Capability Statement S3IDF

# Overview

THE SMALL-SCALE SUSTAINABLE INFRASTRUCTURE DEVELOPMENT FUND, INC. (S3IDF) OFFERS PROFESSIONAL ADVISORY SERVICES TO BUILD INCLUSIVE MARKET SYSTEMS THAT PROMOTE EQUITABLE ECONOMIC AND SOCIAL DEVELOPMENT OUTCOMES.

We apply a systems-level approach to assess onthe-ground complexities, develop solutions to market barriers, and advise on project and program implementation. We increase the knowledge and capacity of public and private entities to implement inclusive business models and development strategies that leverage resources and mitigate risk.

With offices in Cambridge, MA USA and Bangalore, India and a network of senior consultants and leading experts located throughout the world, S3IDF provides clients with responsive and tailored services.

# **Our Services**

S3IDF partners with and advises public and private players to address development challenges. We create innovative business models and financing structures, conduct capacity building training and knowledge transfer activities, and foster effective collaborations.

# **OUR PRACTICE AREAS**



### Inclusive Market Systems

Transforming markets through innovative partnerships and financing structures creates new private sector business opportunities and improvements in income, employment, and access to basic services for poor and disadvantaged communities. We apply a systems-level approach assess both the supply and demand sides of the market to ensure financially viable and sustainable investment and project outcomes.

# Training and Capacity Building

We increase the knowledge and capacity of public and private entities to implement inclusive business models and development strategies that leverage resources and mitigate risk. S3IDF offers tailored training and capacity building services to meet the needs of governments, donors and funders, practitioners, financial institutions, and technology and service companies interested in improving the efficiency and effectiveness of their programs as well as in expanding business and investment opportunities into currently poor and disadvantaged markets.

# Small-Scale Infrastructure and Clean Energy Applications

S3IDF promotes the small-scale provision of infrastructure services – energy, water, sanitation, communications, transport – through replicable enterprise-based delivery models to benefit poor and disadvantaged communities. Our expertise centers on clean and renewable energy, primarily photovoltaics, solar thermal, biomass and wood fuels, wind power, small-scale hydropower, and biogas and LPG as well as on energy and resource efficiency.

# **OUR EXPERTISE**

- Financial innovation; blended capital and revolving fund structures
- Deal structuring; end-user affordability, risk mitigation
- Impact investing; program and fund design
- Replicable and scalable business models
- Program strengthening; intermediation arrangements
- Public-private partnerships
- Infrastructure/energy and livelihood integration
- Financial inclusion
- Micro-, small- and medium-scale business concepts
- Entrepreneur training
- Market linkages; supply chain strengthening; value chain analysis
- Supply- and demand-side assessments

# Our Work

# Asia

#### Bangladesh

Assessed best practices for small- and mediumsized enterprises and examined sources of financing, assessed capabilities of local capital markets, and reviewed policies and regulations for a multilateral development organization

#### Cambodia

Researched legal and regulatory conditions, assessed the market relevance of selected renewable energy technologies, analyzed financial institutions' terms and conditions, and reported on current status of development programs and government policies for a global alliance

#### Chin

Designed a collaboration between a multilateral development agency and an investment holding company in which the holding company became a financial intermediary for environmentally and commercially sustainable energy investments.

#### India

Analyzed barriers to expanding microfinance for clean energy, developed a financing facility concept, and developed capacity building training materials for local banks and financial institutions for a bi-lateral development agency

#### Indonesia

Developed a preliminary financial intermediation structure and created financing risk mitigation components for a renewable energy development program for a multilateral development organization

#### Myanmar

Assessed opportunities for pro-poor rural enterprise concepts with a private foundation and local practitioners

#### Nepal

Advised on the structure of a revolving fund to help low income water mill owners access local finance for entrepreneurial activities through a multilateral development organization contract

#### Pakistan

Worked on demand and pricing analyses, total cost of supply estimation, and economic cost of grid and decentralized energy generation and assisted in village selection methodologies and rural household willingness-to-pay surveys for a bilateral development agency

#### Philippine

Performed energy pricing studies and investment evaluations for a bilateral development agency

#### Sri Lanka

Performed financial and economic analysis of windbased power generation, including estimation of local and global environmental benefits for a multilateral development institution

# Our Work (continued)

# Africa and the Middle East

#### Chad

Created a report on the development of Lake Chad basin in a joint project for a multilateral development organization and a bilateral development agency

#### Egypt

Conducted an evaluation and redesign of a renewable energy demonstration project for a bilateral development agency

#### Ethiopia

Delivered a training course on energy pricing and worked on institutional and pricing issues for a national energy policy for a multilateral development organization.

#### Kenya

Advised an East African energy access financing initiative and offered a series of recommendation for operational models, fund structures, and partnerships for an international nonprofit organization

#### Malaw

Conducted an institutional analysis and energy pricing study for modern and traditional fuels for a multilateral development organization

#### Morocco

Prepared institutional recommendations for a gas system under development through a subcontract agreement for a multilateral development institution

#### Sierra Leone

Analyzed household energy issues and options for a multilateral development organization

#### South Africa

Offered energy policy course for government officials of Republic of South Africa for an international Institute

#### Sudan

Conducted pump testing and evaluation as part of renewable energy project for a bilateral development agency

#### Uganda

Assessed existing market conditions and reported on the process involved in developing a financing facility for an international nonprofit organization

# Our Work (continued)

# Americas

#### Belize

Performed financial and technical evaluations of energy supply projects, including biomass power plants for a multilateral development institution

