

Financing Technology Deployment for the Post-2015 Development Agenda

**Alfred Watkins
Chairman, Global Solutions Summit
Presentation to the
CSTD Seventeenth Session
Geneva, Switzerland
May 13, 2014**

Global Solutions Summit

DAUNTING CHALLENGES; DAZZLING OPPORTUNITIES

April 9-10, 2014

Washington, DC



200+ participants

Private equity funds

Crowd funders

Diaspora finance

NGOs

Foundations

SME Entrepreneurs

Business Associations

Development banks

Government officials

Aid Agencies

Universities

Think tanks



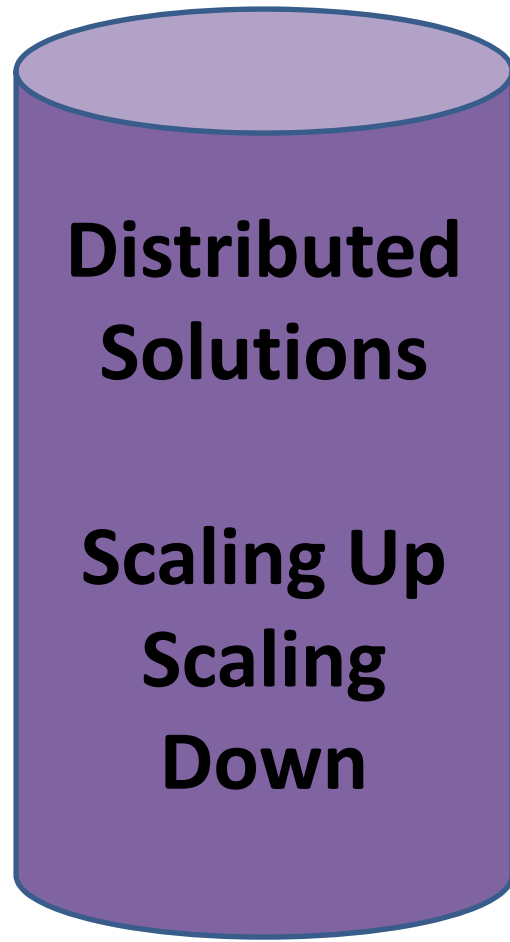
**Global Mega-Trends:
Daunting Challenges
Dazzling Opportunities**

Daunting Challenges

Most of the population growth, purchasing power growth, economic growth, and growth of urban and peri-urban areas, especially mega-cities, will be concentrated in emerging markets, increasing demand for water, energy, food, health care, and climate resilient investment

In the next 30 years we will need to build the equivalent of 60 new New York Cities to meet the projected growth in global urban population

Dazzling Opportunities: Doing Well by Doing Good




**and this will generate
leapfrogging opportunities for
clean energy, sewage
treatment, clean drinking
water, food, health care,
Climate change adaptation
and mitigation, etc.**

