Energy Enterprise Coach

Helping renewable energy SMEs scale

WHAT WORKS IN SME BUSINESS DEVELOPMENT SUPPORT

PRACTICAL LESSONS FROM THE ENERGY ENTERPRISE COACH

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INITIATED BY:

Netherlands Enterprise Agency

IN PARTNERSHIP WITH:

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IMPLEMENTED BY:

NIRAS

intellecap

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FOREWORD

Access to clean, reliable energy remains a major challenge of our time, and small and medium-sized enterprises are often the ones translating that ambition into reality on the ground. Yet the entrepreneurs building these businesses, many of them locally owned and founder-led, frequently lack the systems, skills and connections needed to grow sustainably and attract the capital they need to scale.

The Energy Enterprise Coach was designed by RVO to help close that gap. Since 2022, the Energy Enterprise Coach has been used as an instrument under Strengthening the Entrepreneurial Ecosystem for Clean Cooking programme and the Energising Development partnership, to deliver business development support that meets enterprises where they are. Over more than four years of implementation by NIRAS and Intellecap, spread across 18 countries in Africa and Asia, the programme has supported over 400 renewable energy SMEs through a flexible combination of e-learning, cohort training, mentorship and match-making.

This Knowledge Product distils what that experience has taught us. It confirms that business development support works best not as a one-off training exercise, but as a sequenced, adaptive journey that responds to each enterprise's stage and commitment, and that connects to the wider ecosystem of financiers, mentors and market actors around it. It also confirms that professionalisation is often the single most important lever for growth. Bookkeeping templates, sales trackers and clear financial records rarely make headlines, but they are frequently what stands between a promising enterprise and a bankable one.

We are grateful to the entrepreneurs, mentors and BDS providers whose experience is reflected in this document, and to our programme partners for their collaboration throughout. We hope this Knowledge Product proves useful not only to those continuing this work but also to the wider community of donors, accelerators and market-building actors striving to help SMEs in the energy access sector professionalise and thrive.

Marcel Raats, Team Manager, Team Climate and Energy, RVO.

ACKNOWLEDGEMENTS

This Learning Brief has been written by Ankit Agarwal of NIRAS International Consulting on behalf of RVO’s Strengthening the Entrepreneurial Ecosystem for Clean Cooking (SEE – Clean Cooking) and Energising Development (EnDev) programme. The team is grateful for the support and valuable comments from Eva Top (RVO), Anne Grootenhuis (RVO), Anthony Way (NIRAS), and Ashay Abbhi (Intellecap).

The team is also grateful to the Business Development Service (BDS) providers and mentors contracted under the Energy Enterprise Coach (EEC), the Implementing Partners of the SEE–Clean Cooking and EnDev programmes, and many others in the sector whose insights and reflections, garnered from discussions, reports and presentations, have enriched this product. Finally, NIRAS gratefully acknowledges the support of RVO without whom this product would not have been possible.

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1. EXECUTIVE SUMMARY

Small and medium-sized enterprises are central to building inclusive and resilient clean energy markets. But many locally owned, founder-led SMEs continue to face practical constraints that limit their ability to professionalise, grow and access finance. The Energy Enterprise Coach (EEC), conceptualised and coordinated by RVO and implemented by NIRAS in partnership with Intellecap, was designed to respond to these challenges through a flexible package of Business Development Support (BDS), including e-learning, cohort-based training, tailored mentorship and match-making support. Drawing on implementation experience supporting over 400 renewable energy SMEs across 18 countries in Africa and Asia, this Learning Brief distils practical lessons on how BDS can be designed and delivered to help SMEs move from learning to application, professionalisation and finance readiness.

FOUR LESSONS STAND OUT ACROSS EEC'S EXPERIENCE

1. Effective BDS must be demand-led, contextualised and adaptive.

EEC's experience shows that support works best when it starts with a clear understanding of each SME's growth stage, constraints, capacity and commitment. Diagnostics and onboarding are critical because they help identify the right support pathway, clarify expectations and confirm whether an SME is ready to invest time in the process. Outreach also needs to fit the market: online calls may work in more connected contexts, while smaller, rural or less digitally connected SMEs often require more direct engagement and simplified application support. Inclusion must also be intentional, with outreach and delivery designed around practical barriers faced by women entrepreneurs, helping reduce the gap between opportunity and actual participation.

2. Different BDS trajectories work best when they are sequenced and connected.

EEC's experience shows that BDS is most effective when different support trajectories such as E-Learning, cohort training and mentorship are deployed in a dynamic, inter-connected manner depending on growth stage and complexity of the enterprise's BDS needs. E-learning works best for SMEs that can engage independently with digital content, serving as a flexible entry point, refresher or complement to more hands-on support. Cohort training helps build foundational capabilities and peer learning around common gaps such as business planning, financial management, sales and marketing. Tailored mentorship adds most value for SMEs with clear priorities, strong commitment and sufficient capacity to act on the support. Match-making activities add most value once SMEs have enough clarity, confidence and preparation to engage meaningfully with peers or financiers.

3. Professionalisation is the foundation for SME growth.

Many SMEs supported by EEC demonstrated strong market relevance, promising products and committed founders but needed stronger internal systems before they could grow sustainably. Weak records, informal sales practices, limited financial controls, unclear roles and underdeveloped management routines often constrained both day-to-day performance and longer-term scale. Simple tools such as bookkeeping templates, sales trackers, business plans, financial models and pitch decks can make a significant difference, but only when they become part of regular business routines. EEC's experience also shows that financial management is one of the most important growth constraints for these size of enterprises, affecting both management decisions and credibility with financiers.