#### Columbia

Advised on energy use in the agricultural sector and reviewed the potential for integration of alternative energy technologies in the sector on behalf of the government

#### **Costa Rica**

Evaluated biomass substitution as part of a technology transfer initiative for a multilateral development organization

#### **El Salvador**

Consulted on financial and institutional structures and options under a reconstruction and development program

#### Honduras

Conducted an energy sector review involving energy pricing, investment evaluation, and regulatory reform

#### Peru

Researched traditional energy and rural development issues and put forward recommendations for a government initiative

# **Our Clients & Collaborators**

## International Development Institutions and Agencies

S3IDF works with multilateral, bilateral and other international development institutions and agencies through a range of advisory services and technical assistance. We provide market-driven solutions designed to leverage development funding, create public-private partnerships, and improve the efficiency and effectiveness of program and intermediation structures. We also provide tailored trainings for development institution staff and local partners.

### Foundations, Grantmakers, and Philanthropies

We conduct thematic and topic studies and assessments for foundations, grantmakers, philanthropies, and charitable funds to increase understanding of key issues and topics, enabling them to contribute to sector knowledge. We also provide ideas and insights into how to leverage their funds through partnership and program structures.

### Banks, Microfinance, and other Financial Institutions

We work with financial institutions, including banks, microfinance institutions, leasing companies, and other financial service providers, that are interested in entering or expanding their business to traditionally underserved population segments. We offer capacity building training to enhance the ability of financial institutions to better understand the needs of poor and lowincome populations and aid in the development.

### Impact Investors

As advocates of "social first" impact investing, S3IDF helps individuals and firms develop a better sense of the unmet financing needs of truly pro-poor investments opportunities in different markets. We also provide guidance on the importance of blended capital structures and advise on innovative financing options that use equity and debt, credit conditioning mechanisms, and varying ownership structures.

### **Practitioners and Networks**

S3IDF works to raise the awareness and build the capacity of practitioners and networks, including nonprofit organizations and social enterprises, to integrate market-based solutions into their own projects and operations. We provide training as well as speakers for conferences and events.

### Technology and Equipment Providers

We support technology and equipment providers by identifying new business opportunities among lower income populations and to strengthen or extend technology supply chains and develop after-sales support and maintenance operations.

### **Government Program Administrators**

We help governments incorporate market-based approaches into their programs to improve the efficiency and effectiveness of their delivery channels and use of funds.

### Advisory Service and Consulting Firms

We collaborate with other advisory service and consulting firms by joining teams as subcontractors and by pursuing joint projects.



# Testimonials

"S3IDF is one of the pioneers in providing innovative, and sustainable market solutions for energy poverty. The example of S3IDF as it worked to correct market failures in order to ensure energy access for the poor were among those drawn upon during the launch of the ADB-led Energy for All Partnership. S3IDF has been an active partner with ADB's Energy for All for a number of years, and we value S3IDF both as partner, and for the critical voice that has helped to refine our projects and point us towards priority areas where our support and intervention can help make a difference in the fight against poverty."

**Jiwan Acharya,** Senior Climate Change Specialist (Clean Energy), Asian Development Bank

"S3IDF is a special organization; highly experienced, capable, and dedicated staff carefully work at the intersection of technology, finance, cultures, and entrepreneurship in impoverished communities. In PRESK (Participatory Rural Energy Services for Karnataka), USAID's SARI (South Asia Regional Initiative for Energy Program) was making a unique strategic investment to catalyze and support government-private-community efforts to address complex issues of rural electricity service, groundwater depletion, improved farm management, and broader aspects of rural development. Nexant wasn't able to bring in S3IDF until the final months of the program, but we were confident of their approach and abilities. They succeeded as hoped – identifying and thoroughly scoping a range of potential pro-poor project opportunities, establishing several models for innovative financing, and mobilizing local/national banks and equipment suppliers to bring to financial close more than the target quota of projects. Their work fully embodies their name."

Will Knowland, (former) Vice President for Rural and Renewable Energy, Nexant, Inc

# Partner & Consult With Us

S3IDF is interested in exploring opportunities for collaboration. Add us to you team as a subcontractor, join our team or network of consultants, and engage us directly to support your studies and programs.

Contact us at: info@S3IDF.org

# IN THE US:

The Carriage House 5 Hastings Square Cambridge, MA 02139 - 4724 +1 617 576 0652

S3IDF US is a registered public charity under section 501(c)(3) of the Internal Revenue Service code

# IN INDIA:

No.690, 15th Cross, 100 ft Ring Road, J P Nagar 2nd Phase, Bangalore 560078 +91 080 26594880

S3IDF India is a registered non-profit company with charity status under Section 8 of the Companies Act, 2013 (Section 25 company under the old Companies Act, 1956) and is registered under Section 12A and 80G of the Income Tax Act

"S3IDF has shown through its work among the poorer sections of society in Asia and elsewhere that its approach in designing innovative solutions is unparalleled. I was fortunate as the Program Director of USAID's South Asia Regional Initiative on Energy (SARI/E) program to have witnessed firsthand the results of S3IDF in securing social and financial capital to help the rural poor in Nepal and in South India access modern energy for productive uses. S3IDF represents an effective and tested developmental model to move the poor in the developing world out of a life of poverty, drudgery and despair to one of hope and promise. I would therefore recommend that the development community take advantage of the advisory services that S3IDF offers to this end."

Padu S. Padmanaban, Former Program Director and Senior Energy Advisor, USAID/ India