

BRIEF REPORT ON EDS TRAINING WORKSHOP – MWANZA 24th – 28th OCTOBER 2005

Organizer: UNDP/GEF/Government of Tanzania Solar PV Project, Mwanza

Introduction:

Transformation of Rural PV Market in Tanzania is a joint UNDP/GEF/Government of Tanzania project that aims at removal of a number of barriers to secure PV market penetration in rural areas of Tanzania. These barriers are of policy, infrastructure, information, financial and technical nature. These barriers constituted one of the major obstacles to the wide scale penetration of the PV technology in this country, as well as many other developing countries, especially in the rural areas.

The wide scale commercial penetration of PV technology into the rural areas is usually constrained by a number of barriers including the lack of technical know how and absence of information and awareness on the potential uses of different PV systems both by the users as well as the dealers in the area. This was aggravated by the lack of suitable financing mechanisms for consumers as well as to the dealers and the whole supply chain involved. These barriers also limited the involvement and/or success of the local business in the field of PV technology supply and provision of the associated services. This limited success of the PV business in the area is also attributed to the inadequate capital to stock equipment, weak business planning and promotion capabilities and lack of awareness on the market potential of the technology and technically trained manpower.

Training objectives:

The training objectives were to:

1. Provide Mwanza Solar PV entrepreneurs with knowledge on solar PV business environment
2. Provide a practical approach to energy business planning that can assist them to get financing.
3. Assist participants understand what it entails to finance and access finance for Solar PV businesses.
4. Inform participants on various existing energy financing options and institutions.
5. Share with participants on AREED Project experiences and how best can them benefit from AREED Project

Assumptions on which the training was based were:

1. The focus is on commercially sustainable solar PV enterprises
2. There is money available for renewable energy enterprises (particularly solar PV) that meet investors criteria
3. Enterprises can be financially sustainable without a grant component
4. A menu of finance options exist

The training program:

The training program with subjects taught were as indicated hereunder:

MWANZA SOLAR PV DEALERS ENTREPRISE DEVELOPMENT TRAINING WORKSHOP AGENDA

Date	Time	Activity	Responsible
24th 10.2005	Solar PV business environment		
	08h30 – 09h00	Registration	PC, Trainer
	09h00 – 09h30	Introduction of each delegate Opening speech	All PM
	09h30 – 10h30	Welcome & agenda overview, Goals of the Day	Trainer
	10h30 – 11h00	Tea	All
	11h00 – 12h00	Enterprise and Enterprise Development Services	Trainer
	12h00 – 13h00	Investments – AREED, E+Co experience	Trainer
	13h00 – 14h00	Lunch	All
	14h00 – 15h00	Lenders Vs Investors	Trainer
	15h00 – 17h00	Business Development Process	Trainer
25th 10.2005	Practical business planning – Case: AREED project		
	08h30 – 09h00	Introduction of AREED	Trainer
	09h00 – 09h30	Introduction to the investment environment	Trainer
	09h30 – 10h30	Business Description with examples	Trainer
	10h30 – 11h00	Tea	All
	11h00 – 12h00	Fact Finding	Trainer
	12h00 – 12h15	Q & A	Trainer
	12h15 – 13h00	Sources of information	Trainer
	13h00 – 14h00	Lunch	All
	14h00 – 14h30	Feasibility analysis and business plan	Trainer
	14h30 – 14h45	Business proposal & format	Trainer
	14h45 – 15h30	AREED Application Process	Trainer
	15h30 – 15h45	AREED Assistance	Trainer
	15h45 – 16h30	Closing and Evaluation, Wayforward	PC, Trainer
26 & 27th.10.2005	Follow up		
	09h00 – 13h00	Attend participants business planning and development specific needs	Participants Trainer
	13h00 – 14h00	Lunch	All
	14h00 – 16h00	Attend participants business planning and development specific needs	Trainer Participants
28th.10.2005	Report preparation		

Output:

1. Business planning skills imparted to seven (7) participants who attended the workshop. This is revealed from the evaluation done on closing the workshop also attached to this report.
2. Format for good and quality energy business plan preparation that meet investment criteria provided.
3. AREED experience and financial assistance process well communicated to participants.
4. List and contacts of five (5) potential investors of RE businesses provided

Expected long term outcome:

Improved participants ability to prepare quality business plans that meet investment criteria not only to specialized RE financial institutions and investors but also to local and international financial institutions to ultimately create sustainable energy service companies.

