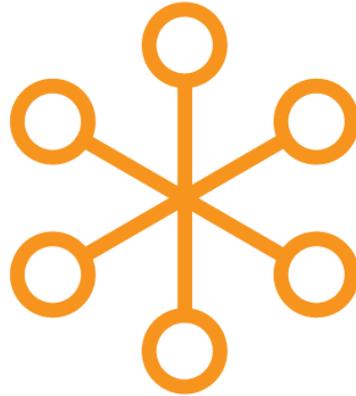


Drew Corby, Program Manager Consumer Protection & Technology, GOGLA



**GOGLA**  
**CONSUMER**  
**PROTECTION**  
**CODE**

GOGLA is the global association for the off-grid solar energy industry.

**Our mission is to help our members build sustainable markets, made up of profitable companies, delivering quality, affordable off-grid electricity products and services to as many customers as possible across the developing world.**

160+ members.



# Off-grid solar sales. January – June 2019.



## Global Sales Highlights

**4,11 million**

off-grid solar lighting products sold globally

**3,10 million**

have been sold as cash products for a value of **\$85,34 million**

**1,00 million**

sold via Pay-As-You-Go (PAYGo) for a value of **\$216,85 million**



**2,83 million**

solar lanterns sold globally



**600,000**

multi-light systems sold globally



**680,000**

SHS sold globally

**40,88 MW**

newly installed capacity globally through the off-grid solar lighting products

## TOTAL

- **46.1 million products sold since 2010.**
- **110 million people currently benefiting from an off-grid solar product.**

# Appliance sales. January – June 2019.



## Global Sales Highlights

**730,000**

off-grid solar appliances sold

**535,000**

units have been sold as cash products

**195,000**

units sold via Pay-As-You-Go (PAYGo)



**190,000**

TVs sold



**530,000**

fans sold



**3,000**

refrigeration units sold



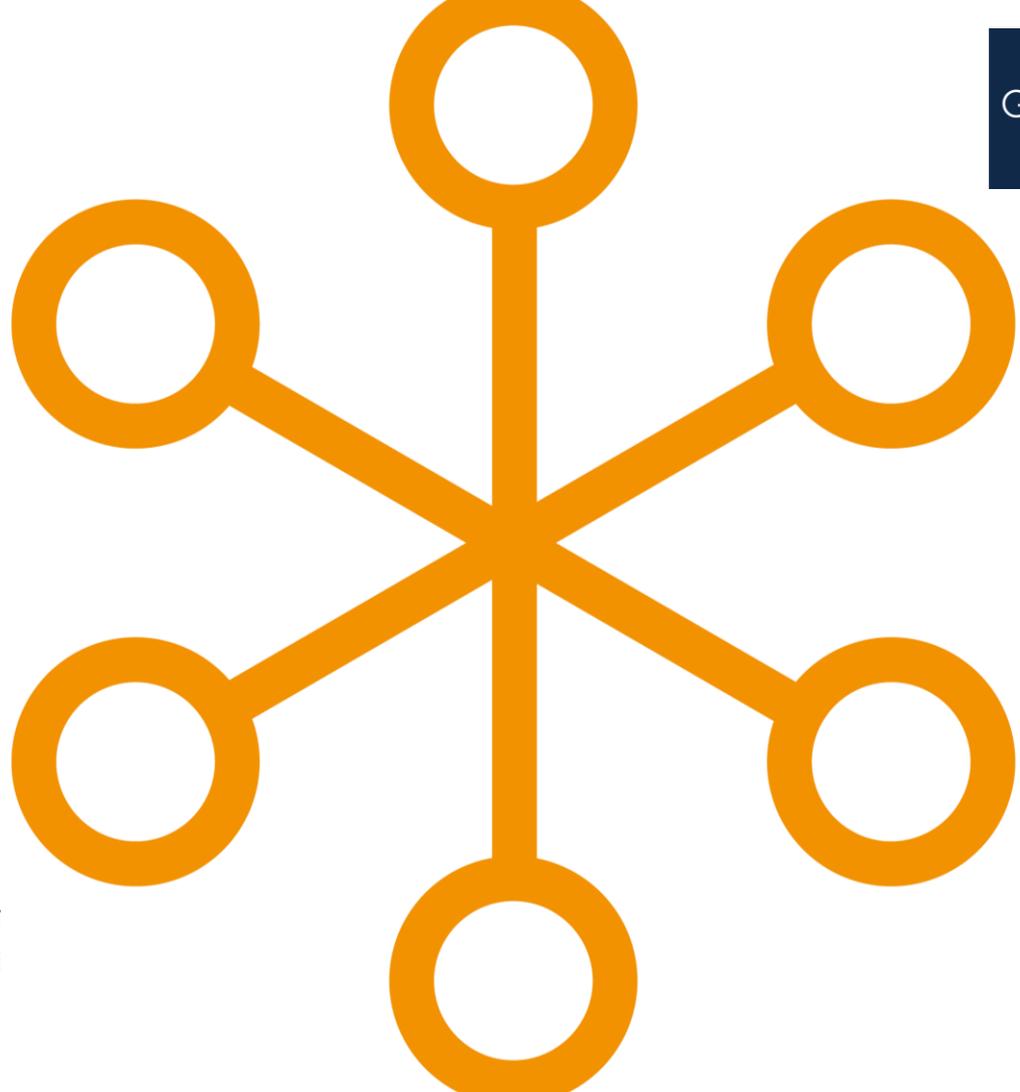
**3,000**

solar water pumps sold



AN INNOVATION OF  
**WORLD BANK GROUP**  
THE WORLD BANK IFC

# The GOGLA Consumer Protection Code



## Funding partners:



# Consumer insights



*Elisabeth is an elderly woman who lives with her husband in a village. Earlier this year an agent from Energy Company Alpha came to do a product demonstration in her village. She liked it very much but believed she couldn't afford it and told the agent this. The agent responded that she should gather as much money as she can now and "then we'll work something out."*

*Trusting the agent, she gathered as much as she could and made the downpayment. After three months she and her husband "ran out of money" and had to stop paying. After one week, Energy Company Alpha phoned her to ask why; she told them she couldn't afford it. One week later her system was repossessed.*

*Elisabeth feels embarrassed and ashamed of not paying her debt and is upset to lose the lighting that she loved. "They should never have exposed me to a debt in my position and age."*

The graphic features a dark blue background with the GOGLA logo in the top right corner, which includes the text "GOGLA" and "The Voice of the Off-Grid Solar Energy Industry". Below the logo, there are two large orange quotation marks. The text "Consumer Protection Insights" is centered in white, with "Learnings and recommendations from the GOGLA Consumer Protection Code" in smaller white text underneath. At the bottom of the graphic is a photograph of a smiling man in a blue apron and a checkered shirt, standing in a market stall and holding a bunch of yellow bananas. A yellow mobile payment device is visible on the counter in front of him.

