



How to reach the millions ?

Scaling-up (modern biomass) to really make a difference

Dr. Christoph Messinger, Energising Development (EnDev), GIZ
Pathway II Conference, Wexford, Ireland, May 2019



The local artisanal producer is not the solution for developing the ICS sector...



Artisanal ICS often fit great to local needs, BUT:

- *Small volumes, short outreach*
- *Growth of market too slow*
- *Too expensive for project*

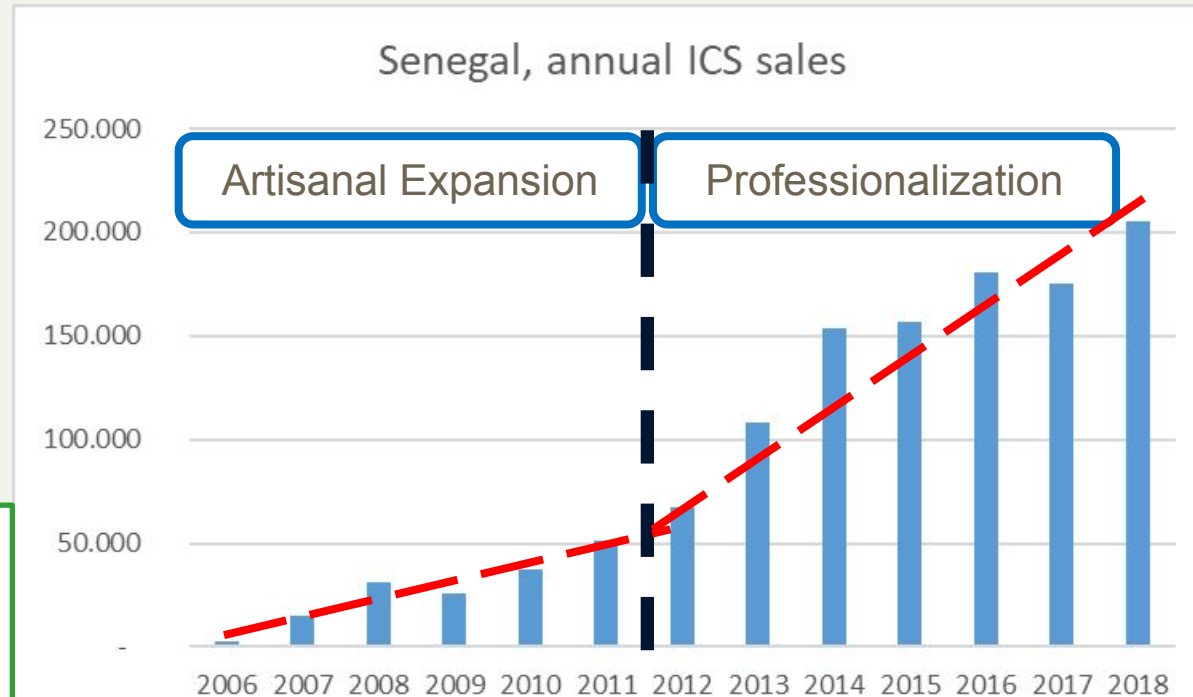


Products are available at large scale, BUT:

- *Often too expensive for the millions*
- *Often not fit for actual cooking needs*
- *Often growth of market too slow*
- *Often too expensive for project*

... but often the imported industrial stoves are not the solution either.

Evolution of ICS sales in Senegal



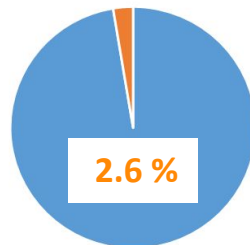
Artisanal Expansion

- Train many small artisans in new regions
- Awareness raising and marketing
- Monitoring and quality control

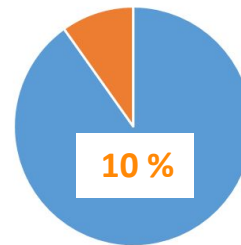
Professionalization

- Pick best performing artisans
- Investment support to scale production
- Train on efficient production, distribution, marketing, business skills,

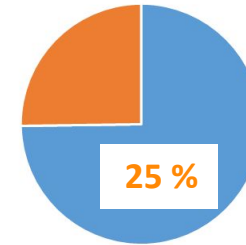
Share* of hh with in Senegal ICS in 2007 Share* of hh in Senegal with ICS 2012 Share* of hh with ICS in Senegal 2018