4. Ecosystem connections make BDS more relevant, credible and sustainable.

BDS works best when it is connected to the wider environment in which SMEs operate. EEC's coordination with programme partners, local mentors, BDS providers, sector associations, financiers and other support initiatives helped improve outreach, avoid duplication, align support with market realities and create pathways for follow-on support. This was particularly important where access to finance was a goal. EEC's work with financiers showed that SMEs need more than a strong pitch deck: financial institutions look for credible records, realistic projections, legal and tax documentation, evidence of repayment capacity and a clear financing ask. Engaging financiers and ecosystem actors early therefore helps ensure that BDS prepares SMEs for real market and finance requirements, rather than generic readiness.

The core message is clear: BDS creates the most value when it helps promising SMEs become more structured, commercially focused and finance-ready.

Future programmes should therefore move beyond one-off training and design support as a practical, sequenced and ecosystem-connected journey — one that helps SMEs absorb the right support at the right time and leaves behind the tools, routines and relationships needed for sustained growth.

EEC entrepreneur Mr. Heam Bunheng, a supplier of clean cooking products based in Kampong Speu Province in Cambodia

2. INTRODUCTION

Small and medium sized enterprises (SME) are central to building inclusive and resilient energy markets, yet many have gaps in skills and knowledge that prevent them from professionalising and accessing finance to grow. This is particularly true in development-focused sectors such as energy access, where enterprises often operate in complex last-mile markets, serve low-income customers and must balance commercial viability with social and environmental impact. While access to finance is critical for addressing several of these issues, experience from the Energy Enterprise Coach (EEC) shows that many SMEs first need targeted business development support to strengthen their systems, improve financial management and build the confidence and capabilities required to grow and attract capital.

This Learning Brief distils lessons from the design and implementation of the EEC, a multi-country Business Development Support (BDS) instrument conceptualised and coordinated by the Netherlands Enterprise Agency (RVO) and implemented by NIRAS and Intellecap. Operational since April 2022, EEC has been working with local renewable energy companies, the majority of which are locally owned, founder-led, early-stage companies that are based in countries supported by the Strengthening the Entrepreneurial Ecosystem for Clean Cooking (SEE-Clean Cooking) programme and Energising Development (EnDev) partnership.

As of July 2026, EEC has supported 409 companies (71 women owned) operating in clean cooking (including higher-tier technologies like e-cooking, ethanol and biodigesters), off-grid solar, Productive Use of Renewable Energy (PURE) and mini-grid sectors. These SMEs are spread across 18 countries in Africa and Asia including 15 African countries (Kenya, Uganda, Malawi, Ethiopia, Rwanda, Tanzania, Burundi, Mozambique, Liberia, Sierra Leone, Benin, Burkina Faso, Senegal, Niger and Mali) plus three Asian countries (Cambodia, Bangladesh and Nepal). EEC provides a combination of e-learning, cohort-based training, tailored mentorship and/or capacity building support (match-making, networking or learning events), with support adapted to each enterprise's maturity, context, clean energy offering and business needs.

Effective BDS is not a one-off training intervention; it is a sequenced, needs-based journey that equips SMEs to move from awareness and practical understanding to hands-on application, operationalisation and sustained implementation.

