





15 lessons from 15 years

Good Energies Foundation funds initiatives that work to reverse the impact of climate change in two key areas: access to clean energy and protection of tropical forests. We have spent 15 years supporting organizations on the frontline fighting against the causes and effects of climate change. We want to mark this milestone by sharing some of the most important lessons we have learned and shining a light on some of our partners who have helped us along the way.

Source: Porticus - solar lighting makes a big difference for this young shopkeeper in Meghalaya, India

People

1. CO2 targets are not enough – it's about people

Climate solutions need to do more than work on paper. They need to work for people, a goal that has been integral to the Good Energies' vision since the beginning. Our ambition to be a "power for a better world" means more than just counting tons of CO2 saved – the work must go further. Our partners protect and restore forest ecosystems, directly improving the lives of millions of people. And through our energy work, we look at the economic benefits for people rather than measuring just the literal power of renewable electricity.

"It is important to understand people are not separated from nature. Think of the indigenous and the traditional communities of the Amazon. Nature is not about individuals but rather about relationships with others and the environment they are in."

Eliane Brum, co-founder of news platform dedicated to the Amazon <u>Sumauma</u>



Source: Solidaridad - this tree nursery provides jobs for local people and seedlings for forest restoration projects

2. Provide flexible funding

With institutional support, grantees can select activities that best suit their strategy and are adaptable to rapidly evolving contexts. For project-driven funding, we allow partners to fully cover their costs and invest in their organization and team.

"Thanks to the long-term support that we have received from Good Energies Foundation we have been able to double the size of the team and build our capacity. The funds have helped us build a strong middle line management, to address the most important challenges the world faces today."

Vinay Jaju, Managing Director, <u>SwitchON</u>, promoting clean energy and climate-smart agriculture in India

3. Invest in local leaders

Part of our mission is to build local capacity within and close to the communities we are serving. We actively seek groups run by local experts or establish close partnerships with local representatives when working with international organizations. The benefits may be obvious but are sometimes overlooked. It's participatory and about honoring local knowledge and experience and forging links between communities and other relevant stakeholders.

"Local communities bring knowledge to the table that modern science rarely considers. While external experts can estimate the financial value of wildlife and plants, they will never understand the cultural values of the land and species inhabiting it; only local communities and indigenous communities understand this.

Investing in local leaders is the only guarantee of forest sustainability. To maintain the forests in the Congo Basin Region for generations to come, we have to ensure the rights of governance and management of traditional forestlands are legally recognized and handled by local communities and indigenous peoples. Traditional knowledge and practices can be combined with science and new technologies to sustain the forest."

Dominique Bikaba, CEO Strong Roots

Source: Strong Roots Congo -a community discussion takes place with traditional and local leaders



4. Venture building can be people focused

New businesses are a key building block to catalyze and leverage commercial and public funding at scale. Our partner SELCO India is a social enterprise that keeps people at the center of its mission – both customers and their own staff. Patient investors have helped SELCO grow steadily, with profits reinvested so that it can provide affordable, cutting-edge solar technology to their customers and provide stable and secure employment to their team.

"Sustainable energy is an extremely powerful tool in eradicating poverty. Interventions that link poverty, sustainable energy, and climate can succeed only if designed from a usercentric approach. SELCO INDIA has been able to democratize access to respectable livelihoods and reliable health at the doorstep of more than 1.5 million households, setting a benchmark for inclusive development."

Harish Hande, founder SELCO India



Source: CLASP – a solar-powered refrigerator helps this shop keeper increase her income

5. Follow our partners' lead

It's not about us. Our grantees do the hard work: creating new enterprises, advocating for change, and developing innovative financial and technical solutions. We focus on our partners – their ideas, their solutions, their relationships, and their impact. We trust and respect our partners' work. Our job is to listen, provide feedback, and foster relationships between our partners and other stakeholders.

"It's amazing what you can accomplish if you don't feel a need to take credit for the work."

John Hepburn, 2016 Climate Breakthrough Awardee



Planet

6. Funder cooperation is crucial

To avoid climate disaster, we are working on the most significant, most difficult transformation the global economy has ever undertaken. Because of the scale of this challenge, we work strategically with other philanthropic organizations to align funding, experience, and other resources. Working together we can achieve much more than we could individually and accelerate the change needed.

As members of the Climate and Land Use Alliance, we join other funders in funding shared strategies. We amplify the impacts of the partners we support, raising awareness about the role forests have in climate mitigation and mobilizing others, including corporate actors, investors, and governments, to take action.

"The Climate and Land Use Alliance is a unique model born from the belief that no single foundation or organization alone can address the many factors driving tropical deforestation and other land management changes. By bringing together our resources and diverse expertise, the Alliance seeks to support solutions and mobilize greater funding to realize the potential of forests and lands to benefit people and the planet."

