Impact Summary

July 2020

Global Distributors Collective

The GDC is hosted by Practical Action, alongside implementing partners Hystra and Bopinc.
Introduction

The Global Distributors Collective (GDC) is a collective of last mile distribution (LMD) companies around the world. The GDC currently has 200 members, who operate in over 50 countries and have cumulatively reached over 26 million people with beneficial products.

Formally launched in October 2018 with the support of UK Aid and P4G, the GDC has been working for the past 18 months to help its members improve business performance and grow, and to build a collective voice for the last mile distribution sector. In this document we take stock of how far we’ve come, key lessons learned, and future plans.

Cover photo: Bopinc.
Our impact

70% of members* say the GDC has helped to build an LMD community

By bringing together and cultivating a community of practice, we are helping members to learn from each other, adopt best practices, and stop ‘reinventing the wheel’.

- In July 2019 we organised an event in Uganda that brought together 50 GDC members, as well as 30 sector experts. The event included interactive workshops, panels and site visits to see GDC members Anuel Energy and SPOUTS of Water in action. 94% of attendees reported they would make changes to their business thanks to the event.
- We have facilitated the exchange of knowledge and insights between members. This includes a podcast series featuring Altech, Pollinate Group and EcoFiltro and a webinar exploring lessons learned through online sales. The webinar showcased experiences from GDC members Easy Solar, Essmart, Frontier Markets and Shopit and was attended by more than 100 people.

60% of members* say the GDC has added value to their business or increased their impact

By providing members with support services, we are helping them build their capacity, be more efficient and effective in their operations, and fundraise more effectively.

- In 2019 we ran an innovation challenge for members, with applications from 34 members (over 50% of eligible membership at the time). Members voted on the ideas they most wanted to see piloted, and we are funding and supporting the four most popular innovations, driven by Ecobora, Bidhaa Sasa, Solar Aid and Mwezi. 67% of members* have said they are interested in replicating these innovations in their businesses.
- We have helped members access neutral, reliable product and supplier information, for example through a ‘remote tradeshow’ in May 2020. Members were able to discover new funding opportunities based on the knowledge gained.
- We co-created a series of training modules with GDC members and delivered these to a group of LMDs in East Africa. 73% of them reported implementing business model improvements based on the knowledge gained.

* Based on May 2020 survey of GDC members
78% of members* say the GDC has raised the profile of the LMD sector

By amplifying the collective voice of members, and supporting other stakeholders to understand and work with LMDs, we are unlocking support and capital for members so they can increase their impact.

- In 2019 we published the first ever State of the Sector report for last mile distribution, based on insights and data from GDC members. The report has been downloaded 2,649 times (1 June 2020), and 67% of members* said data from this report helped them to benchmark their organisation or better understand the LMD sector.

- We have helped secure sponsorship for members to attend major industry events, such as the Off-Grid Solar Forum in February 2020, and have worked with stakeholders including the World Bank, USAID, Acumen and GIZ to design programs and financing mechanisms to support LMDs.

- We published our second report in June 2020, focused on ‘Finding the sweet spot: identifying affordable quality solar products for the last mile’.

“The data in [the GDC State of Sector report] is astoundingly useful... As Acumen thinks about how it can best change the way the world tackles poverty, particularly in energy access, we’ll leverage the data in this report to see how we challenge our own assumptions and do our work more effectively and impactfully.”

Acumen
Responding to COVID-19

COVID-19 has presented new challenges for LMDs. Our priority has been helping members access relief funding and technical assistance to weather the storm and prepare for a post-COVID-19 world. This has included:

- working alongside partners and donors to unlock relief funding for LMDs, and partnering with Energy 4 Impact’s Crowd Power to help members access matched funding for their crowdfunding campaigns
- curating and generating resources for members via our COVID-19 resources hub
- helping members tackle key challenges, including via workshops on topics such as e-commerce and fundraising, and a partnership with CGAP to provide six GDC members with one-to-one technical assistance
- launching an innovation challenge for members focused on building resilience in last mile distribution.

Independent review highlights value of GDC

“The clearest indication of GDC’s value-for-money is the speed and effectiveness in which it emerged as a voice for the LMD community and a critical player in the international scene for delivering the SDGs. In a little over one year, the GDC has transitioned from a concept to an active association of over 140 members operating in 40 different countries - a testament to both the overall strong performance of the programme, and to LMDs’ demand for increased representation and support.”

Independent review of the GDC, undertaken by OPM in April 2020
What we need to do better

Here are some key lessons learned and insights gained about how we can better represent and deliver value to our members, and to the sector as a whole:

- **Our members are our biggest asset, but it takes time and effort to build an engaged community.**

  It is essential that we are trusted by our members, understand their strengths and challenges, and design our activities in close collaboration with them. But maintaining relationships with 200+ members – who have diverse models, challenges and needs – and engaging with them in a meaningful way is resource intensive. Members want to share knowledge and collaborate, but to date we’ve only been able to facilitate this in a fairly limited way. We think there’s a lot more potential to be unlocked in this area, at the regional and national levels as well as the global level.

- **We need to do more to support members who operate outside the energy access sector.**

  83% of our members sell clean energy products (lights, appliances, cookstoves and/or fuels) and our primary funding has come from the energy access sector. As a result, many of our activities have been skewed towards supporting energy distributors. But one of the GDC’s differentiating strengths is that it operates across themes, allowing cross-sector fertilisation. We need to build new partnerships and provide more opportunities for those members selling water, agriculture and health and nutrition products, so that we can truly represent the last mile distribution sector as a whole.

- **Members report their #1 barrier is access to finance, and need more support to overcome this.**

  We have shared a wealth of funding opportunities with members, advised investors and donors on their funding strategies and brokered partnerships between members and funders. But a lot more work is needed to understand the issues both on the supply and demand side, and to design meaningful interventions that can help unlock funding, without distorting the market.

- **Effectively balancing our workstreams is a challenge.**

  We are still asking ourselves: have we found the right balance between ‘tried and tested’ activities, and more innovative, potentially more impactful but more risky activities? Have we found the right balance between activities providing direct support to members, and activities focused on wider systems change? These remain live questions that we will seek to answer as we move into the next phase of the GDC.
What’s next for the GDC?

A roadmap for the next three years

- Over the last 18 months we have deepened our understanding of member needs and system-level gaps. As we move into our next phase, we are focusing on ways to help members bounce back after COVID-19, and further expand their reach and impact.
- Over the next three years we will likely prioritise five areas to be honed and fleshed out over the coming months, in close collaboration with members:

1. Improving sales and aftersales efficiency
2. Developing new financing tools and mechanisms
3. Testing centralised purchasing and logistics services
4. Brokering partnerships and building a community of practice
5. Generating data and insights

- We will also look to establish the GDC as an independent member entity, in order to cement our standing as a credible voice for the last mile distribution sector.

Interested in working with us?
Get in touch! GDC@practicalaction.org.uk

The GDC is made possible thanks to support from:

www.globaldistributorscollective.org