# GOGLEA Consumer Protection Code - Principles



**Fair & Respectful Treatment**

**Personal Data Privacy**



**Transparency**

**Responsible Sales & Pricing**

**Good Consumer Service**

**Good Product Quality**

Defined & maintained by the **GOGLEA** Consumer Protection Working Group

## Principle example - Transparency

- **Providers share clear and sufficient information on the product, service, payment plan and personal data privacy practices to enable consumers to make informed decisions.**
- **Providers share relevant and timely information before, during and after sales.**
- **Providers communicate in a language and manner consumers can understand.**



# Indicators and Self-Assessment Tool



RESULTS PER PRINCIPLE

Governance & Management	<b>Mostly met</b>	73%
A. Transparency	<b>Partly met</b>	48%
B. Responsible Sales & Pricing	<b>Partly met</b>	40%
C. Good Customer Service	<b>Mostly met</b>	56%
D. Good Product Quality	<b>Fully met</b>	100%
E. Personal Data Privacy	<b>Partly met</b>	42%
F. Fair & Respectful Treatment	<b>Partly met</b>	22%

RESULTS PER INDICATOR

<b>GOVERNANCE &amp; MANAGEMENT</b>		
GM1: Board reviews alignment w/ indicators	<b>Fully met</b>	
GM2: indicators part of institutional management KPIs	<b>Mostly met</b>	
GM3: CPPs visible and accessible	<b>Somewhat met</b>	
GM4: Staff & (non-staff) sales agents trained on CPPs	<b>Fully met</b>	
GM5: Agreements with partners or service providers	<b>Mostly met</b>	
<b>A. TRANSPARENCY</b>		
A1: Consumer informed of key terms	<b>Fully met</b>	
A2: Fees and charges visible and accessible	<b>Fully met</b>	
<b>B. RESPONSIBLE SALES &amp; PRICING</b>		
B1: Assessment of ability to pay proportional to obligation and risk	<b>Fully met</b>	
B2: Sales staff / force trained on financial vulnerability	<b>Fully met</b>	

Introduction
Results
Self-Assessment
Principles Definitions

## Value for companies:

- Measure
- Monitor
- Report

## Scoring tiers:

<b>Fully met</b>
<b>Mostly met</b>
<b>Somewhat met</b>
<b>Not met</b>
<b>N/A</b>

# Commitments – 24 companies



**A Commitment signifies that the provider embodies the Consumer Protection Principles in its treatment of consumers and will use the Self-Assessment Tool to measure and monitor practices within daily operations.**



## Endorsements – 14 organisations



**The organization aligns internal practices with the CP Code and / or supports off-grid solar providers to fulfil the standards.**



# Strengthening the assessment framework

## Self-Assessment

- Company led.
- Provides an overview of major strengths and weaknesses.

## Third-party Assessment

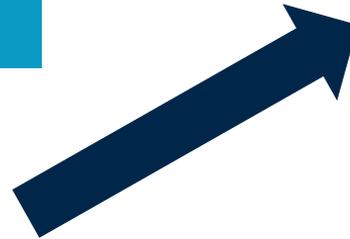
- Led by a specially trained & accredited assessor (individual).
- Results include in-depth analysis and a narrative report.

## Certification/ Rating

- Led by a specially trained & accredited assessor (agency).
- Pass / Fail or Rating (e.g. A - E).
- Results include in-depth analysis and a more detailed narrative report.

## Consumer surveys

- Representative results using mobile survey
- Qualitative & quantitative questions.
- Rich insights and validation from customers.



**Increasing insights. Greater demonstration of performance. Higher costs.**

Join us at the premier off-grid solar event to meet:

- **800+ off-grid solar professionals**
- **75+ exhibitors**

Learn more at  
[www.offgridsolarforum.org](http://www.offgridsolarforum.org)



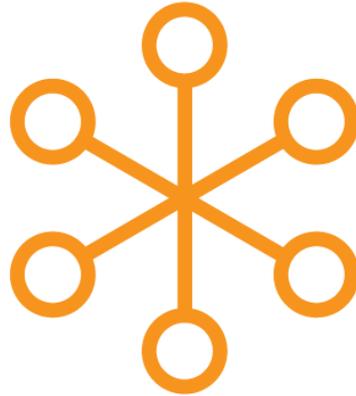
**Global Off-Grid Solar**  
**F O R U M & E X P O**  
THE BIENNIAL MEETING OF THE OFF-GRID SOLAR ENERGY INDUSTRY

**18-20 February 2020 | Nairobi**



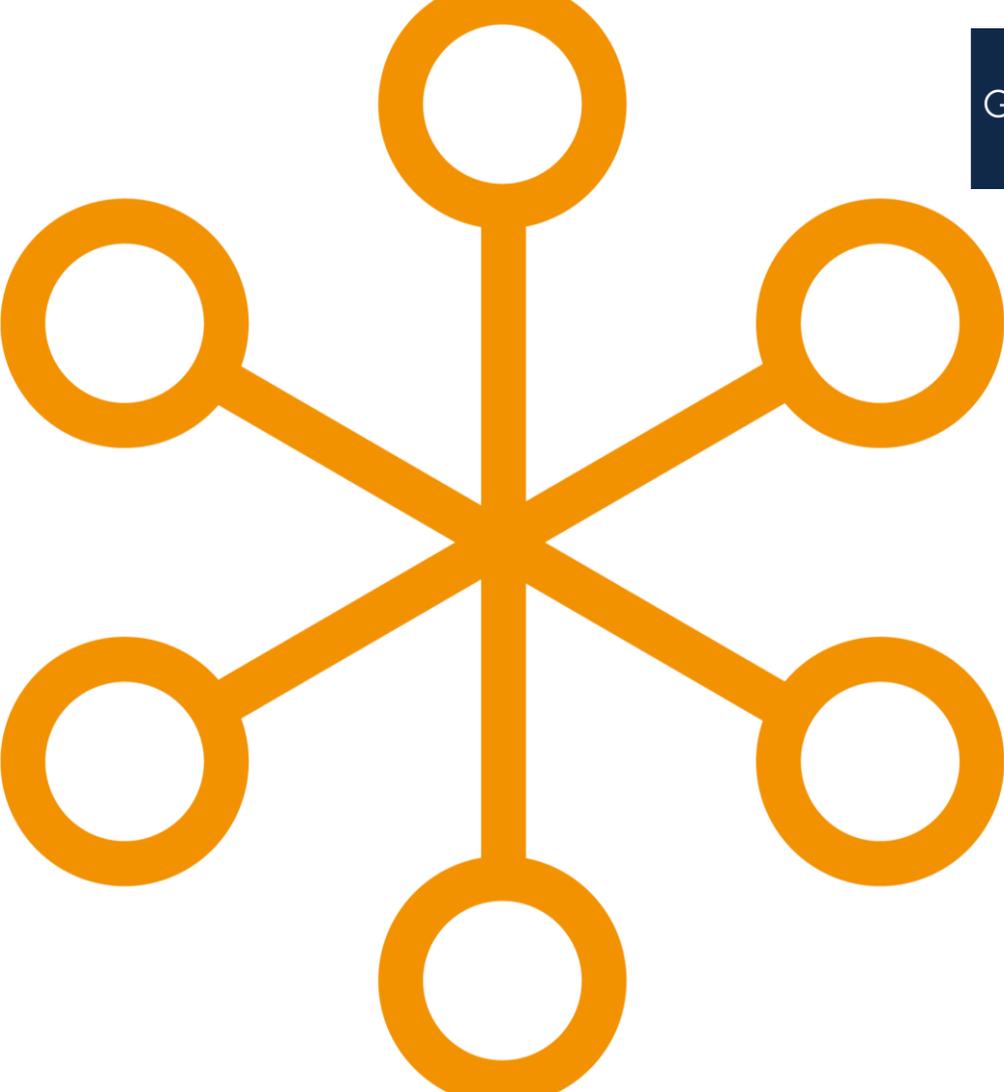
Drew Corbyn, [d.corbyn@gogla.org](mailto:d.corbyn@gogla.org)