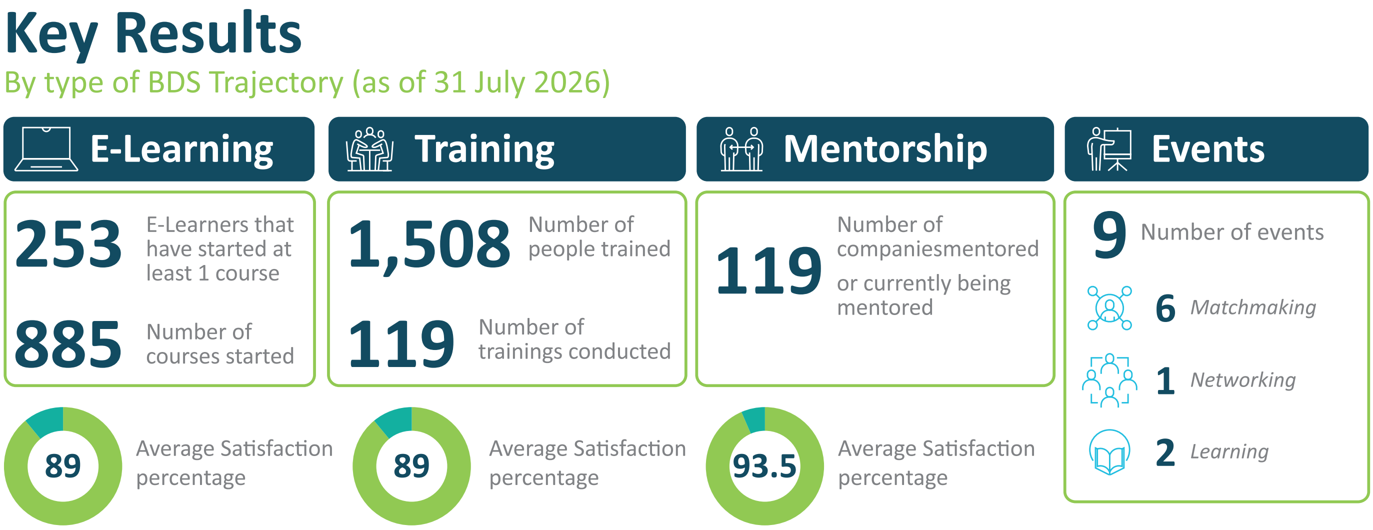
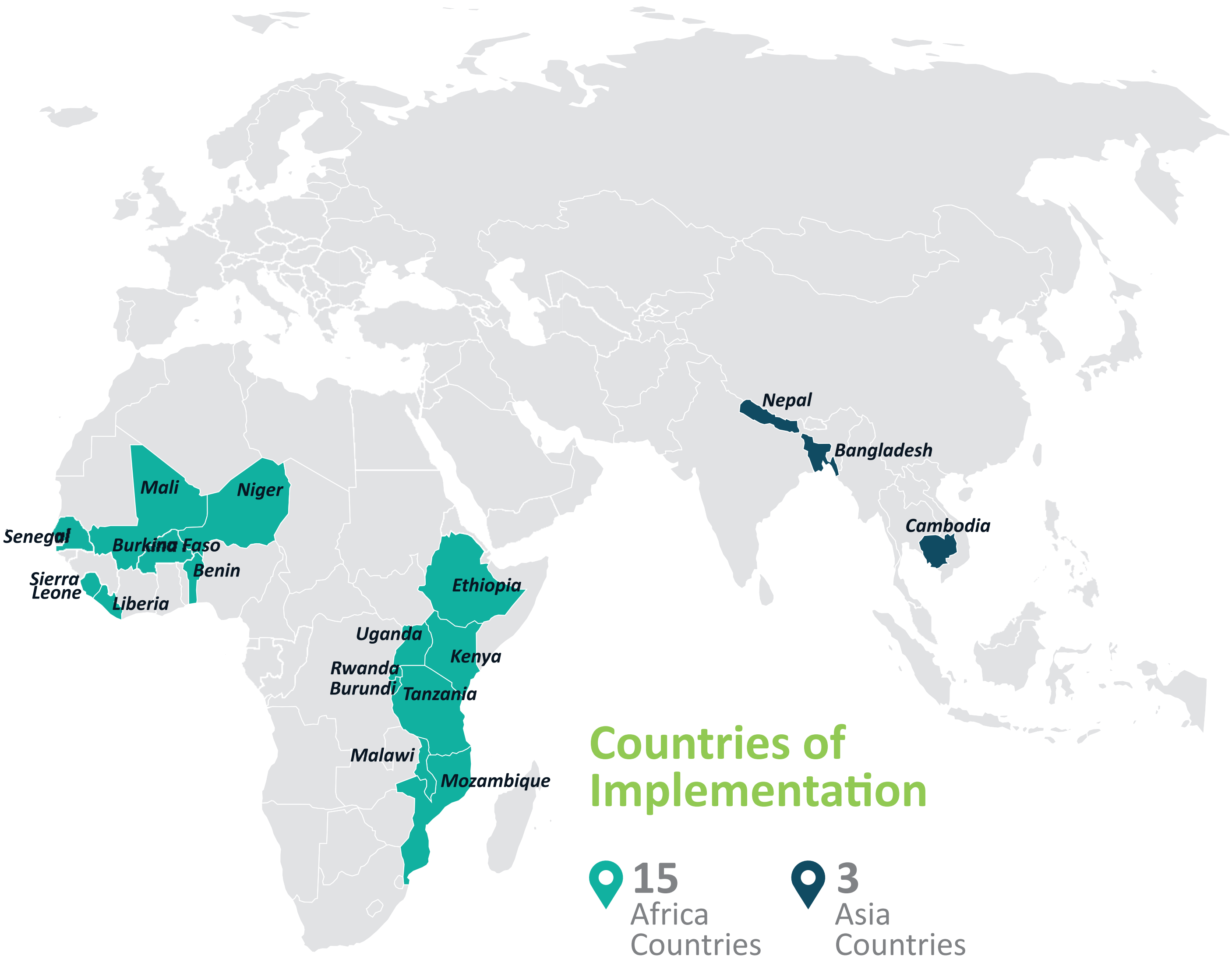


Figure 1: Key results by BDS trajectory (as of July 2026)

EEC operates in proximity and close coordination with internal partners linked to the SEE-CC and EnDev programmes and various ecosystem actors to ensure that support provided is complementary, holistic and targeted to the needs of the SMEs and broader energy-access eco-system.

This brief focuses on practical design and delivery choices that proved important in practice: how to identify, engage and scale the right SMEs; how to blend different types of support for diverse sets of SMEs at different stages of growth; how to align BDS with the wider SME support ecosystem; and how to make support more inclusive and responsive to women-led enterprises.

Although the insights presented in this learning brief are drawn from EEC's work with locally owned SMEs operating in the clean energy and energy access markets across Africa and South/South-East Asia, the lessons are intended to be useful for donors, funders, accelerators, incubators and market-building actors working with similar SMEs across different markets and development-oriented sectors.



3. LESSONS LEARNED AND BEST PRACTICES

LEARNING THEME 1:

Make BDS demand-led, contextualised and adaptive

Effective BDS starts with understanding where an enterprise is on its growth journey, what it is trying to achieve and what is realistically absorbable within the time and capacity it has available. EEC's experience shows that SMEs benefit most when support is designed around their actual maturity, capacity, constraints and commitment. A structured BDS architecture can help manage a multi-country facility like EEC, whilst flexibility within this structure ensures the support remains relevant to very different enterprises, markets and operating realities.

