



ENERGY

UPDATED GUIDELINES AND BEST PRACTICES FOR MSME IN DELIVERING ENERGY EFFICIENT PRODUCTS AND RENEWABLE ENERGY EQUIPMENT



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Introduction

Objectives of the Study

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United Nations Economic Commission for Europe (UNECE) is one of the partners implementing UNDA project “Global Initiative towards post-Covid-19 resurgence of the MSME sector.” The overall goal of the project is to strengthen the capacity and resilience of micro-, small and medium enterprises (MSMEs) in developing countries and economies in transition to mitigate the economic and social impact of the global COVID-19 crisis.

Introduction

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Research conducted in 2021 shows progress of the activities comparing to the actions suggested in the “Guidelines and best practices for micro, small and medium enterprises in delivering energy-efficient products and in providing renewable energy equipment”, published by UNECE in 2020.

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Guidelines and Best Practices for Micro-, Small and Medium Enterprises in Delivering Energy-efficient Products and in Providing Renewable Energy Equipment in the post-COVID-19 Recovery Phase



Published by UNECE in 2020.



COVID-19 recovery for MSME

Progress of the activities

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Measures taken by MSME during the COVID-19 recovery, by sub-region

| Measure | Subregion | | W Europe | | E Europe, SE Europe | | RF, CA, C | |
|---|-----------|------|----------|------|---------------------|------|-----------|------|
| | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 |
| UNECE research year | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 |
| Communication over internet and social media | (+) | (+) | (+) | (+) | (-) | (+) | (-) | (+) |
| Online sales | (+) | (+) | (+) | (+) | (+) | (+) | (+) | (+) |
| Provision of more value-added services | (+) | (+) | (+) | (+) | (+) | (+) | (+) | (+) |
| Fixed growth strategy | (+) | (+) | (-) | (+) | (-) | (+) | (-) | (-) |
| Accessing 'easy' markets | (+) | (+) | (-) | (-) | (-) | (-) | (-) | (-) |
| IPO | (-) | (+) | (-) | (-) | (+) | (-) | (+) | (-) |
| Work from home | (+) | (+) | (+) | (+) | (-) | (+) | (-) | (+) |
| Provision of paid online trainings | (+) | (+) | (+) | (+) | (+) | (+) | (+) | (+) |
| Strengthening R&D portfolio | (-) | (+) | (-) | (+) | (-) | (+) | (-) | (-) |
| Applying for international funding | (+) | (+) | (+) | (+) | (+) | (+) | (+) | (+) |
| Focus on alignment with pandemic-related activities | (+) | (+) | (+) | (+) | (-) | (+) | (-) | (+) |

Abbreviations: W Europe, Western Europe; E Europe, Eastern Europe; SE Europe, South-Eastern Europe; RF, the Russian Federation; CA, Central Asia; C, the Caucasus.

Supporting activities

Based on the results of conducted analysis

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Possible further supporting activities could be highlighted based on the results of conducted analysis:

- **Communication over internet and social media.** In 2020-2021 most of the UNECE Member States showed strong progress in development and increase of participation level in various relevant online-based platforms and databases.
- **Online sales.** Rapid increase of the on-line sales was shown for all MSME, including the EE and Renewable Energy oriented, including relevant changes in the supply and delivery chains.
- **Provision of more value-added services.** Number of different collaboration programmes were established across the UNECE Member States between MSME and national stakeholders, international agencies, universities and companies from different industries.
- **Fixed growth strategy.** For most of the European countries there were established number of technical and financial advisory support activities. Regional and/or national programmes for MSME to get advice and technical support in application for funds are still not so well implemented in the Central Asia and Caucasus Regions.

Supporting activities

Based on the results of conducted analysis

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- **Accessing ‘easy’ markets.** Due to remaining COVID-19 travel and transport restrictions there is a limit of possible ways to increase access to the “easy” markets, or even just increase the sales geography of the proposed product or service. These issues are still relevant for most of the countries from Eastern and South Eastern Europe, Russian Federation, Central Asia and Caucasus.
- **IPO.** The continuous COVID-19 recovery most of the MSME paused their high investments development plans, as well as the potential IPO procedures. Process will require additional support and promotion from the side of national governments and business associations, including focuses high-tech renewable energy projects investments or grants provision.
- **Work from home.** In 2020-2021 the remote work modality became a “new normal” for most of the MSME across the UNECE Member States.
- **Provision of paid online trainings.** Number of Training programmes were set up by business associations, national and international stakeholders and private companies in order share experience and success stories in running a business during the pandemic.