Lindsey Allen, Executive Director of <u>Climate and Land Use</u> <u>Alliance</u>



Source: SELCO Foundation - a mobile, solar-powered health clinic in Assam, India

7. Be ready to act quickly

As the world faces a climate crisis, the future of the planet and all its inhabitants will require philanthropy and the world at large to move faster in reducing emissions and implementing solutions. Thorough preparation, including expertise, understanding, and trusted networks are the foundation to being able to act decisively.

"As Partners In Health has seen firsthand, climate change isn't just a threat to our environment – it's a threat to our health. Through partnerships, such as with Good Energies, we acted quickly over a decade ago to prioritize the use of renewable energy sources to fuel the public hospitals and health facilities we support in rural Haiti, maintaining and upgrading the systems over time and expanding on this effort as a model for other countries."

Cate Oswald, Chief Policy and Partnership Officer of <u>Partners in</u> Health

8. An eye for innovation

The challenges we work on require innovation and disruptive thinking, approaches that are a means to an end, rather than the goal itself. We invest seed money in mission-driven start-ups, early-phase initiatives, incubators and accelerators, and other efforts that create the conditions for new kinds of thinking.

"At MapBiomas we work collaboratively to build capacity in tropical countries to develop timelapse maps and data related to land cover. We use this data to inform decision makers about the promotion of conservation, restoration and the sustainable management of soil, biodiversity and water resources. To gather this data, we had to reinvent the way maps are done based on local knowledge, remote sensing and machine learning. The support of Good Energies has allowed us to bring this collaborative effort to 14 countries since 2015."

Tasso Azevedo, founder of MapBiomas

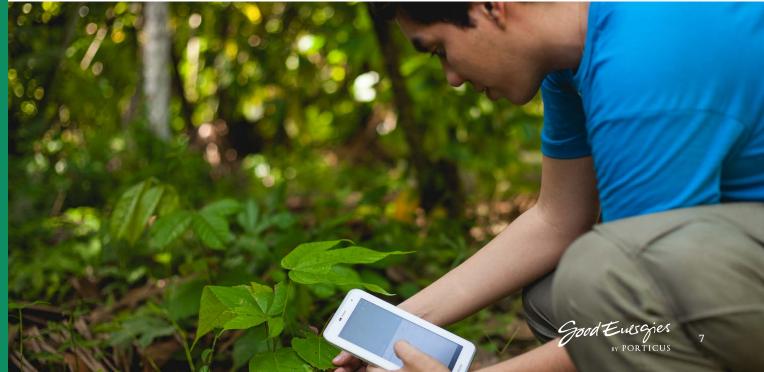
9. Philanthropy is good risk capital

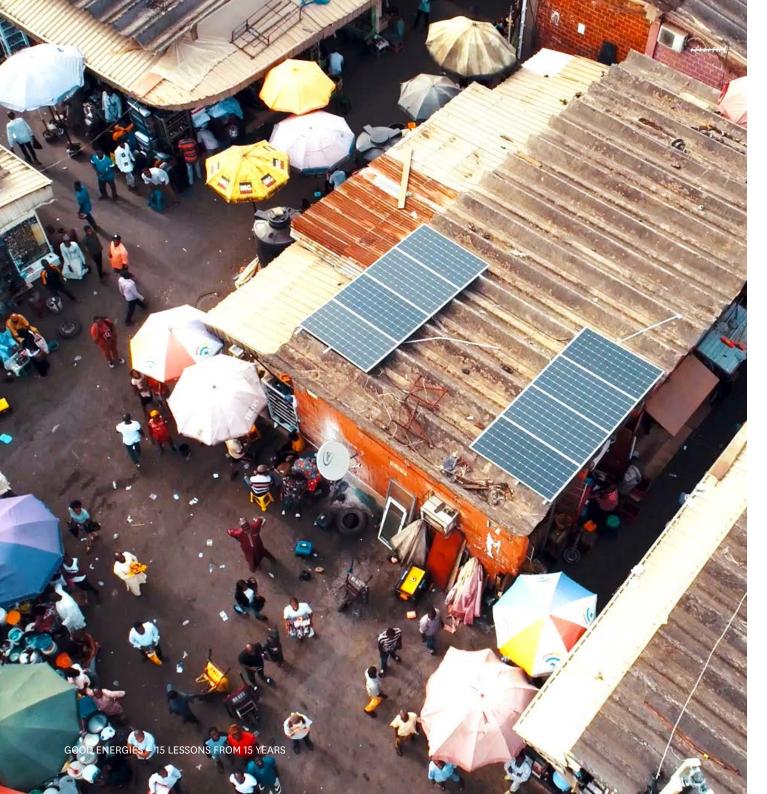
Private philanthropic capital can take on bold risks. Philanthropy can test new ways of achieving environmental and social benefits, without being bound by the rules of profit or the constraints of politics. Charitable foundations can support partners in experimenting with radical concepts, providing proof of concept before other funders follow with greater investment.