BDS Facility Design Tip #1

Where target enterprises are small, rural or less digitally connected, complement online applications with partner referrals, phone or in-person support, and simplified or paper-based forms.

WHAT EEC FOUND IN PRACTICE

1. Outreach and promotion need to be active, local and inclusive.

EEC's experience shows that the outreach process depends heavily on the level of market sophistication and digital access amongst the target SMEs. In some markets, such as in East and Southern Africa, an online launch event followed by a standard call for applications was sufficient to attract a strong pool of SMEs. In others, especially where enterprises were smaller, more informal or less digitally connected, outreach required direct engagement through programme partners, sector networks and local events. In the Sahel, for example, in-person launch events, direct SME engagement and offline application support helped reach SMEs operating in low-connectivity contexts. In Cambodia and Bangladesh, outreach was closely coordinated with programme partners already working with geographically dispersed SMEs (small informal retail outlets in rural settings) thereby leveraging established and trusted relationships to ensure efficient high response rates.

Outreach also needs to be intentional if women-led or women-managed businesses are to participate. Gender-neutral promotion is unlikely to be enough particularly where women entrepreneurs have weaker access to networks, information or digital services. EEC's approach of encouraging women's participation in calls included designing gender-focused promotion tactics and materials to speak more directly to women entrepreneurs and reduce perceived barriers to participation. This included using more inclusive language and imagery, explicitly encouraging women-owned, women-managed and women-staffed SMEs to participate, highlighting practical features such as flexible delivery and local support in our outreach and communication, and disseminating the materials through women-focused networks and trusted local partners.

2. Diagnostic assessment should determine the support pathway.

The diagnostic stage is critical to determine the status of the SMEs' business fundamentals, growth stage, internal systems, commitment, development needs and ability to absorb support. Combined with the SME's own expression of their business development needs, such a diagnosis helps accurately segment enterprises into different trajectories of support: e-learning, cohort training, direct mentorship, or a combination.

EEC Mozambique entrepreneurs and trainers during their EEC training

In EEC, this segmentation mattered because SMEs differed significantly across countries and sectors. In Kenya, Uganda and Ethiopia for example, several SMEs lacked business fundamentals and therefore began with a combination of e-learning support and structured cohort trainings before potential progression towards more advanced mentorship, while a smaller number of more advanced enterprises by-passed this stage and moved directly into mentorship. In Sahel, the diagnostic process showed that all SMEs first needed support on core business fundamentals before more advanced mentorship would be useful. In Liberia, enterprises that had already received acceleration support from EnDev were better suited to mentorship focused on operationalising tools and systems developed during the accelerator programme, thus ensuring synergies and maximising impact. In Cambodia and Bangladesh, SME diagnostics showed that e-learning was unlikely to work for many retailers because of digital access, language and literacy constraints, leading EEC to prioritise in-person training coupled with on-site coaching at the entrepreneur's business premises.

3. Onboarding should clarify expectations and commitment.

Onboarding is not just an administrative step. It is important for setting expectations on what BDS can and cannot provide, the time commitment required from SMEs and the role of the entrepreneur or management team in applying the support. This becomes especially important during mentorship, where progress depends on SME availability, ownership and follow-through. Under EEC, this was operationalised by holding a short SME onboarding session and requesting SMEs to sign a simple Technical Assistance agreement prior to the start of the BDS support to secure commitment and ensure common understanding.

BDS Facility Design Tip #2

Make commitment visible early by using onboarding sessions, participation agreements and first assignments to clarify expectations and confirm whether SMEs understand the support offer and are committed to investing time in benefiting from it.

EEC's mentorship session in Sierra Leone with Go Green Solar Energy SL Limited

4. Implementation works best when standardised content is adapted to context and delivered locally.

EEC found that standardised content only becomes valuable when adapted to the local context and the enterprise profile. To enable this, EEC worked with local BDS providers and mentors in every country. Whilst EEC developed core training materials, mentorship resources and critical BDS tools to maintain consistency and compliance with international standards and best practices, our BDS providers were able to adapt and tailor these, including translation to local language, integration of gender focused topics and use of context specific case studies to ensure cultural fit and practical relevance. In certain countries EEC also adopted a 'training of trainers' approach where additional capacity building was provided to BDS experts, particularly on specific challenges, nuances and BDS topics relevant to the renewable energy sector. This approach also has the advantage of strengthening the capacity of the local supplier ecosystem, enabling long-term sustainability and continuity of support.

This flexibility is also important for inclusion. For instance, in Cambodia, where over half of SMEs supported were either women owned or managed, a strongly gender-responsive design of the BDS programme— including scheduling considerations, supportive facilitation and the use of female facilitators — helped maintain strong women's participation and engagement throughout the programme.

5. Continuous learning and feedback loops should be built into delivery from the start.

EEC improved its delivery model through regular SME feedback, reflection meetings with our BDS providers, trainer observations, assignment review and progress tracking. These feedback loops allowed the programme to make practical course corrections. For example, based on field observations by trainers and partners following the first training, Bangladesh's BDS curriculum was simplified and made more practical by introducing simple tools and templates that better enabled SMEs to embed what they learnt into practice.

BDS Facility Design Tip #3

Budget for adaptation. Demand-driven BDS requires time and resources for diagnostics, partner consultations, curriculum revision, follow-up, mentor coordination and gender mainstreaming. These should be treated as core delivery costs to ensure support remains flexible and tailored.