■ Population without ICS ■ Population with ICS



■ Population without ICS ■ Population with ICS



■ Population without ICS ■ Population with ICS

n=1,15 million hh

n=1,37 million hh

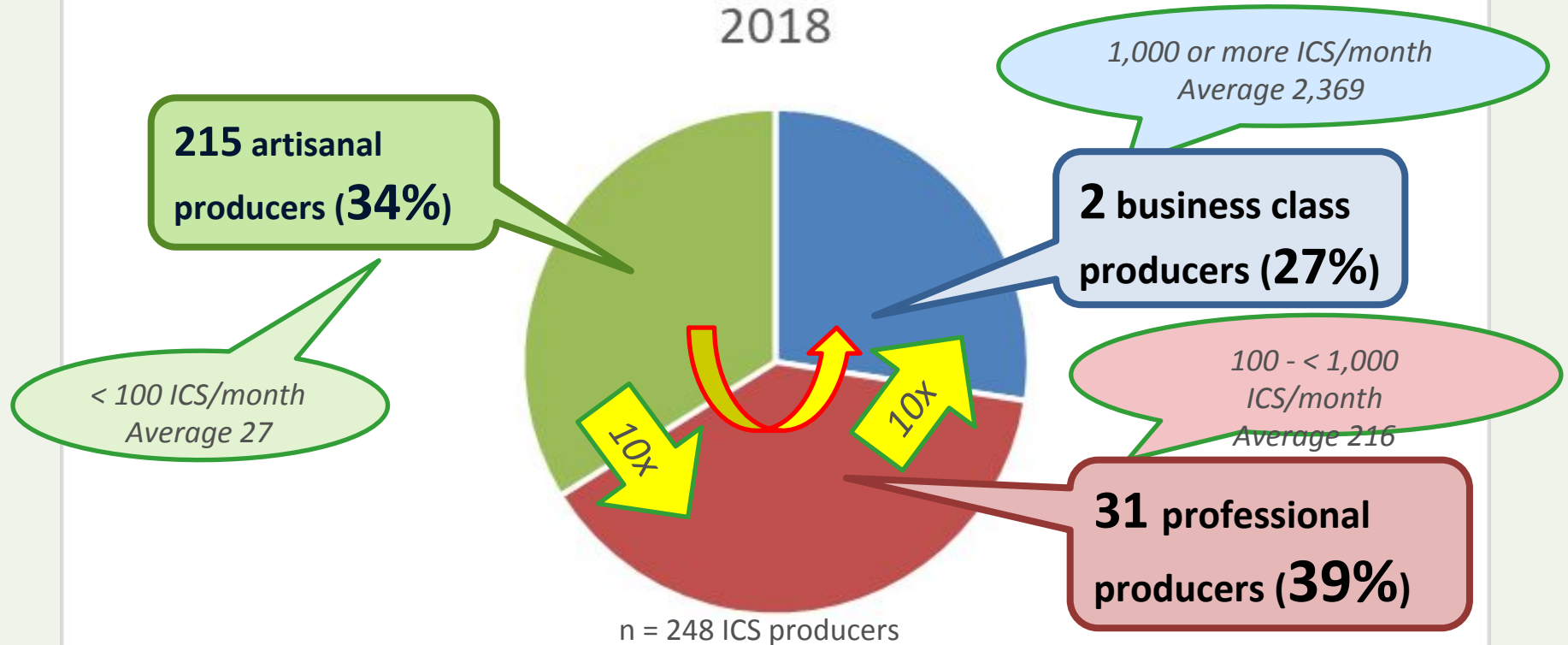
n=1,63 million hh

- Share is only calculated:

