



Climate *innovation* Center
Kenya



Who are we?

- World Bank-*infoDev* initiative, funded by UK Aid and DANIDA – USD 4.5 Million
- Provide incubation, capacity building services and financing to Kenyan SMEs developing climate mitigation and adaptation solutions
- First in a series of CICs that *infoDev* is launching globally
- GVEP International, PwC, Strathmore University and KIRDI are the lead partners in a consortium contracted by *infoDev* to establish and operate the CIC
- Supporting consortium partners are UNIDO, Adelphi, KIPPRA, LTS International, Netwas, and Oxford Energy Associates



How does the CIC foster Innovation?

1 Advisory services

- Provide mentoring and specialised training programmes
- Access to toolkits, templates and pre-packaged support

2 Financing

- Provide Proof of Concept grants (for prototyping and testing technologies, piloting business models)
- Facilitate access to other sources of financing

3 Access to facilities

- Provide access to facilities that house incubatees and support technology design, adaptation, prototyping, etc.

4 Enabling ecosystem

- Work with GoK to develop Kenyan clean tech policies
- Coordinate technology transfer and collaborative R&D

5 Access to information

- Gather, package and disseminate information on technologies, financing and local markets

Who can participate?

**Entrepreneurs
& SMES**

To support SMEs and entrepreneurs developing innovative energy, water and agriculture solutions

**Financial
institutions**

Partner with investors, banks and financial community to improve access to financing and increase supply of capital

Governments

Work with policy makers to support the adoption of clean technology in Kenya

Private sector

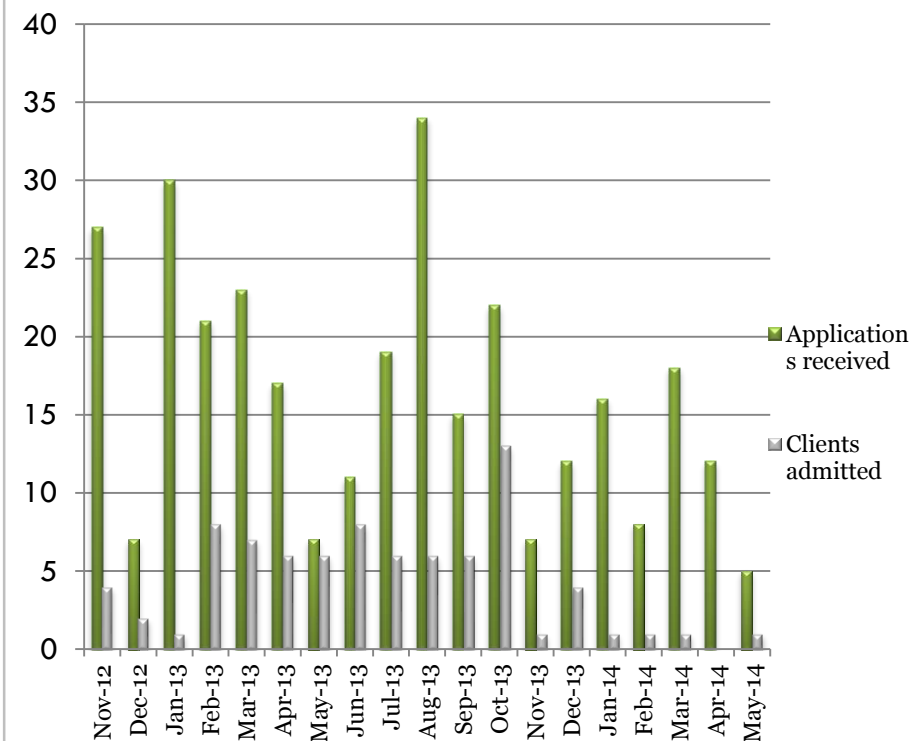
Facilitate collaboration between its clients and local and international businesses as suppliers, distributors, partners, investors or acquirers