[www.gogla.org/consumerprotection](http://www.gogla.org/consumerprotection)



**GOGLA**  
**CONSUMER**  
**PROTECTION**  
**CODE**

Annexes



# The Consumer Protection Code journey so far



## Industry identifies need.

- Participants at the GOGLA Member Conference determined the

May 2017



September 2018

## Principles agreed

- The Consumer Protection Working Group agrees the six principles.
- Organisations start to make Commitments and Endorsements.

## Initiative launch.

- GOGLA launched the consumer protection initiative at the Global Forum in Hong Kong.

January 2018



## Indicators & Self-Assessment Tool

- The Consumer Protection Working Group agrees the 37 indicators.
- Companies that have made a Commitment start using the tool to measure performance.

May 2019

July 2019



## GOGLA Industry Opinion on the CP Code

GOGLA members vote to adopt the Industry Opinion recommending all members align with the CP Code.



## Consumer Protection Code

An introduction to the code and how GOGLA wants to promote good practice. How to Commit or Endorse. [Read more](#)



## Principles

The Consumer Protection Principles are the minimum standards of practice consumers should expect from an off-grid solar provider. [Get an overview.](#)



## Indicators

The Principles are expanded into a set of indicators that allow companies to measure, demonstrate and improve their practices. [See the indicators.](#)



## Commitments & Endorsements

The list of companies, investors and other stakeholders that have already backed this initiative. [Find out more.](#)



## Consumer Protection WG

Companies and investors convene around the consumer protection initiative, including maintaining the standards and implementation of the code. [Learn more.](#)



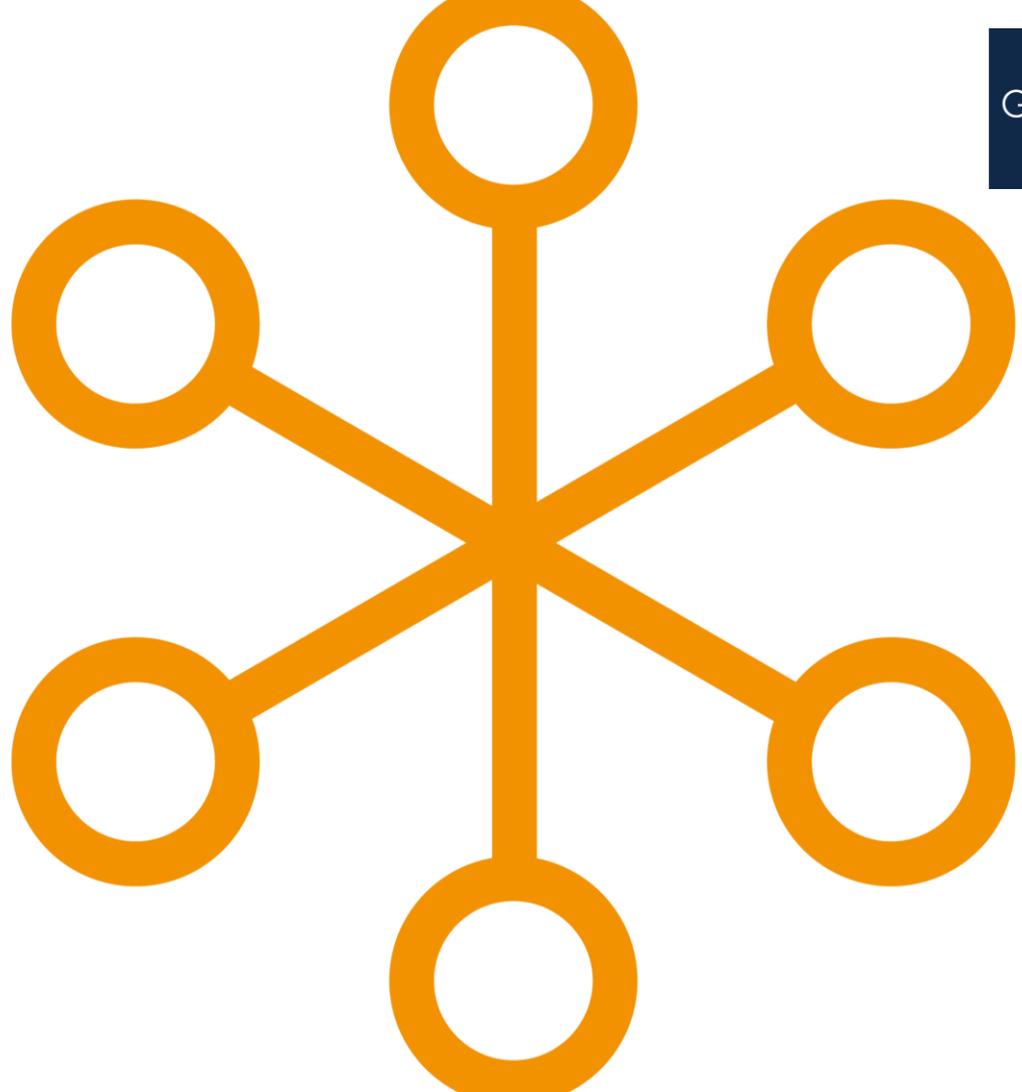
## Tools & Resources

[Learn more](#) about best practices and latest developments in the sector



# GOGLA CONSUMER PROTECTION CODE

# The imperatives for consumer protection



## 1. Poor comprehension

Customer lacks information / understanding on product, price, payment, balance, contract, warranty, etc.