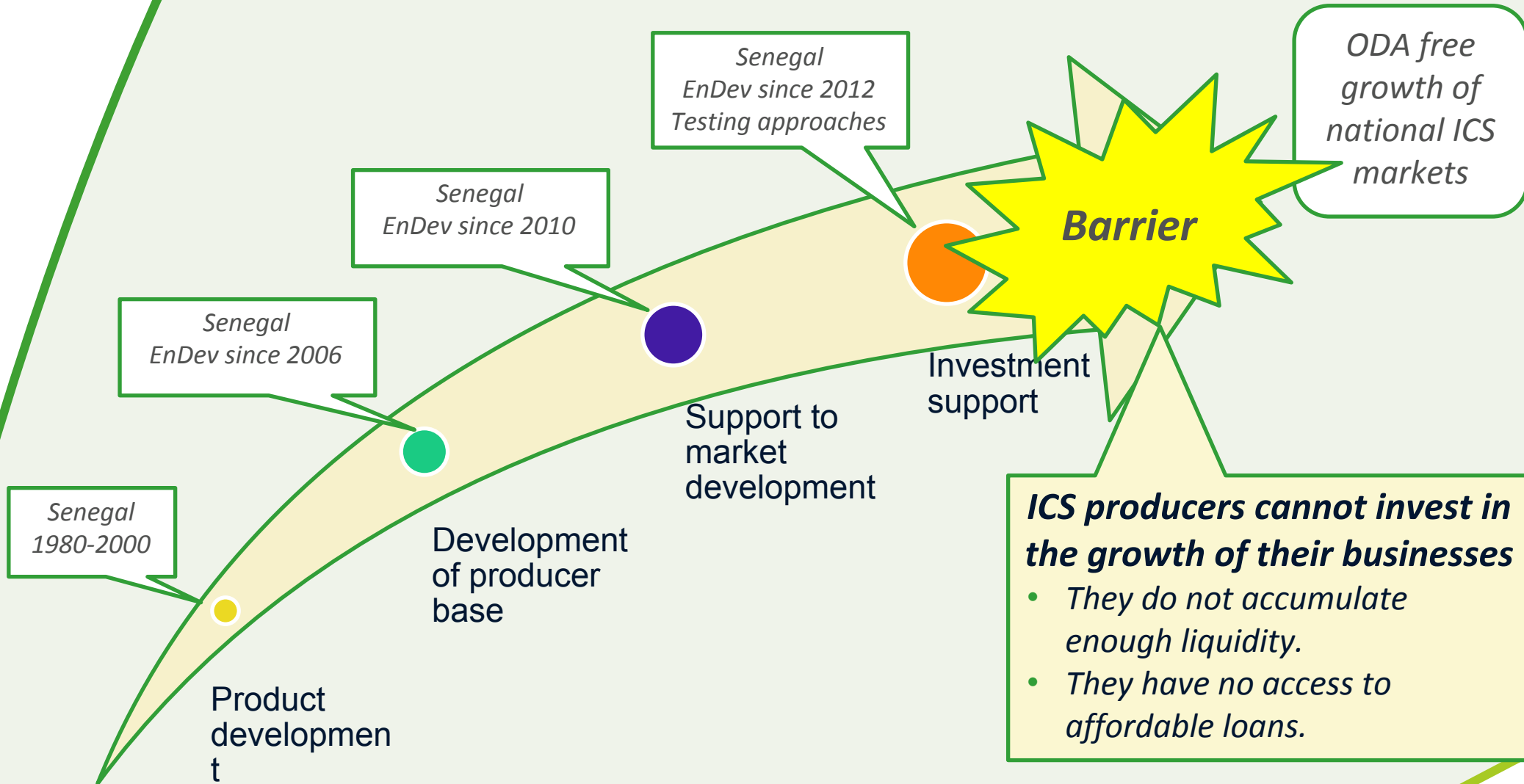
$$\frac{(\text{annual sales measured} * 2 \text{ years lifespan} * 100)}{(\text{actual population} / \text{average household size of } 10)}$$

Increasing contribution of large national producers to the annual ICS sales in Senegal