Supporting activities

Based on the results of conducted analysis

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- **Strengthening R&D portfolio.** The research and development portfolio of the MSME increased due to improved communications and work from home modalities, which resulted in extra time for using of R&D capacities for improvement of the production or service provided. Additional mentoring and capacity building support is required for the companies from Central Asia and Caucasus Regions.
- **Applying for international funding.** Most of the MSME from the UNECE Region have access to local and international financing. There are established mechanisms for communication with relevant national and international stakeholders to initiate capacity-building consultations, or to browse through available platforms of regional, national and international funding programmes.
- **Focus on alignment with pandemic-related activities.** MSME from all UNECE Member states showed their alignment with pandemic-related activities, by accepting relevant sanitary rules, social distancing and employees vaccination requirements, in accordance with national health and safety protocols.

Case studies

Practical measures for MSMEs in getting access to markets, financing

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Central Asia, EBRD. Green recovery and climate action in Central Asia, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan.

The European Union and European Bank for Reconstruction and Development (EBRD) are joining forces to provide more financial support to the municipal, infrastructure and industrial sectors affected by the economic crisis caused by the coronavirus pandemic in Eastern Europe and the Caucasus. The loans are used for sustainable investments in green city infrastructure, greener logistics chains, energy efficiency and green technology transfers in industrial processes, commercial operations and buildings. Climate Action Network of Eastern Europe, Caucasus and Central Asia addressed governments of Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan in their “Green recovery and climate action in Central Asia” to propose measures for green recovery from the COVID-19 crisis.



North Macedonia, HAS Engineering. Creation of a engineering systems management tool for hotels.

Established in 2014, provides complete solutions for automation systems and visualization of all kinds of industrial processes and production machines, automation, and visualization of heating, cooling and ventilation systems, home automation.

The tourism sector was one of the most impacted sectors during the pandemic. Even though the accommodation capacities were reopening, there is uncertainty and a low level of trust due to the possible health dangers.

HAS Engineering focused its effort on the creation of a management tool for hotels., which will allow:

- Minimized the human contact between the guests and the personnel.
- Increased the commodity of the costumer.
- Hotels will reach energy savings, by elimination of the unwanted energy consumption.



Sweden, Exeger. Flexible solar cells for self-powered gadgets.

Founded in 2009, Exeger has developed flexible solar cell technology, which can be used to power gadgets. So far, the company has used its technology to power a self-charging bike helmet with a safety light and a pair of wireless headphones.

The company raised \$38m to expand back in May 2020 to ramp up production of its flexible solar cells for self-powered gadgets. Exeger says its planned second factory in Stockholm will allow it to increase its manufacturing capacity tenfold by 2023, helping it target a broader array of markets sooner and accelerating its goal of mass adoption of its tech.

Recommendations

MSME COVID-19 recovery

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Supporting visibility of the recovery actions for to the existing and new investors and clients. It is important to continue communication and outreach to investors, clients, and partners by disclosure of technical capacity and financial status of the company during the continuing COVID-19 pandemic.

Social media activity. Further development should be focused on elaboration of more user-friendly interfaces for distribution and service maintenance of the products, as well continuous on-line consultancy support in case of need, that should be conducted in parallel with common social media promotion.

Getting additional funding. It is important to maintain the key service and manufacturing priorities in accordance to the requirements existing MSME support programs, that are available at the local or national level, as well as international funds. It is also recommended to conduct focused capacity building trainings for technical and procurement MSME specialists, in order to present key procedures and possibilities of the available financing mechanisms.

Recommendations

MSME COVID-19 recovery

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Getting access to the “easy” markets. MSME should follow a clear actions plan, focused on optimization of production expenses and prioritizing access to the profitable markets.

Embrace new technologies while relying on the existing human resources. MSME could continue to temporarily embrace new technologies while relying on the existing human resources, to keep businesses running without losing employees, especially in projects where remote assistance can be provided

Introduction of COVID-19 protection products and consultancy services. Positive experience of companies, which introduced COVID-19 protection products and consultancy services could become for MSME a good example of finding new markets and potential cooperation partners.

Conduct and participate in online trainings. It is strongly recommended for MSME with expertise in their sectors to provide online trainings and participate in relevant once.



Thank you!

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