List of participants

Name	From	Email/Telephone
Mr. David N. Balyagati	Intra Professional East Africa Ltd, Sengerema Mwanza	Das_ne_ba@yahoo.com
Mr. Medard Kachubo	Intra Professional East Africa Ltd, Sengerema Mwanza	kachubomeddy@yahoo.com
Ms Mariam Derrick	AOL Technology Ltd, Mwanza	aoltechnology@yahoo.com
Mr. Mohamedrafik Parpia	ZARA SolarLtd	zarasolar@yahoo.com
Mr. Mathias Pauline	Tunakopesha Ltd	028 2502444, 0745 842665
Mr. Leopord Lema	AOL Technology Ltd, Mwanza	aoltechnology@yahoo.com
Mr. Kulwa Magessa	Umemesolar Investment, Geita	0744 454484

List of potential investors of energy SMEs

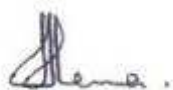
Name	Contacts
AREED	C/o TaTEDO, Box 32794, Tel: 022 2700438, email: energy@tatedo.org Dar es Salaam, Tanzania Website: www.areed.org ; www.tatedo.org
E +Co	Energy House, 383 Franklin Street, Bloomfield, NJ, 07003 USA Tel: 973 680 9100 Fax: 973 680 8066 Email: ecoweb@energyhouse.com Website: www.energyhouse.com
GroFin Capital through RAPS Finance (Pty)	Physical address: 224 Loristo Street, Pretorius Park, Pretoria Postal address PO Box 34921 Glenstantia, 0010, South Africa Tel +27 (0) 12 998 8280 Fax +27 (0) 12 998 8401 E-mail info@grofin.com Website www.grofin.com ; www.raps.co.za

<p>Triodos Bank The Netherlands</p>	<p>Triodos Bank is a European bank registered in The Netherlands. Triodos Bank NV Utrechtseweg 60 PO Box 55 3700 AB Zeist Tel: +31 (0)30 693 65 00 Fax: +31 (0)30 693 65 55 e-mail: triodos@triodos.nl www.triodos.nl Attn: Rene H.C. Magermans, Senior Investment Officer</p>
<p>Triodos Bank East Africa Representative</p>	<p>Solar Development Group C/o Pipal Ltd, Purshotam House Chiromo Lane, Westlands, P.O.Box 42777; Tel/Fax +2542 3740687/3744973/3742552 Email: sdg@pipal.com Website: www.solardevelopment.org Attn: Ashington Ngigi Specialized on Solar PV business funding</p>

Conclusion

The general response to the training was a positive one. All participants participated fully on step-by-step of preparing a business plan, thus providing an opportunity to share perspectives, experiences, problems and difficulties encountered on their day-to-day business planning activities. People earlier working just as business people were later transformed to be entrepreneurs i.e. people able to identify opportunities, able to change these opportunities into marketable ideas, put it in a paper in a form of a business plan that can be honored in front of any reliable investor and/or financial institutions for financial assistance.

Follow up meetings were conducted one by one to attend participants specific needs related to business planning. A situation was created whereby participants opened contacts with AREED aiming at benefiting from AREED project and approach. The expected progress in the next 2 months in terms of good and quality business plans that will be submitted to AREED/any other investor for financial assistance will determine the context of a follow up EDS training. I will recommend the next EDS training be on developing and strengthening entrepreneurial culture among solar PV dealers. The aim would be developing General Enterprising Tendencies (GET,s) of solar PV entrepreneurs because energy related business is new avenue in Tanzania business environment.



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