## 2. Inability to pay

Customer cannot afford payment and defaults -> loss of asset and investment.

## 3. Over-payment

Customer liable to high costs due to inappropriate / unfair price, payment structure or fees.

## 10. Power asymmetry & Discrimination

Consumer coerced, faces discrimination or unequal treatment based on income, gender, age, ethnicity or other characteristic.

## 9. Reputational damage

Customer's credit rating or social standing suffers as a result of default.



**Consumer risks**

## 4. Financially overburdened

- Customer becomes indebted with family, friend, or lender to pay deposit or make payments.
- Customer prioritizes payments over other “essential” expenditures (e.g. school fees, clean cook fuel, loan repayment, etc.)

## 5. Customer service is of poor standard or not accessible

## 6. Lack of redress

Customer has no mechanism to issue and resolve complaints / problems

## 8. Misuse & abuse of personal information

- Privacy not respected.
- Data shared with third parties without approval.
  - Fraud.

## 7. Product fails prematurely, is poor quality, inappropriate or dangerous

## 1. Brand

**A dissatisfied customer will spread negativity about the brand.**

## 2. Financial

**A default is costly → loss of revenue, costs of collection, asset value depreciation.**

**A systematic CP issue that is poorly managed represents a major business risk.**

# CP risks to Companies

## 5. Reputational

**Company reputation may be damaged if perceived consumer protection practice is not adequate.**

## 3. Investment

**Company may not be able to secure funds from certain investors if they do not demonstrate robust consumer protection practices.**

## 4. Legal

**Company faces legal risk if it has not fulfilled its duties and obligations to protect consumer rights (e.g. with data privacy)**

## 1. Reputational

**Sector reputation could be damaged in the event of bad practice from one (or multiple) companies (e.g. with micro-finance in India or Facebook & Cambridge Analytica).**

## 2. Regulatory

**Government's may enforce inappropriate or burdensome regulation if they feel sector is not behaving responsibly.**

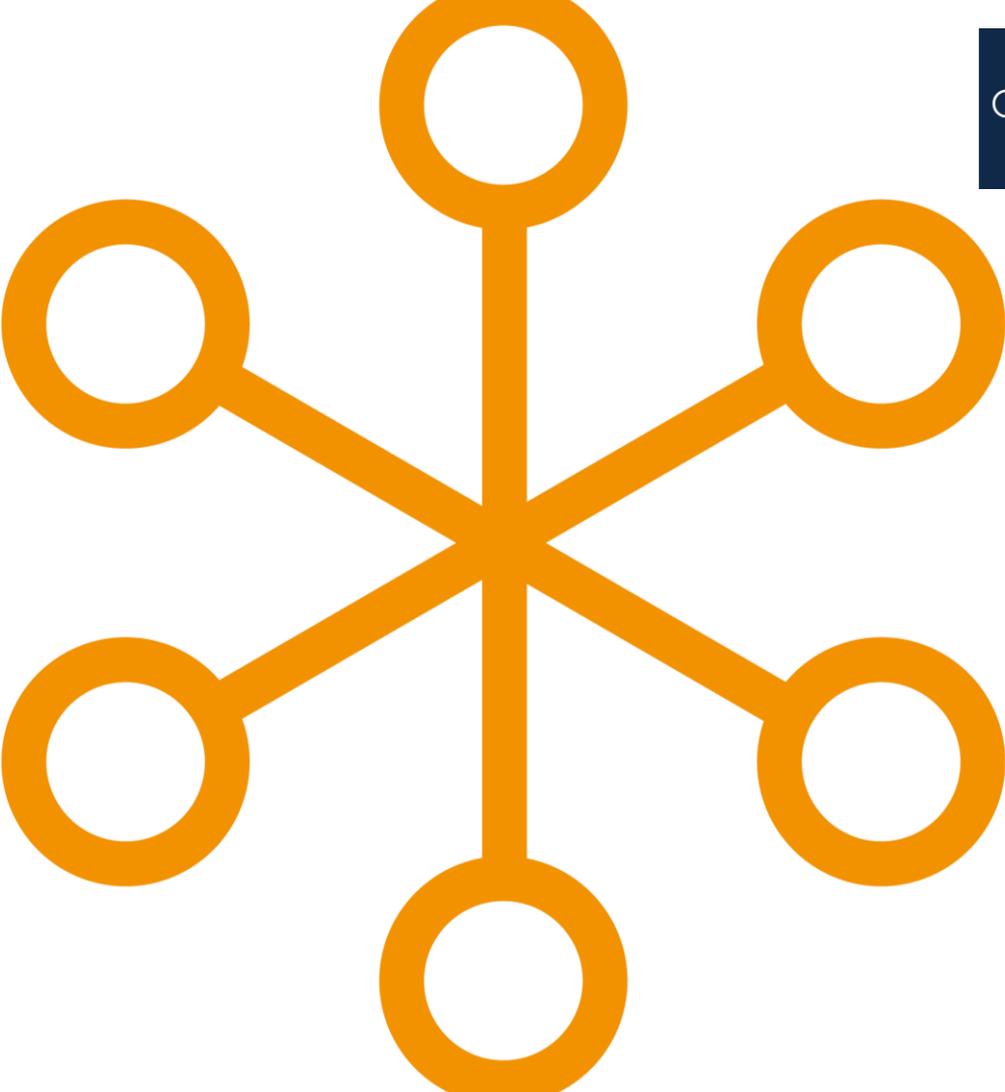
A dark blue square containing the text 'CP risks to Sector' in white, bold, sans-serif font.