In the first mentorships across Kenya and Uganda, SME Performance Improvement Plans (PIP) were sometimes too ambitious, with too many deliverables for SMEs that were thinly staffed or founder dependent. Over time, EEC simplified PIPs, focused on fewer priority areas and used progress reviews to decide whether support should continue, be adjusted, or in some cases be stopped.

LEARNING THEME 2:

Use different BDS trajectories for different levels of SME readiness

EEC was designed around four complementary BDS trajectories: e-learning, cohort-based training, individual mentorship and capacity building activities. In practice, these trajectories worked best when treated not as separate products but as a sequenced support system. The intended logic was simple: e-learning could offer a scalable entry point, providing broad and uniform access to core business concepts; cohort training could address common capability gaps across groups of SMEs; mentorship could provide more intensive, tailored support to enterprises with stronger growth potential, commitment and specific business needs; and capacity building activities created opportunities for networking, peer learning, ecosystem engagement and access to relevant financial institutions. The key lesson is that BDS facilities should not treat these as standalone activities, but as a connected support system that allows early-stage SMEs to move from lighter-touch to more intensive support as their readiness increases.

WHAT EEC FOUND IN PRACTICE

1. E-LEARNING:

Useful for scale, but not sufficient on its own E-learning provides a low-cost way to make business development content available to a much wider group of SMEs than could be reached through in-person support alone. This was important for a global facility like EEC that is operating across multiple countries, since it allowed a wider pool of enterprises and staff members to access core business modules ranging from beginner level courses, such as Business Foundations and Financial Management 101, to advanced courses such as Financial Modelling and Impact Measurement. It also witnessed strong uptake by many women entrepreneurs and staff who appreciated the flexible, self-paced learning format that better fit their work schedules.

However, e-learning is the most context-sensitive trajectory, depending heavily on digital readiness, language and learning habits, and is therefore not equally effective across all contexts. In Cambodia, Bangladesh and the Sahel region, for instance, uptake was constrained by limited digital literacy, weak internet access, language barriers, competing business priorities and low self-directed learning habits.

BDS Facility Design Tip #4

Design e-learning platform for low-connectivity users by making course materials downloadable, mobile-friendly and accessible at low internet speeds, so SMEs can continue learning even where connectivity is intermittent, costly or unreliable.

For e-learning to work well, it needs to be supported by human follow-up, rather than left as a purely self-directed offer. EEC used periodic check-ins, email and WhatsApp guidance, and troubleshooting support to help learners access the platform, navigate course content, address technical issues and stay engaged with modules that were relevant to their business needs. Learners were also segmented by engagement level, allowing the team to target follow-up differently for those who had not registered, those who had started but not completed, and those who had already completed at least one course.

On-line Masterclasses and on-demand e-mentorship can turn e-learning into a more facilitated learning experience, increasing uptake and engagement. For instance, around 40–50% of EEC Masterclass attendees went on to register on the platform and/or complete the corresponding e-learning course. In some contexts, such as Kenya and Uganda, pairing e-mentorship with direct-mentorship allowed SMEs to clarify concepts through e-mentorship and then apply them more concretely through direct mentorship.

Overall, E-learning works best as a light-touch, scalable entry point, a refresher tool, or a complement to other support such as cohort training or mentorship. It is less effective when treated as the main support channel for smaller, less digitally connected or more operationally stretched SMEs that require more frequent and structured hands-on support.

The E-learning platform hosted 661 companies and 902 learners and an average satisfaction rating of 90% across completed-course feedback. Although the platform is officially closed, all E-Learning materials are hosted on the EEC website (ee-coach.com) to ensure that SMEs are still able to benefit from this important resource.

EEC Rwanda entrepreneurs Noza Bioclean Energy Solutions

2. COHORT TRAINING:

Effective for building foundations and peer learning. Cohort training is particularly useful where SMEs share common capability gaps, including business planning, customer segmentation, sales and marketing, financial management, record-keeping, investment readiness and pitching. EEC has delivered 119 cohort trainings for 524 participants (30% female) across 13 countries with consistently high participant satisfaction of 89%.

Cohort training works best when it is modular, practical and interactive. EEC experience shows that SMEs respond well when sessions combine short technical inputs with group work, peer learning, applied exercises and simple templates. This was evident in Mozambique, where interactive methods (case discussions, visuals and role play) supported peer exchange, as well as in Cambodia and Uganda, where modular delivery over several months enabled SMEs progressively to build skills and reflect between sessions.

Tailoring training depth and pacing to SME maturity improves engagement and learning outcomes. In contexts where participants vary widely in experience, differentiated approaches are beneficial. For example, in Sierra Leone, EEC introduced Basic and Advanced groupings for certain modules, allowing targeted engagement for addressing varied maturity.

Training itself does not automatically translate into changed business practice. Across countries, we observed that SMEs often understand the concepts but request further clarifications or need support to apply them in real operations. To address this, each EEC training session was paired with practical assignments and follow-on coaching support. Assignments served as practical tools to support SMEs to apply learned concepts whilst follow-up coaching and regular check-ins were critical for deepening learning and ensuring high assignment completion rates.

BDS Facility Design Tip #5

Pair every training module with a practical output. Each cohort session should culminate in something the SME can use immediately, such as a customer segmentation strategy, sales tracker, cash-flow template or one-year action plan.

Cohort training also works well as an effective filtering mechanism for more intensive support. Under the EEC instrument, criteria such as attendance, assignment completion, participation quality and commitment were used to shortlist companies that were both promising and willing to engage. This can be particularly important in mixed cohorts where SMEs can vary in maturity, internal capacity and growth ambition.