Challenges = Opportunities

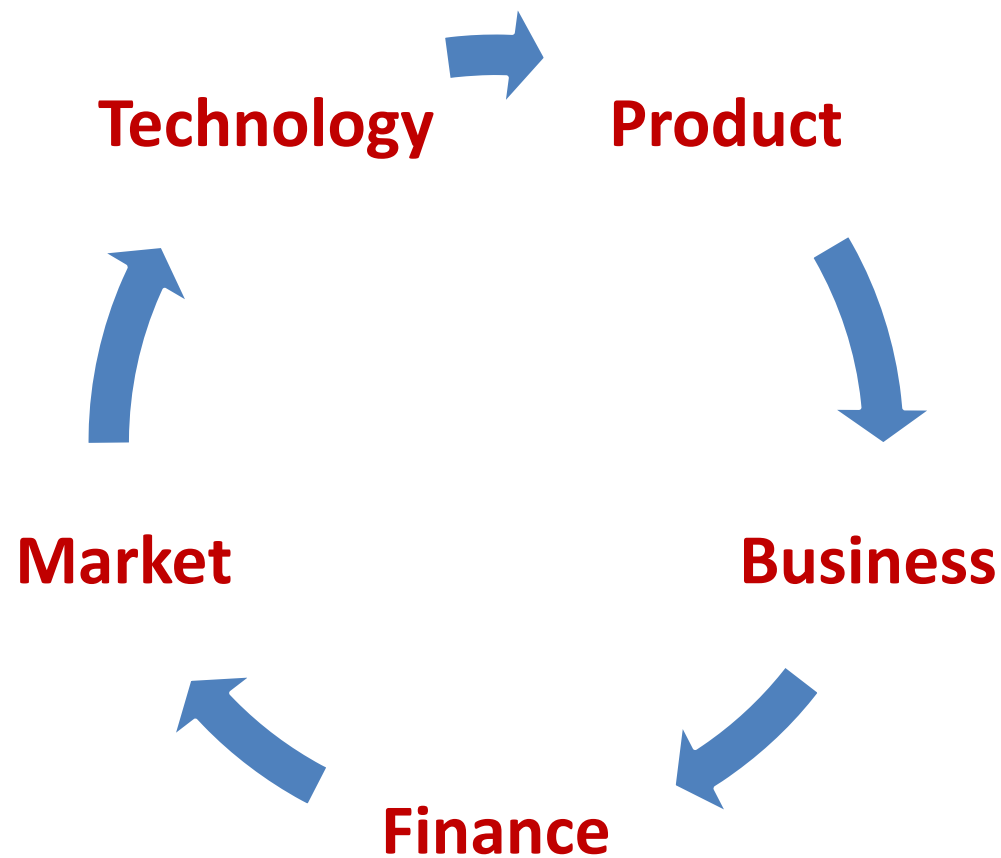
McKinsey: Global infrastructure investment requirement of \$57 trillion to \$67 trillion by 2030, with much of that in emerging market cities

- ❖ 400 million people in India and 560 million in Sub-Saharan Africa lack access to energy
- ❖ 780 million people lack safe water
- ❖ Every 20 seconds a child <5 dies of a water borne disease