**Academia &
research**

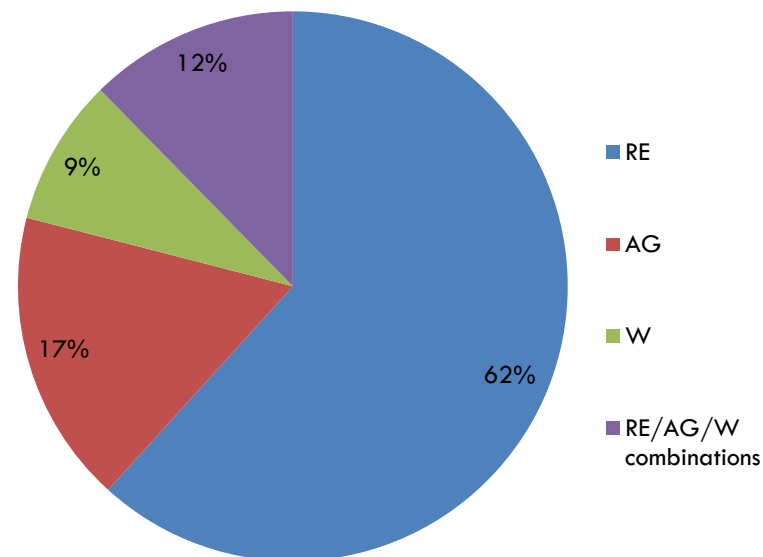
Forge linkages between innovators and academia to generate valuable knowledge and technologies

Applicants/ clients to date

343 applications, 82 clients



Portfolio analysis



Male-led	55	67%
Female-led	20	24%
Both Male & Female led	7	9%

Nairobi area	40	49%
Outside Nairobi	42	51%

Proof of Concept (PoC) Support

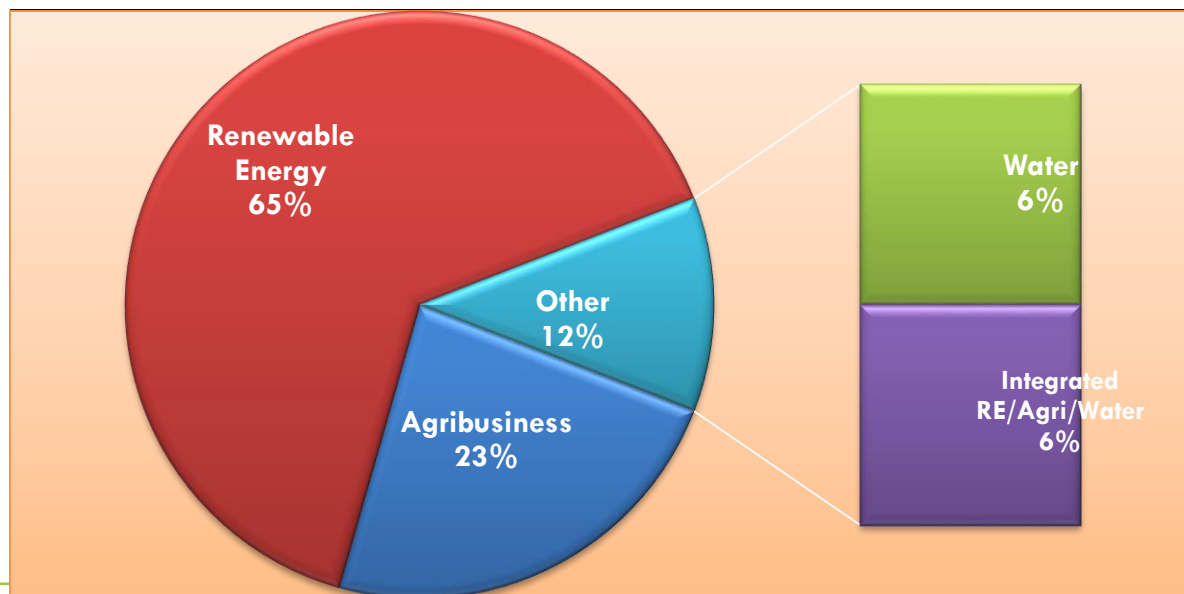


Total Awarded: \$601,000

Total Available: \$200,000

funded projects: 19

Average grant Size: \$30,000 - \$50,000



Key success cases

Takamoto Biogas



Milestones

Takamoto an innovative Pay -As-You -Go (PAYG) model of delivering metered household biogas system. Successfully installed and tested 25 units within Githunguri area. The CIC funded 50% of the cost through proof of concept grant. The business has embarked on a robust scale-up effort to provide the market with 400 units by end of 2014 and ultimately over 10,000 units within East Africa region in the medium term. This move will be reinforced by the recently established partnership with KIVA to provide end-user financing.

Develatech Ltd.