3. MENTORSHIP:

Most valuable when focused, practical and tied to enterprise action

Mentorship is most useful for SMEs with specific constraints, stronger commitment and sufficient capacity to apply support because it allows a BDS facility to move from general business concepts to firm-specific improvements. In certain EEC countries like Kenya, Uganda and Ethiopia, some SMEs entered mentorship directly because they were more advanced; others progressed from cohort training once their needs and commitment became clearer.

BDS Facility Design Tip #6

Treat Performance Improvement Plans or mentorship workplans as tools for active management, reviewing them at regular intervals along the mentorship trajectory to adjust scope, pace or deliverables based on SME traction and capacity.

Mentorship to very small, early-stage companies should focus on a small number of actionable priorities, rather than broad advisory support. In countries with the luxury of longer mentorship durations and larger budgets, EEC mentorship was phased, moving from foundational to more advanced topics, with the most promising and committed enterprises progressing from one phase to the next. Such phasing avoided overwhelming SMEs, enabled an informed SME filtering process from one stage to the next and allowed EEC to adapt depth and pace to country-specific SME maturity.

SME feedback across countries consistently highlighted a desire for more time on financial topics. In most countries, many SMEs entered mentorship with weak or incomplete bookkeeping, limited financial capacity and inconsistent reporting. In Sahel, Kenya and Uganda, SMEs reported that finance-related mentorship (cash flow management, costing, financial projections) was among the most valuable components while also being the most challenging, suggesting the need for longer or more iterative engagement in this area.

EEC mentee Rural Solar Inc. in Liberia

Flexibility in delivery is important in maintaining engagement across different contexts. Many EEC mentors adapted schedules, communication channels and session formats to accommodate SME availability, particularly women entrepreneurs, connectivity constraints and local working patterns, which helped sustain participation over longer mentorship periods.

Mentorship requires strong SME ownership and active management, and not all enterprises might be able to absorb it. EEC experience shows that mentorship support demands strong SME commitment and capacity. Some mentorships had to be narrowed, delayed or discontinued where SMEs lacked time, internal staff, reliable business data, owner engagement or decision-making speed. This reinforces an important design lesson: mentorship should be proportionate to the SME's absorption capacity , structured around realistic deliverables and regularly reviewed against progress.

4. CAPACITY BUILDING EVENTS:

Valuable for connecting SMEs to the wider ecosystem

Capacity building events create opportunities for SMEs to learn from peers, meet partners, engage financiers and understand the expectations of the wider market. Under the EEC, this has largely taken the form of either networking events or more focused match-making events, deployed in a dynamic manner depending on the country context, SME growth stage and the sector maturity.

BDS Facility Design Tip #7

For early-stage SMEs, a direct SME-FI exchange rather than a plenary style pitch presentation is more supportive as it enables SMEs to ask questions, receive tailored feedback, benefit from mentor support and build confidence with the financier.

Networking events are typically suitable in contexts for SMEs at different stages of growth, providing a conducive platform for peer-to-peer learning, knowledge sharing and networking. EEC hosted such events in Malawi and Ethiopia, allowing SMEs to engage with a wide range of stakeholders, including financial institutions (FIs), government actors, development partners and sector associations. Their value lies not only in immediate financing outcomes but also in strengthening SME confidence, market visibility and ecosystem relationships.

Match-Making events: Unlike networking, matchmaking is structured and offers the most efficient way to meet and talk to new collaboration partners in a focused manner. They are most effective when SMEs are at a minimum required level of investment readiness (i.e. have a well-formulated pitch deck, clear financial or partnership ask, credible financial projections etc). EEC's experience of undertaking such events for SMEs in Kenya, Uganda and Ethiopia shows that this support works best when positioned as part (preferably mid-way) of the mentorship journey. Pre-event support focuses on strengthening SME investment readiness and financier matching, whilst post-event support is critical to support SMEs in progressing deals and financial close.

LEARNING THEME 3:

Help early-growth SMEs scale by strengthening the business and its surrounding ecosystem

WHAT EEC FOUND IN PRACTICE

1. Strengthening business fundamentals is the first step towards scale for early-growth SMEs.

For SME types supported by EEC, basic business systems and a well formulated business strategy were often the main constraints to growth. Many enterprises had strong sector knowledge, committed founders and promising products, but lacked structured business planning, clear internal roles, reliable records, sales tracking, financial controls or management routines. For small, founder-led companies, these fundamentals matter because the founder is often managing multiple functions and responsible for most day-to-day decision making. Without simple systems and delegated responsibilities, growth increases pressure on the business rather than strengthening it. EEC's design recognised this distinction: smaller and more informal enterprises often need basic business development, handholding and start-up-oriented support before they can absorb more advanced scale-up or access to finance support.

EEC has developed a simple, self-use guide designed to help SMEs manage their businesses. It contains a list of recommended essentials for a growing company to have in order to track progress and plan for the future. The guide can be accessed here: https://ee-coach.com/wp-content/uploads/EEC_SME-GUIDING-DOCUMENT_English_FINAL.pdf

Mentorship session underway in Cambodia at the entrepreneur's shop

2. Practical tools and templates are extremely valuable because small SMEs rarely have time or capacity to build systems from scratch.

EEC found that SMEs responded best to support that produced usable, simple tools tailored to their growth stage and sector: bookkeeping templates, sales trackers, business planning and pitch deck preparation templates. For early-growth SMEs operating with limited staff and time, these tools offer an efficient way to build essential building blocks in a structured and supported environment. In Sahel, for example, SMEs responded positively to tailored ready-to-use BDS tools developed under EEC, including an excel based accounting system and sales management tracker. However, to ensure the tools are embedded into the SME's systems and processes, it is important to plan sufficient BDS support not just in adoption but also operationalisation and sustained use of these tools.