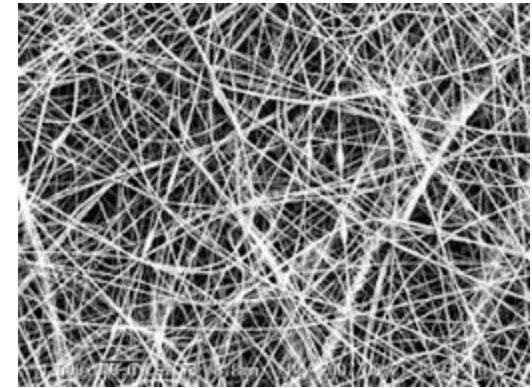


**How can we
convert these
daunting challenges
into dazzling
opportunities?**

Traditional Approach to STI4D

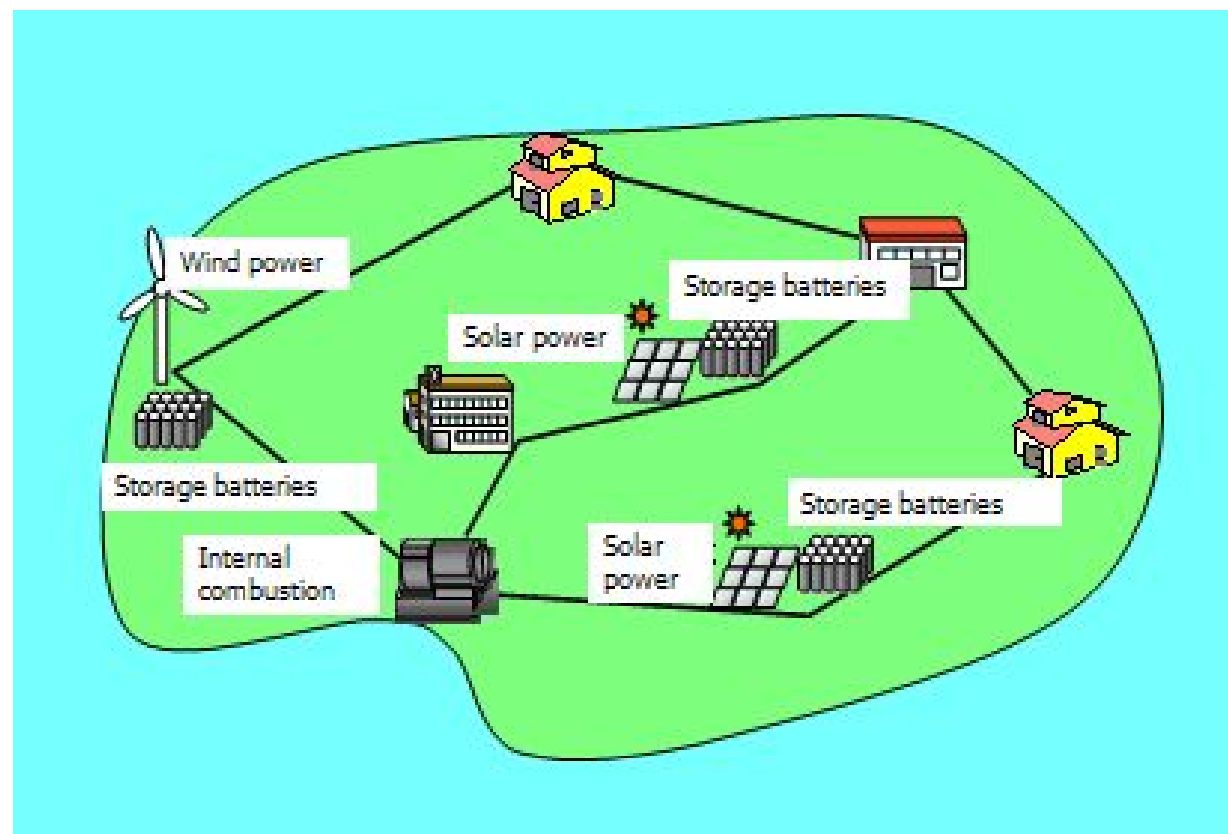


A PATENT IS NOT A PRODUCT
A PRODUCT IS NOT A BUSINESS
A BUSINESS DOESN'T HAVE AUTOMATIC
ACCESS TO MARKETS OR FINANCE



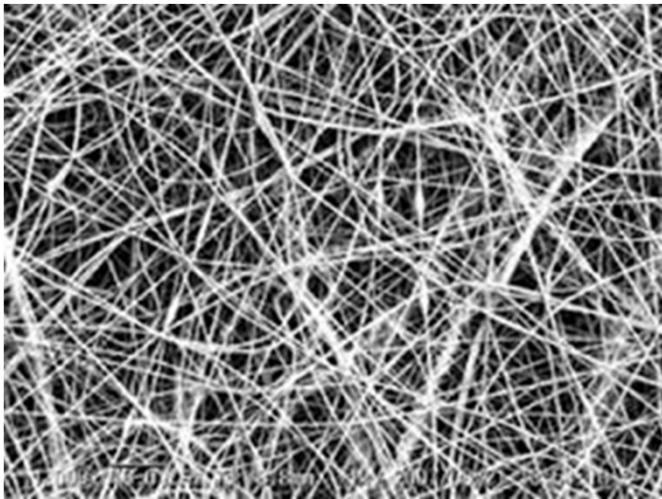
Bundling technology and developing new business models are as important as patents

Generation
Inverters
Meters
Billing and
Payment
Systems
Finance
Customers
Products – LED
lamps, etc



How do we mobilize finance and technology deployment to get

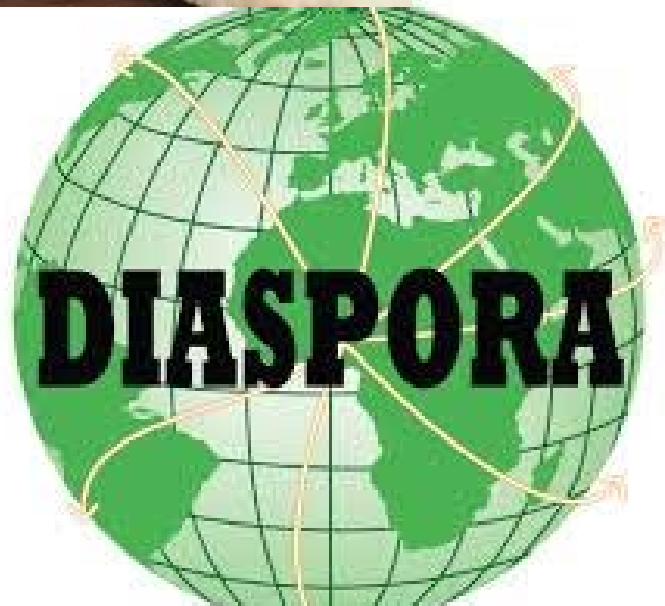
from this...



to this?