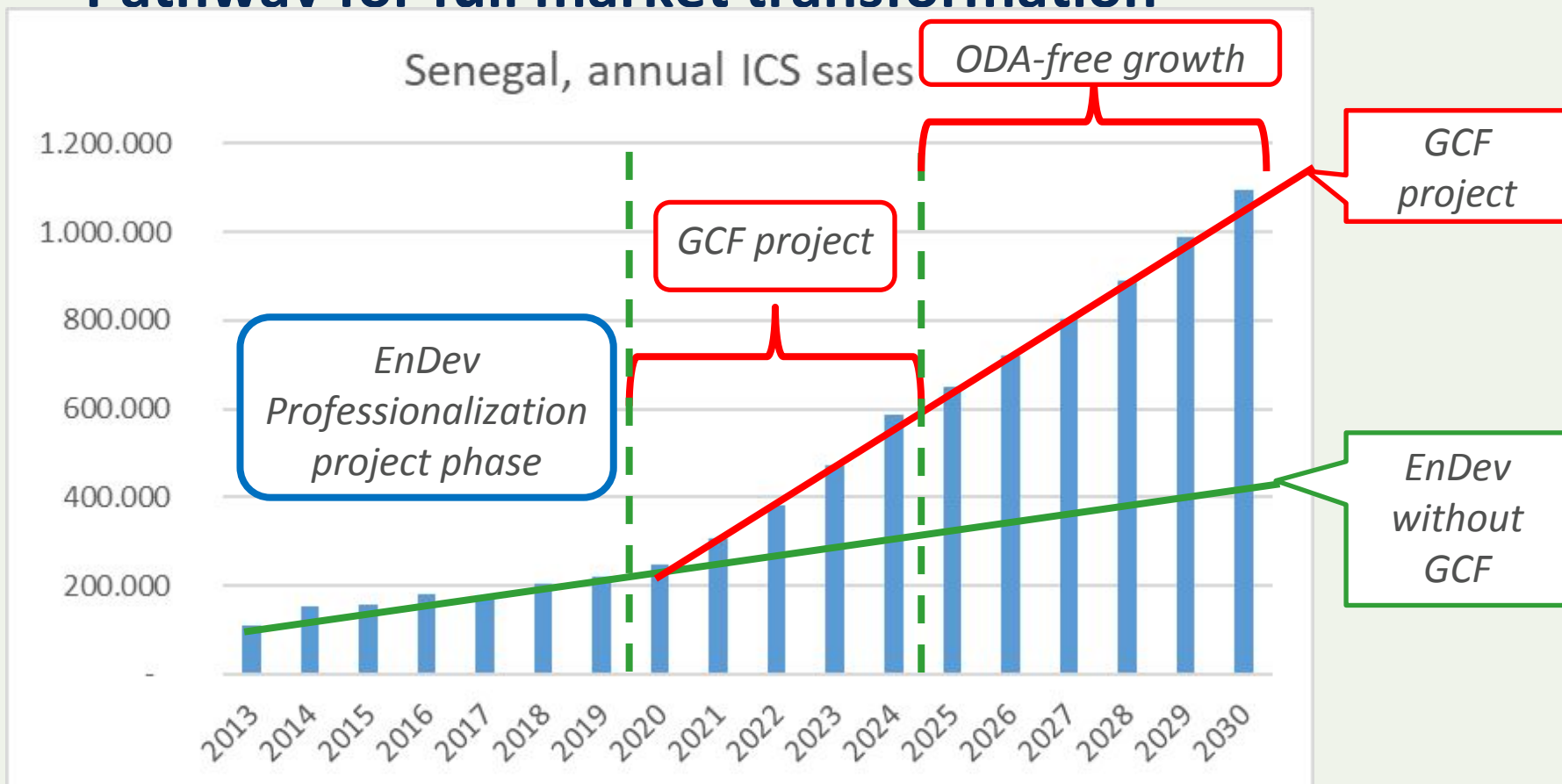
Share of ICS production by Level of producer
2018



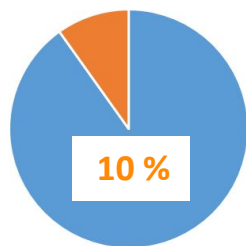
The role of ODA in the Pathway of national ICS markets



GCF project Senegal – Pathway for full market transformation



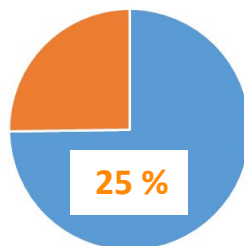
Share* of hh in Senegal with ICS 2012



Population without ICS Population with ICS

n=1,37 million hh

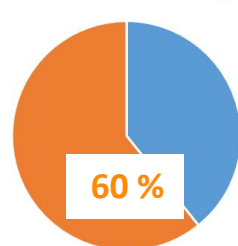
Share* of hh with ICS in Senegal 2018



Population without ICS Population with ICS

n=1,63 million hh

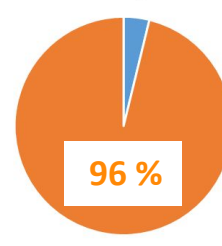
Share* of hh with ICS in Senegal 2024



Population without ICS Population with ICS

n=1,93 million hh

Share* of hh in Senegal with ICS 2030



Population without ICS Population with ICS

n=2,28 million hh

Population
in 2030
197%
of 2007

Professionalization of ICS production and distribution

Category	Before GFC	Transformation	End of GFC
'Business Class' ($\geq 1,000$ ICS/Month)	3	Support 'business class' producers supplying stoves to un-(der-)served markets	25
'Professional' ($\geq 100 < 1,000$ ICS/Month)	25	Upgrade 22 artisans to 'business class' level	60
'Artisanal' (< 100 ICS/month)	229	Upgrade 57 artisans to 'professional' level Increase productivity of 'artisanal' producers	172

25 business class producers will emerge.