# CP risks to Sector

## 3. Unsustainable growth

**The market may "over-heat" if products are systematically availed to consumers that cannot afford to pay.**

Consumer  
Insights Study



## Consumer stories

*Suzy is a young woman who runs a small jewelry shop and supports a younger brother in college.*

*Eighteen months ago, she bought a solar system from Energy Company Alpha and was enjoying the light for nearly a year when her uncle fell gravely ill. She and her family pooled their resources to pay for his costly medical treatments, but unfortunately, he passed away and the family then had to pay for funeral expenses. This put great pressure on Suzy's finances, and she fell behind on her payments.*

*Energy Company Alpha's consumer care centre contacted Suzy, and after discussing the problem, the payment plan was re-scheduled; the monthly amount was lowered by 20% and the term was extended. Since then Suzy has been current on her payments and continues to enjoy use of the product.*



“

**Consumer Protection Insights**

Learnings and recommendations from the  
GOGLA Consumer Protection Code

”



# Consumer insights study

- **The six Principles effectively cover all key areas of concern raised by consumers in the study. Approx. 20 Indicators were added/supplemented following the study.**
- **Data Privacy and Good Product Quality were not mentioned as concerns by consumers; Transparency and Responsible Sales came up as most serious issues.**



**Key informant interviews with 38 customers.**



**Focus group discussions with 57 consumers.**

**Kenya & Tanzania.  
November 2018**



## Consumer insights study - Responsible Sales & Pricing

- Most cases of consumer dissatisfaction leading to delinquency or repossession were due to agent agents acting in bad faith - from misrepresentation of product capacities to masquerading as consumers during verification/credit check processes.
- The challenge of managing a distributed sales force is exacerbated by front-loaded incentives and poor monitoring of sales teams.
- All providers had some type of client verification / assessment process conducted by call center staff - These calls (where completed without agent interference), appear to be operating well in ensuring customers were well-informed.
- Delinquency and repossession more commonly driven by (usually temporary) financial shocks, such as medical costs, than mis-selling to consumers who could never afford to pay - Provider process for helping customers get back on track varied, with some offering high flexibility and others not so much.
- Pricing differences between PAYG and cash-purchase were minor and were never raised as concerns by customers.

## Consumer Insights study - The Company-Agent-Client problem

- Agent supervision is weak or absent in some cases
  - This contributes to an environment conducive to agent malfeasance, including fraud
  - Scouts going beyond marketing and taking on the agent's role, without the knowledge of the company, who may not even know who these scouts are, and with whom it has no formal relationship
  - Scouts impersonating agents, and both agents and scouts impersonating clients during client "verification" calls, thus subverting the calls as a control point
  
- Agents misrepresenting the product, payment terms, or any other aspect of the company offer
  - In two of these cases, clients had systems repossessed
  
- Underlying causes include:
  - Agent incentives misaligned with company: agent is incentivized more for short-term gain, whereas company & customers suffer from consequences of bad agents even after they're gone.
  - High agent turnover & insufficient training/oversight may be contributing to issue
  
- Future research should include deeper exploration of agent behavior, including interviews with agents

## The Agent problem – client stories

**Rachel** is a successful businesswoman in a rural town who sells grains and cereals in her shop. In June of this year, she saw an agent from Energy Company Alpha (ECA) selling solar systems. She liked the product and bought it on an installment plan, with the agent telling her to pay “as quickly as possible.” Following the agent’s advice, Rachel paid off within 3 months, despite having nine months to do so. The agent never asked her if she understood the contract, nor did she receive any welcoming or verification call from customer care to see if she understood how much she needed to pay and for how long. Moreover, Rachel was never told that she had the option to buy in cash for a lower amount -- a price she could have easily afforded. “They should have told me about the amount I should pay and when.”

**Elijah** is a shopkeeper selling household supplies. Two years ago he bought a solar system from Energy Company Alpha (ECA). Though he was offered to pay in installments, Elijah believes that it’s better to borrow from someone he knows than from a company. So he took an interest-free loan from a friend and bought the system in cash. For over a year he was enjoying the light when suddenly his home went dark. Elijah called customer care and was told that he had not paid installments on a health insurance policy that was bundled with his system. Elijah was greatly upset as he had never been told about any such policy when he bought the system, and was especially angry because he had paid for the system in cash and still his lights were now turned off. He told ECA that he wasn’t interested in any insurance and just wanted his lights back on. Though ECA turned the lights back on that same day, Elijah felt mistreated - not only was he surreptitiously sold a product that he never wanted, but a system he thought he owned in full was interfered with by ECA.

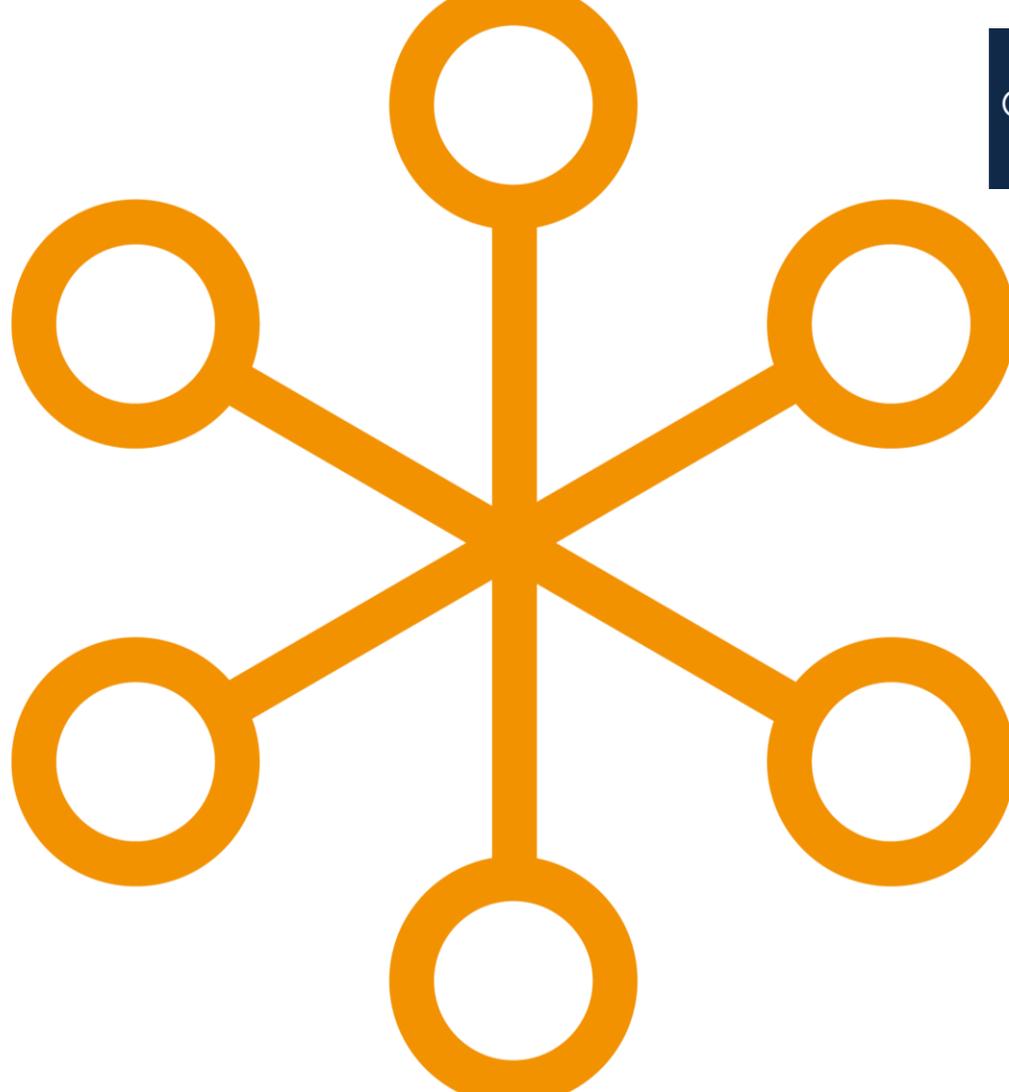
## Consumer Insights study - Feedback from companies