> **BDS Facility Design Tip #8**
>
> *Turn every tool into a routine - A template is only useful if the SME knows when to update it, who owns it, how it informs decisions and how it will continue to be used after the mentor leaves.*

3. Commercial growth mindset is a critical factor, particularly in development-focused sectors.

The business models of many early-stage founder-led SMEs still heavily depend on donor-funded opportunities, grant financing or ad hoc independent sales. An important element of EEC support was to assist SMEs in taking a more commercial view of their business. This included understanding customers, identifying revenue drivers, making decisions based on market demand, taking ownership of business outcomes and planning for private-sector sales beyond donor-funded support. For instance, in Uganda, mentorship support to Ezylife Limited, a higher-tier clean cooking SME, enabled the company to develop a commercially focused financial model, refine its pricing and product strategy and prepare well-curated investor-ready materials. This helped Ezylife attract different forms of financing including RBF funding, international debt and carbon financing, enabling the company to pivot from a grant to a more blended finance configured business model.

4. Financial management is a core growth constraint for several early-stage SMEs.

EEC's experience shows that weak financial management is a critical growth deterrent for many SMEs: it limits cash-flow visibility, makes it harder to plan stock or production, reduces management's ability to make decisions and undermines credibility with financiers. For early-growth SMEs seeking finance (particularly debt), lenders place significant weight on whether the business can evidence revenues, maintain complete financial records, explain its financing need and demonstrate repayment capacity. EEC match-making events held across Kenya, Uganda and Ethiopia reinforced this clearly: financiers consistently asked SMEs for audited or complete financials, legal documents, loan history and clear revenue evidence before committing to move forward. Several financiers also recommended phased or tranched borrowing, starting with small loan-sizes to demonstrate sound financial reporting and repayment capacity before accommodating larger loan amounts.

EEC Senegal's ESG workshop targeting supported SMEs

5. Access to appropriate finance remains a major challenge to SME scaling and growth.

Many SMEs sit in a difficult financing space: they often need working capital, equipment finance, inventory finance or growth capital, but lack collateral, track record, audited financials or the scale needed to meet commercial lender requirements. Furthermore, these SMEs operate in challenging financial contexts characterised by high cost of capital, strict collateral requirements and limited availability of financial products for small-ticket sizes required by early-stage renewable energy businesses. Additional constraints relate to persistent information asymmetries between SMEs and financial institutions, weak or unreliable credit performance infrastructure and limited financial institution understanding of the renewable energy sector.

Whilst BDS support can improve systems, confidence and investment readiness, it does not automatically unlock capital. If access to finance is a core objective of a BDS programme, this should be designed into the BDS journey from the start: diagnostics should test financing needs and creditworthiness, mentorship should help SMEs strengthen business materials that financiers require, and financiers should be engaged early to ensure alignment and fit. EEC experience also shows that national and regional funding programmes are often better aligned with the funding needs of locally owned SMEs than international investors. Strengthening of local financing ecosystems through capacity building, blended financing, and risk-sharing approaches are critical complements to SME financing efforts.

6. End-user finance can be as important as enterprise finance.

For clean energy and other last-mile sectors, SME growth is often constrained not only by the enterprise's own capital needs but also by customers' ability to pay. In contexts where products have high upfront costs, consumer finance, distributor finance or institutional purchasing models may be essential to unlock demand. For BDS facilities, this means supporting SMEs to clarify customer segments where affordability limits sales, determine suitable end-user payment models and convening SMEs, financiers, Micro Finance Institutions, Savings and Credit Cooperative Organisations (SACCO) or PAYGO providers around practical end-user finance solutions. It can also prepare SMEs to partner with these actors by strengthening sales and repayment tracking mechanisms, after-sales systems and customer relationship management (CRM) practices — all of which make end-user financing more viable. This is best exemplified by an EEC supported Kenya biodigester SME, Biofranca Trans Technology. Following EEC's match-making event, Biofranca entered a tripartite engagement with a local commercial bank and German prefabricated biogas provider. The bank provides the end-user financing, the biogas provider supplies the kit and Biofranca is responsible for installation and after-sales support, thereby reducing working capital burden on the SME, enabling it to scale and expand more quickly.

BDS Facility Design Tip #9

Prepare SMEs for the right type of finance (grants, working capital, RBF, carbon finance, debt, equity, etc) so they pursue finance that matches their stage, records, risk profile and repayment capacity.

EEC Uganda's finance Match-Making group of financial institutions, partners and the SMEs seeking funding

LEARNING THEME 4:

Embed BDS within the wider ecosystem, not alongside it

BDS works best when it is connected to the wider ecosystem in which SMEs operate. EEC's experience shows that enterprise support is more relevant, credible and sustainable when it is aligned with programme partners, local BDS providers, financial institutions, sector associations and other market actors. For early-growth SMEs, this matters because their constraints are rarely solved by BDS alone and they often need continued support, finance linkages, market connections and practical pathways into more advanced BDS programmes.

