Coal Powered Plant today, the government does not even need to spend our own money in setting up a new one because a lot of people have already bought solar on their roof and although exporting excess, Some of them are even installing more than they need because they want to enjoy the solar tax credit from the government because the government understands their role under playing their own role but Nigeria that is not the case, so fortunate.

CF: Amazing! amazing. Thank you. So so so much. I hope you will be available for any follow-up question in case I have a brain wave?

Participant: Yeah, anytime.

CF: Okay great now is there someone or anyone you think I should be asking this sort of questions that you think I should have a conversation but

Participant: Yes, do you know, I'm sure you probably know him xxxx?

CF: xxxx?

Participant: He is a Partners in xxxx.

CF: Okay, if you can if you can send me a contact, I really appreciate it.

Participant: He is xxxx I know

CF: Ahh it’s a he? Okay, Okay, Okay great, I have not met him but I really appreciate it.

Participant: He is an energy law experts. So, he someone that can also guide you through so, so but, he is a government person, laughs!

CF: Not, not nothing problem at all. In fact, that's it, those are the people I am even looking for.

Participant; Yeah. Yes in that balance, you know, he like Elon Musk and ahh.

CF: I will say I mean, I really appreciate it.

Participant: Anytime!

CF: Yeah. Thank you so, so much and please enjoy the rest of your day and the rest of your week to thank

Participant: You too, thanks so much.

CF: Yeah. Yeah cheers! Bye.