- **“An external view is very helpful, we value the chance to discuss with experts.”**
- **“This study has touched upon some of the most problematic areas in our business.”**
- **“Gaining more representative data that could inform our operations would be a valuable next phase.”**



- **Tools and guidance on what makes a sales force effective and enhance CP. Explore: agent / scout profiles, management and incentive models, good practices, software and data tools, etc.**
- **CP and operations data: Develop a survey tool and conduct surveys for a large, representative group of consumers. Gain new insights and help companies guide their operations.**

Example of how a company is using the self-assessment tool.



**A1 Consumers are informed of key terms and conditions of the contract, including:**

**-Duration of contract.**

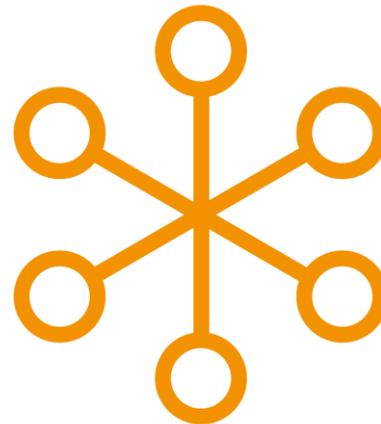
**-Circumstances that may result in a change of price or payment plan length (including changes in foreign exchange rates).**

**-Sanctions for late and non-payment (including penalties system lock-out, repossession policies).**

**-If applicable, possibility of reporting a consumer to a credit bureau (for full and partial file reporting).**

**-Provider's obligations to consumers**

**The CP Code has 37 indicators for the six Principles + Governance & Management.**



# GREENLIGHT PLANET IS A GLOBAL LEADER IN PAY AS YOU GO SOLAR

Greenlight Planet is a for-profit social business that **designs, distributes, and finances** solar home energy, with an under-served population in mind. Since selling our first Sun King solar-powered lamp in 2009, the company has become a global leader in the off-grid solar industry, serving over 50 million users in more than 65+ countries.



Available in  
**65+ COUNTRIES**



**3,000 ACTIVE**  
Direct-sales  
agents



**NEARLY 50 MILLION**  
Happy users



**NEARLY 12 MILLION**  
units sold



**MORE THAN 300**  
Distribution  
partners



**10 MILLION**  
Households reached



greenlight  
planet

sun king.

# THE PAYGO INDUSTRY NEEDS SELF-GOVERNED STANDARDS OF PRACTICE

The **Consumer Protection Code of Conduct** defines the minimum standards of practice customers should expect from off-grid solar companies i.e. Greenlight planet.

These guidelines direct the company on how to deal fairly with our customers, and let our customers know what our business agrees to do when transacting with them.

Our **primary goals** for complying with the Consumer Protection CoC are:

1. Promote **good business practices**
2. Strengthen **external confidence** in the PAYG solar industry
3. Ensure **responsible** market growth



# THE CoC HAS ALREADY IMPACTED OUR BUSINESS PRACTICES

We held our business practices up to the self-assessment with a critical eye and identified a number of areas where our policies or intentions could fall short of practice if not properly reinforced throughout all teams and processes in our sales and customer management practices.

CODE	DEFINITION	Overall		
		Is the Indicator met?	Notes/Comments	Road Map for Implementation
<b>GOVERNANCE &amp; MANAGEMENT</b>				
A3	The provider ensures prospective consumers are advised about all the provider's available products and payment options.	Partly met	We don't encourage or enforce EOs to share the option and price to pay up front.  We do not reveal 100% of our product portfolio to all consumers.	To be part of the prospect verification at call centre and also at the point of sales in field
A4	The provider communicates to consumers in the most appropriate language - be it the country's official or other local language(s). The provider communicates in an appropriately clear and simple manner; for less literate consumers, oral and visual communication supplements written information, including reading the contract out loud to the consumer.	Mostly met	We are yet to translate the contracts to the local languages. All contracts are either in English or Kiswahili	We plan to have the contracts in the country official national languages
A5	Consumer-facing statements in all sales and marketing materials and packaging accurately reflect the product's features and technical performance (for light output, runtime, etc.). Consumers are provided with a user manual, warranty terms and customer service information (including how to make a complaint). The provider always informs consumers if the product is used and/or refurbished.	Fully met	We do not sell refurbished products at the moment; if we started to, we would need to clearly communicate this to the customer.	After full roll-out, we shall periodically monitor the indicator and ensure consistency
A6	Consumers receive payment confirmation and updated remaining balance after making a payment, unless they opt out. Consumers are able to access	Fully met	Text message sent back confirming the transaction	After full roll-out, we shall periodically monitor the indicator and ensure consistency

- These insights have informed an internal action plan, managed by our Head of Risk.
- The action plan is informing a number of process changes we are implementing throughout our business to ensure we are 100% compliant, not just in spirit but fully in practice.