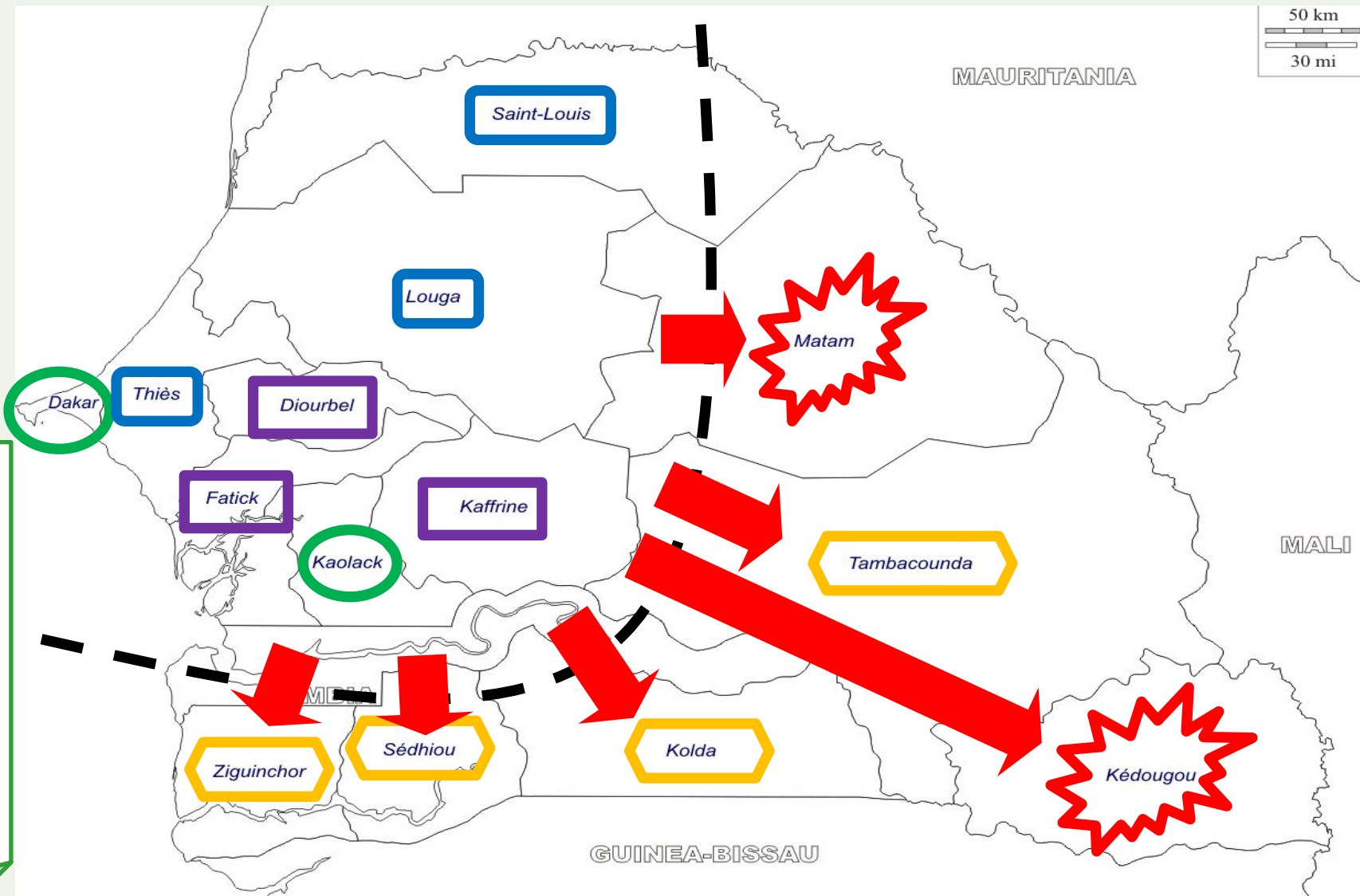
They will reach turn over of $> 10,000$ EURO per month.

They will be prepared for dealing with the finance sector.

The finance sector will be familiarized with business opportunities in the ICS sector

In 2024, continued market growth will be based on commercial loans.

Market expansion in GCF phase



Sensitisation and market development

- 6 new regions
- Rural areas of all 14 regions
- Women groups in > 50% of all villages in Senegal

2006-

2009-

2012-

2016-

GCF 2020-24

The take away messages

1. The **small artisanal ICS producers** are not enough to reach the millions.
They can be – however – **a good starting point**.
2. The main barrier for national ICS market development is the ODA-dependency of investment into growth.
To overcome this, you either **make** the loans fit the producers or the **producers fit for commercial loans** (or both).
3. Developing a national ICS market to significant scale **is a marathon against a moving target, not a quick-fix**. It requires a lot of resources and development steps.

Thank you for your attention.

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