WHAT EEC FOUND IN PRACTICE

1. Long-term scaling requires a vibrant local BDS ecosystem.

Early-growth SMEs often need continued support beyond a single intervention. This is especially true where enterprises are still building core systems, becoming finance-ready or adapting to changing markets. EEC addressed this by working with suitably qualified national or regional BDS experts, thereby ensuring that support was context driven, easily accessible and readily available. In some countries, additional efforts were taken to support experts lacking a contextualised understanding of the sector or international best practices in BDS. For instance, in Liberia, EEC organised a three-day training for its business mentors to equip them with off-grid solar sector-specific knowledge whilst in Ethiopia, an international mentor supported local mentors to embed best practice approaches in BDS delivery to their SMEs. Following closure of EEC support in many countries, several SMEs continue to engage with their mentors in either formal or informal ways, emphasising the importance of strengthening the local BDS ecosystem to ensure long-term sustainability of support.

BDS Facility Design Tip #10

Leave behind usable ecosystem assets such as BDS tools, learning materials, knowledge products with local BDS providers or sector actors so the support system remains useful after the programme closes.

2. Partner alignment ensures strong synergies and smooth transition for SMEs.

EEC's experience shows that close coordination with ecosystem partners and existing country-level initiatives is essential to align SME outreach, avoid duplication and ensure that support responds to live market needs. Another key lesson is that partner alignment cannot stop at the inception or planning stage. It requires continuous coordination, lessons learning, shared planning and periodic adjustment to ensure support can adapt as markets evolve. Furthermore, it also enables a smoother transition of promising SMEs to other advanced BDS, access to finance or market linkage services. In Mozambique, for example, EEC engaged with relevant ecosystem actors (sector association-AMER, similar technical assistance programmes such as GET.invest) to position the instrument appropriately within an already dense clean energy support landscape and provide tailored support in line with upcoming funding opportunities. This resulted in a more targeted SME outreach and supported shortlisted SMEs to develop more robust financial models and clearer business plans, thereby enhancing their ability to submit high quality applications to an upcoming financing facility.

3. BDS-to-finance linkages need to be defined from the start.

One of EEC's clearest lessons is that BDS-to-finance linkages are stronger when financiers help shape what "finance readiness" means in practice. Identifying and engaging financiers early helps ensure that mentorship support focuses on investor-facing documents, back-end systems and pitch presentation requirements that influence lending or investment decisions, rather than preparing SMEs for a generic pitch.

BDS Facility Design Tip #11

Screen financiers as carefully as SMEs. Do not invite them only because they are active in the sector - assess whether their ticket sizes, products, collateral requirements, geography and risk appetite match the SMEs being supported.

4. Ecosystem integration strengthens learning and adaptation.

Regular engagement with ecosystem partners, financiers, sector associations and other BDS programmes creates space to compare what is working, identify recurring SME constraints, align support to enterprises and streamline data requests for due-diligence or monitoring purposes. This turns ecosystem coordination into a learning function: partners are not only kept informed but can also use each other's insights to improve programme design, target support more effectively and respond more quickly to emerging market needs. For instance, EEC is part of the CROWD Working Group, an ecosystem coordination platform that reduces duplication, aligns support pathways and connects SMEs to the right mix of technical assistance, finance and market actors.

4. CONCLUSIONS AND RECOMMENDATIONS

EEC's experience shows that effective BDS is most powerful when it is designed as a sequenced, adaptive and ecosystem-connected journey. SMEs supported by EEC are primarily locally owned, founder-led enterprises with promising products and strong market relevance, but weak internal systems, limited financial management capacity, thin teams and uneven readiness to absorb support. For these businesses, strengthening business fundamentals is the first step towards scale. BDS, therefore, needs to help SMEs build the basic systems and capabilities that make growth manageable.

The core conclusion is that a multi-country BDS facility like EEC works best when it combines structure with flexibility. A clear delivery architecture is required to maintain a high-quality approach to outreach, SME diagnostics, onboarding, support delivery and monitoring across countries. However, the BDS curriculum, delivery mode and trajectory of BDS support must be adapted to SME maturity, local context, digital readiness, language, gender dynamics and market conditions. E-learning, cohort training, mentorship and capacity-building events each serve a different purpose- their value lies in how they are sequenced and connected, allowing SMEs to move from broad and lighter-touch to more intensive support as their readiness increases.

For similar programmes supporting early growth SMEs, several design recommendations emerge.

For donors, accelerators and market-building actors, the main implication is clear: effective BDS facilities should be designed not only to improve individual enterprises but also to strengthen ecosystem relationships and local support systems that enable SMEs to continue growing beyond the life of the intervention.

Senegal SME Touba Foyer Amélioré at their workshop

INVEST

Invest in strong diagnostics and needs assessment from the start so that SMEs receive support aligned to their growth stage, capacity and commitment.

PRIORITISE

Prioritise practical tools and templates that SMEs can use beyond the programme, but ensure sufficient follow-up to embed these into daily operations.

CORE GROWTH

Treat financial management as a core growth requirement- weak records, unclear cash flows and poor forecasting directly limit both management decisions and access to finance.

BUILD ACCESS

Build access to finance into the BDS journey from the outset by engaging financiers early, preparing SMEs against real lender and investor requirements and linking support to appropriate financial products including blended finance, risk-sharing and end-user finance models.

INTEGRATE

Integrate BDS support with wider ecosystem by working with local BDS providers and relevant BDS or Access-to-Finance initiatives to improve contextual relevance and ensure continuity after donor-funded support ends.

EMBED

Embed gender and inclusion throughout the full BDS cycle — from outreach and participation to mentorship, finance readiness and networking opportunities — rather than treating it as a separate workstream.

For more information on the Energy Enterprise Coach, please contact: eecoach@niras.dk