## EXAMPLE: WE'VE CHANGED PART OF OUR SALES PROCESS TO COMPLY

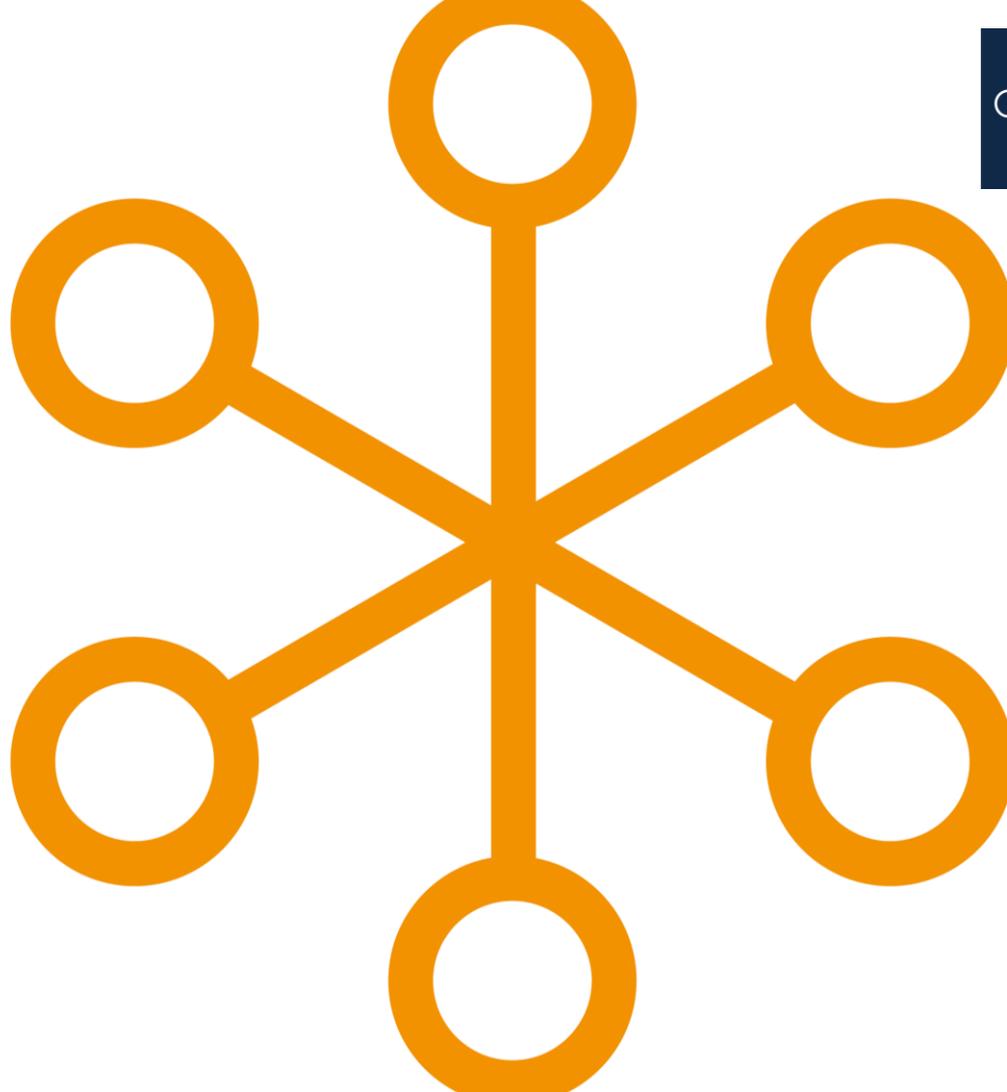
Since completing the self-assessment and creating this action plan, we've added a step in our customer acquisition process to reinforce the principle of transparency.

**PRINCIPLE:** Transparency

**INDICATOR:** *"The provider ensures prospective consumers are advised about all the provider's available products and payment options."*

- It was likely that our sales agents ('Energy Officers') were not indicating the 'up-front' cash price of our systems to customers while selling, favoring a PAYG sale
- We added a step in the pre-sale 'prospecting' stage to ensure consumers were aware of the option and price to purchase a Sun King EasyBuy (PAYG) product up front
- Customers must now complete a conversation with our Customer Care Center (head office based call centers) where a CC Agent explains all the options to purchase (up front vs. PAYG), the pricing plan

GOGLA consumer  
protection program  
2020



# Consumer Protection program work streams

## Developing the CP Code

- **Develop the assessment framework.**
- **Review & refine Principles & Indicators.**
- **Monitoring & accountability mechanisms.**
- **Commitment & Endorsement list on website.**

## Tools & Guidance for companies

- **Toolkit (GOGLA Academies, webinars & guidance notes).**
- **Consumer Protection Survey Tool.**
- **Research (Consumer insights 2 publication, etc) and data (e.g. benchmarking).**

## Raising awareness & promoting uptake

- **Outreach to companies, investors and other stakeholders.**
- **Articles, blogs, webinars, events, social media.**
- **Policy and regulation.**
- **Country-level initiatives.**

## Consumer Protection community

- **Consumer Protection Working Group – consultation & coordination.**
- **CP Code Affiliates – sharing & supporting.**
- **Coordination with other initiatives.**

# How should GOGLA ensure companies have done a self-assessment?



**“GOGLA should ensure companies are delivering on their commitment.**

**It will build the credibility of the CP Code and help mitigate risks in the sector.”**

**“GOGLA should leave companies to implement the CP Code by themselves. It is an industry association, not the police.**

**Companies face enough regulation and red tape.”**



GOGLA requires companies to submit self-assessments.

GOGLA requires third-party (e.g. investor) to verify self-assessment has been completed.

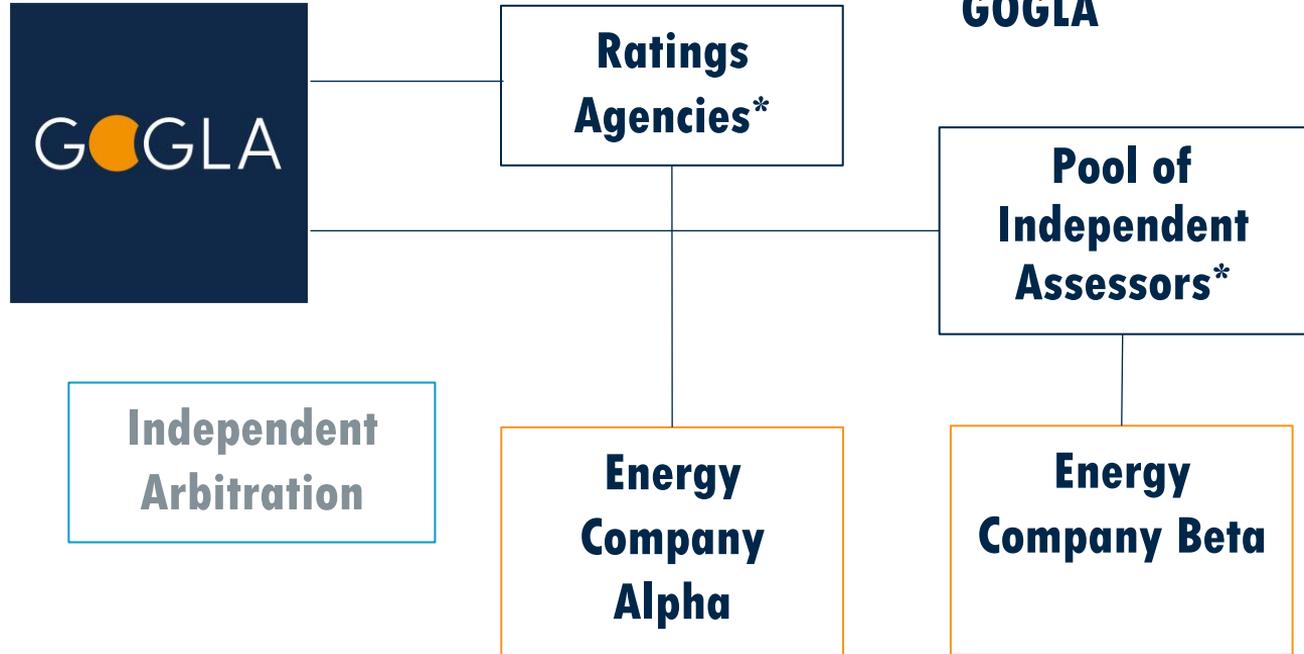
GOGLA requires a Director to submit letter saying a self-assessment has been conducted.

