Early Warning System

IFC-601426

LA India II

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Quick Facts

Countries	India
Financial Institutions	International Finance Corporation (IFC)
Status	Active
Bank Risk Rating	U
Voting Date	2016-09-26
Sectors	Energy
Investment Amount (USD)	$ 3.50 million
Project Cost (USD)	$ 3.50 million

Project Description

India has the largest population on the planet without electricity access, with 300mn people still relying on kerosene for basic lighting. The program seeks to accelerate the development of markets for clean off-grid lighting products. This will be done by addressing market barriers and working with the private sector to build and develop supply chains to extend distribution to rural areas through the following activities:

- Market Intelligence: to help product marketers and distributors understand the new off-grid lighting market segment, supply and distribution chains. The insights from the research serve to inform their business and strategic plans.
- Quality Assurance: promoting the adoption of Lighting Global quality standards across the sector to counter the risk of market spoilage from infiltration of low quality products that erodes confidence in the new off-grid technologies among consumers, financiers and stakeholders.
- Access to Finance: Adequate financing along the entire supply chain has been identified as being critical for the growth of the off-grid lighting market. The program will explore opportunities to work with financial institutions to meet market demand
- Consumer Education: creating awareness, for a market to grow and thrive, consumers must know what products are available, and understand the value and benefits of these products over what consumers are currently using (kerosene and candles etc.). Consumers must also be able to distinguish between good and poor quality products in order to get good value for their scarce resources.
- Business Development Support: provide a range of market and business development support activities directly to manufacturers, distributors and retailers under this component with the objective of fostering competition and creating a vibrant and competitive market that will extend distribution to the rural areas.

People Affected By This Project

India has the largest population on the planet without electricity access, with 300mn having no electricity connection (Govt of India, June 2016). IFC market assessment shows that by 2018 the market for larger systems is expected to grow at 34% annually and smaller lanterns at 18%. The program seeks to accelerate the development of markets for clean off-grid lighting products. This will be done by addressing market barriers and working with the private sector to build and develop supply chains to extend distribution to rural areas. Transition to cleaner alternatives will result in the avoidance of GHG emissions which would have been generated through the use of kerosene for lighting. With large unmet demand & product penetration at only 5-7%, there is huge potential for growth in next 5 years that can only be achieved if existing market barriers are addressed

Investment Description

- International Finance Corporation (IFC)

Contact Information

ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org/