One of the companies awarded a POC grant to develop and refine user friendly energy efficient cook stoves. To date the company has contracted three part time employees who make 30 stoves per week in a rented out go down facility. At an average retail price of USD 30, the company has managed to sell 161 units and has partnered with MWEZI; a company that sells cleantech product in six regions across the country . Through the partnership, Develatech's stove will be stocked in Mwezi's point of sale and will subsequently address consumer awareness and distribution challenges.

Key success cases

Global Supply Solutions Ltd (GSSL)



Milestones

Initiated about 12 months ago, GSSL is about to commence commercial briquette manufacturing. Over 10,000MT of feedstock (pineapple waste) has been mobilized from Delmonte Company Plantations in Thika. the prototyping and subsequent tests to determine the calorific value are complete . Civil works and machine installation are expected to be complete by end of August 2014. The innovation will revolutionize briquetting business in the country specifically targeting factories as the main market. The \$42,500 provided by CIC as proof of concept grant was instrumental in feedstock mobilization, testing of the identified equipment in Denmark as well as unlocking further injections by investors

Consumer Choice Co. Ltd



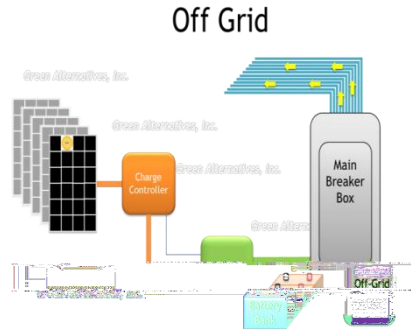
This enterprise has developed an ethanol cookstove and an ethanol gel targeting households currently using kerosene and charcoal fuels. The company has to date sold over 3000 ethanol stoves and over 500,000 litres of gel. The company is at growth stage and has been able to sign 7 distributorship agreements, in various parts of the country to enable it reach a wider geographical target market. In January 2014, Consumer Choice Limited moved from the CIC incubation space to its own office premises.

The CIC has been working with CCL to provide support in business acceleration specifically in developing market strategies and providing policy support in excise duty exemption on ethanol