"Good Energies Foundation early-stage funding allowed us to design, test, and launch our market-based innovation to unlock climate finance for fragile, conflict-affected regions. Philanthropic capital allowed us to prove the concept and tap into a new stream of private sector capital for high-impact renewable energy projects in the hardest-to-reach markets. This is contributing to making the renewable revolution more equitable by ensuring that all communities and the climate benefit."

Sherwin Das, Managing Director of Energy Peace Partners







10. Aim for pathways to scale

Identifying pathways to scale early is key to helping big ideas grow into significant initiatives. We challenge our partners to think big, right from the start, and have clear plans for future growth. Entrepreneurial optimism and climate ambition must be matched with concrete and realistic intermediate steps.

We seed-funded Brazilian restoration fund re.green to develop a detailed business model, helping them complete a significant equity raise from Brazilian impact investors.

"Partners should seek to build efficient and scalable organizations from the beginning, combining purpose with science, technology and execution capabilities."

Thiago Picolo, co-CEO of re.green

Source: Access to Energy Institute - Small solar systems can replace diesel generators in Nigeria



Prosperity

11. Achieve greater impact through partner collaboration

When our grantees work together, they prosper together, achieving results greater than the sum of their individual impact. We encourage partners to collaborate, especially where work and skills complement each other.

Good Energies partner Charm Impact works with other impact investors funding distributed renewable enterprises at different stages of development. Working together, they can identify common barriers and opportunities and better help companies achieve greater investment.

"Existing financial systems were not set up to serve entrepreneurs working to provide life-changing products and services to low-income customers in emerging markets. Through collaborating with non-conventional partners and blending different funding sources, we can create new financing models that radically change the way investment works to ensure it serves those who need it most."

Gavriel Landau, founder and CEO of Charm Impact



Source: Porticus - a teacher in Northeast India instructs students about solar energy

12. Learning is key to growth

We have the luxury of being able to fund organizations, projects and initiatives which may not go to plan. While celebrating successes, we also learn from what hasn't worked, understand why, and share this so we can all improve together. Instead of brushing failures under the carpet, we encourage partners to share lessons learned with the world openly.

Based on learnings from a pilot project, Fairventures Social Forestry has built a business model using agroforestry to restore degraded lands, create sustainable income opportunities for people from local communities, and provide attractive returns to investors.

"When we implement new ideas, it is important to be open-minded that things may not go as planned and be ready to adjust. In fact, this is what you need to do all the time. Your blueprint can look perfect, but needs to adjust to reality, maintain focus to stay on track and ensure financial viability as well as impact for society and for climate."

Robert Bürmann, CEO of Fairventures Social Forestry



13. Success means shaping the entire ecosystem

A broad focus is critical when it comes to complex problems. We've learned to look at complete value chains, thinking about processes rather than products – the how instead of just the what. Rather than funding isolated projects, we work with partners to build and grow whole ecosystems for changes that benefit all.

A good example is the effort to enhance clean-energy access, which requires robust renewable technologies, enterprise development, supportive policy, and increased investment. The Council on Energy, Environment and Water takes such a systems approach in their Powering Livelihoods initiative and their Centre for Energy Finance.

"Policy, financing, and investment support are imperative to scaling clean energy access. Our programmes engage with the sectoral enterprises, build their capacity as required and generate evidence and market insights to inform and engage policymakers, investors and financiers to unlock their support at scale. Only an ecosystem approach delivers results here, instead of addressing issues in silos."

Arunabha Ghosh, CEO of <u>Council on Energy</u>, Environment and Water

Source: Clarmondial - quality control of forest-grown coffee in Ivory Coast



14. Be agile and encourage partner agility

In a fast-changing world, it's important to be fleet-footed. We encourage partners to be flexible while keeping their eye on the larger system change goal and the ultimate benefits to those we serve. A good illustration is how we pivoted during the pandemic to support organizations struggling to respond to the extreme challenges in that situation.

"Recognizing the context and institutional dynamics of each moment and responding accordingly is one of the most sensitive features of our work. Without this kind of support and partnership, ISA would not be able to contribute to resistance in the territories, the protagonism of traditional peoples and communities, and the socioenvironmental transformation in Brazil."

Rodrigo Junqueira, Managing Director of Instituto Socioambiental



Source: SwitchON - training in West Bengal India for community members to monitor water tables while using solar-powered irrigation

15. Find a niche where funds aren't flowing

We relish funding in areas where others don't, won't or can't. Maybe people think an idea is too early, a requested grant is too small, a team is not well known, or a project doesn't fit into typical foundation siloes. We look for partners with potential, including those working across traditional boundaries, particularly combining expertise across multiple disciplines.

In its early days as a foundation, Good Energies sponsored a Chair for Management of Renewable Energies at the University of Sankt Gallen, Switzerland, kicking off a comprehensive portfolio of research, teaching, executive education, and knowledge dissemination.

"Good Energies offered seed funding to the University of Sankt Gallen fifteen years ago, allowing it to become one of the first European business schools to educate future climate leaders."

Professor Rolf Wüstenhagen, University of Sankt Gallen





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