Access to Finance: Abundance of Liquidity



Challenge – Develop a Financial Plumbing System to Get Money from Where it Is to Where it is Needed



1. Disaggregation – Pension and Institutional Investors
2. Aggregation – Diaspora and Crowd

**Disaggregation Challenge:
Pension Funds, Sovereign Wealth Funds, and
Institutional Investors**

How can we take large chunks of money from institutional investors and break them into smaller, investible chunks required by local projects?

What is the role of bundling and franchising? Niche players?

Aggregation Challenge: Crowd and Diaspora Funding

Develop online platforms that can take small amounts of money from large numbers of individuals and aggregate these funds into sizeable investment pools

Current Technology Deployment Situation

Scientists

Inventors

Entrepreneurs

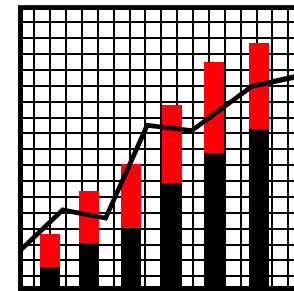
Customers



Challenge: Bridge the Chasm Blocking the Conversion of Potentially Useful Technology into Sustainable Businesses in Emerging Markets



Technology



Business

Barriers Inhibiting Technology Deployment

- **The Technology Company (TC) does not have a comprehensive strategy and specialized support to enter multiple markets simultaneously**
- **The TC lacks sufficient capital for additional staff and other resources necessary to service the international markets.**
- **The TC lacks a qualified and well capitalized local in-country "franchisee" to distribute and service the TC's products and/or to act as a local project developer**
- **The TCs and local "franchisees" lack the complete know-how to access the available governmental, NGO and public/private assistance**

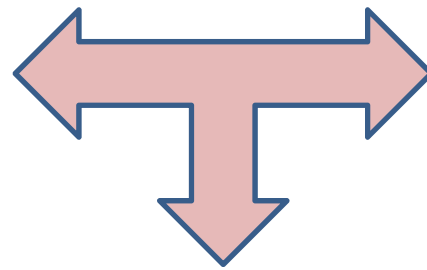
Technology Deployment Operating Principles

- **Minimize technology risk by focusing on the deployment of existing, proven technology -- solar microgrids, run of the river micro hydro projects, etc. -- rather than unproven technologies**
- **Minimize market risk by focusing on underserved communities with a proven demand and capacity to pay -- rural areas and peri-urban areas where choice is between newly installed microgrids vs. expensive diesel, kerosene for lighting, etc.**

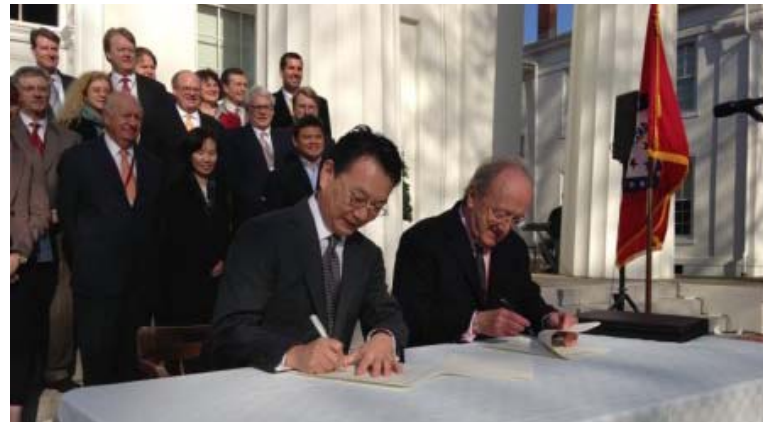


“Technologies have already been developed which can create opportunities for growth and tackle climate change. However many companies and projects lack the access to capital needed to implement their strategies. Developing public-private partnerships that identify market-based approaches to accelerate the deployment of clean technologies is central to the work of my Foundation...and the Clinton Global Initiative.”

Club de Madrid and P80 Group Foundation Join Forces in Little Rock



Little Rock Accord



THANK YOU!!

Alfred Watkins

Chairman, Global Solutions Summit

**Senior Advisor, Global Technology
Deployment Initiative**

Senior Director, P80 Group Foundation

alfred.watkins07@gmail.com