Key achievements



80+ entrepreneurs
being incubated ,



31,777 kW off-grid
power installed



1,707 households /
businesses accessing off
grid electricity



63,791 households
using low carbon
energy sources



Smart partnerships forged with key
institutions

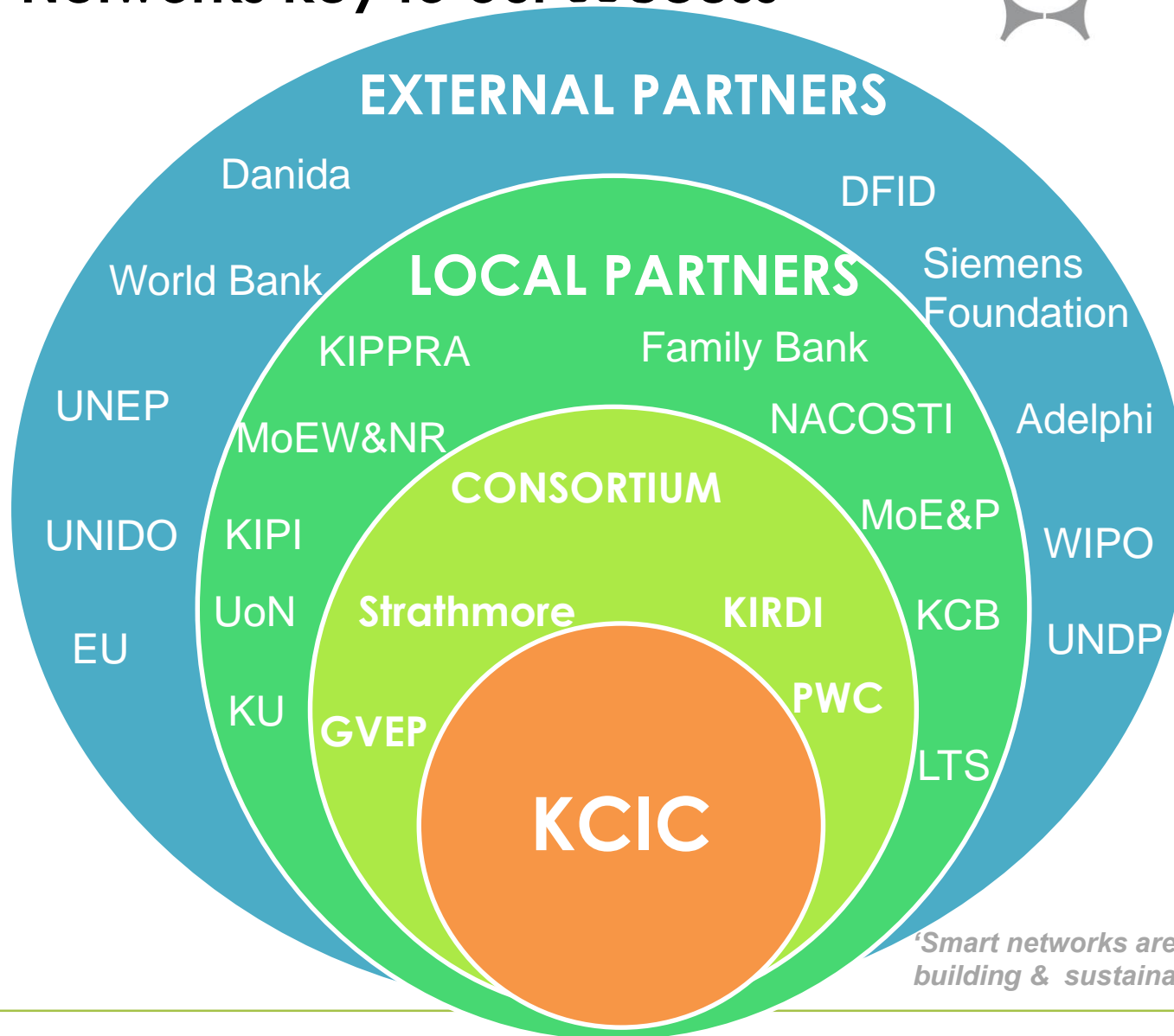


759 green jobs
created



1.2 Million USD leveraged
from other sources

Smart Networks key to our success



'Smart networks are key for institutional building & sustainability'

Challenges

- Access to alternative sources of financing besides PoC
- Unfavourable policy environment
 - minigrids, FiTs solar, bioethanol
- Low uptake for cleantech
 - Low public awareness, high initial costs
- Low technical expertise in the country on cleantech
- Low innovative capacity
 - Quality of applications
- Lack of high-end infrastructure prototype testing



The Key Lessons Learnt To Date:

Service Delivery

- Client focus is the key to success
- Clients need easy, quick processes
- Service delivery must keep pace with innovation: review, re-think, redesign
- Highly committed clients = high impact

Innovations : cleantech vs software web

- Cleantech solutions take longer to develop
- In cleantech, we are not creating new markets, we are looking into fracturing the existing markets with a rock solid base
- Software creates money, Cleantech creates jobs that the economy needs for a sustainable future

Strategic Partnerships

- Not possible to have in-house capacity that can address all the clients needs
- Need to develop strategic partnerships to meet clients' needs



Plans 2014 -2015

Advisory services & mentoring

- Continue equipping clients with appropriate business management skills and best practices:
 - Delivery of high quality training programs
 - Day-to-day advisory services
 - Continuous tracking of client progress and impact
- Develop a mentorship program where CIC entrepreneurs are linked to successful entrepreneurs for experience sharing and strategic networking



Financing

- Increase clients access to other sources of funding:
 - Mapping out relevant financing opportunities
 - Assisting in development of bankable business plans and investment proposals
 - Assist clients in pitching to investors



Cont' Plans 2014 -2015



Access to information

- Undertake an annual information needs assessment to understand the information gaps currently in place and ways of improvement on efficiency.
- Facilitate exchange visits to relevant technology hubs, successful companies, research facilities for knowledge sharing

Program Management

- Complete the registration process for the purposes of incorporation of the CIC as a legal entity
- Set up the Seed Fund - available for cleantech businesses within and outside the KCIC
- Pilot a crowdfunding project - to test its viability as a source of addressing funding needs





An *infoDev*-World Bank initiative, in partnership with
the governments of Denmark and the United Kingdom



Contacts @ the Center
The Kenya Climate Innovation Center (CIC)

Strathmore Business School,
Ole Sangale Road, Madaraka
P.O. Box 59857 - 00200, Nairobi, Kenya
Tel: (+254) (0)703-034000
(+254) (0)703-034200
(+254) (0)703-034300
Fax: (+254) (0)20 6007498
Email: info@kenyacic.org
Website: www.kenyacic.org
www.infodev.org/climate

Thank You