Awards / recognition for companies that submit self-assessments.

No verification of self-assessment completion.

## Possible structure of a certification / ratings scheme

- **Maintain standards.**
- **Accredit Assessors & Agencies.**
- **Host list of commitments / certifications on website.**
- **Promote CP Code.**
- **Market Analysis & Reports**



- **Assess companies**
- **Issue reports / certificates**
- **Report periodically to GOGLA**

\*It is envisaged that independent assessors would be appropriate for guided self-assessments, and a ratings agency more suitable for certification / rating.

## Consumer survey

- Representative results using mobile phone survey
- Qualitative & quantitative questions using tool.
- Rich insights and validation from customers.

- **Assessing a company's policies, processes and practices is valuable but misses consumers' perspectives.**
- **Capturing consumer voices can help validate the performance of companies and give insights to improve practices.**
- **Results may help to refine the indicators, for example by providing insights on financial overburdening.**

# A tool, service & new knowledge for the sector



## **GOGLA Consumer Protection Lean Data survey tool developed by 60 Decibels**

- **To measure performance of companies on the CP Code by speaking to consumers.**
- **Survey tool will be publicly available on GOGLA CP Hub.**

## **60 Decibels offer CP Lean Data service to companies**

- **Deliver Lean Data projects for companies.**
- **60 Decibels will develop a benchmark for GOGLA Consumer Protection performance to provide context for companies and learning for the sector (where sufficient projects are funded).**

## **Publication**

- **Aggregated and anonymised insights will be published (provided there is a sufficient number of companies involved to ensure they are unidentifiable) to share learning with the sector.**

## **Refining the CP Code**

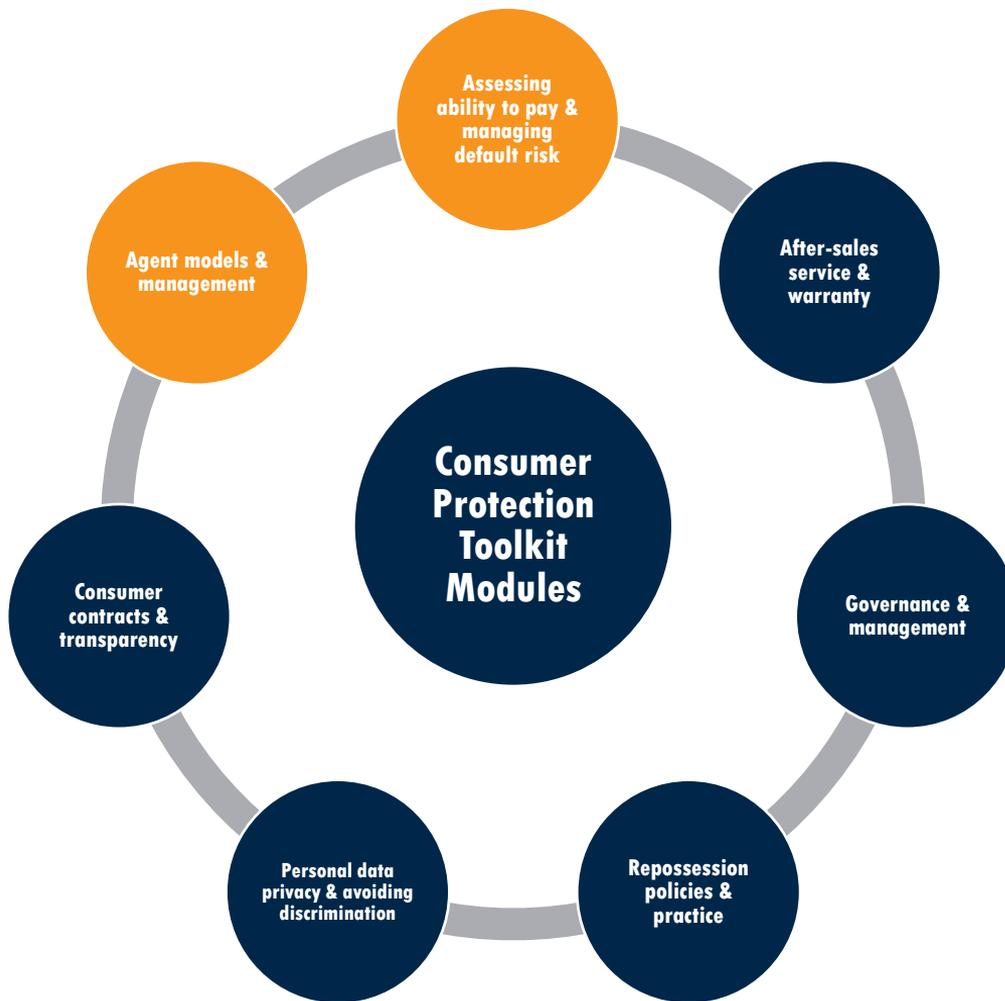
- **The insights and learnings will help review and refine the CP Principles and Indicators.**

Project led by

60\_\_decibels

In partnership with





-  [GOGLA Academy](#)
-  [Webinar](#)



## Digital finance

School loans, insurance, etc. through mobile wallet using product as collateral.

## Increase in appliance sales

Representing the lion's share of product cost. (Also increase in 'productive use' products to a lesser extent).

## Increased competition

for consumers (and agents) will increase marketing and sales pressures.

## Interoperability and compatibility

Common plug sockets and communications protocols to give choice and flexibility to consumers (though presents a quality assurance challenge).

## An eye on trends and innovations

## Quality vs Sales

Increased company focus on portfolio health, quality of sales and credit risk management.

## Data privacy and security

More data, more use cases, more risks.

## Government regulation

Thematic (e.g. data privacy) rather than CP-specific.

## “Leave no one behind”

A push to reach low-income and marginal groups.