

Lekela

The Power of Sex-disaggregated Data in **Prioritizing Interventions**

Reducing Gender Gaps in Leadership and Community Investments in Renewable Energy Operations in Africa

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IN PARTNERSHIP WITH









Introduction

Between 2010 and 2019, more than one billion people gained access to power globally, but about 760 million people are still in the dark. About 640 million of these people live in rural areas—far from the electricity grid—and 570 million live in Sub-Saharan Africa (SSA).¹ For millions of others in SSA, access to power remains unreliable or unaffordable.

Renewable energy is growing rapidly as an alternative solution in Africa. By 2040, renewable energy could account for more than 60 percent of new power generation in SSA, and this expected expansion will create new jobs.² In 2020, the International Renewable Energy Agency (IRENA) estimated that the RE sector employed 219,000 people in SSA, and about half of these jobs (110,000) were in the off-grid solar photovoltaic (PV) sector.³

Despite the growth in renewable energy jobs, women are being left behind—they are lagging men in both leadership and technical jobs. This trend is a concern because a large body of evidence demonstrates that having women in leadership positions, and a gender-balanced workforce, positively correlates with a company's innovation, resilience, quality of services, reduced financial and reputational risk, and improved environmental standards.⁴ A company is gender balanced when it has between 40 and 60 percent of either gender at all levels of the organization. ⁵ In sum, diverse companies are more competitive than their peers.

As the world continues to embrace cleaner sources of energy, it is critical to ensure that women are not excluded from the transition to green energy, and that they benefit from new opportunities as leaders, employees, and entrepreneurs in corporate supply chains. There is ample evidence on the business case for women's participation in the energy sector, yet the renewable energy sector remains dominated by men.

Women in the renewable energy sector face barriers to entry and promotion, particularly in STEM-related positions.* While data show that women are under-represented in better-paying technical jobs in the renewable energy sector globally, these trends are exacerbated in Sub-Saharan Africa, where the available data show a low level of awareness about the importance of integrating women in the companies that design and deliver energy services.

A 2022 International Finance Corporation (IFC) study found that in Sub-Saharan Africa more than 30 percent of women working in renewable energy work in corporate support functions such as administration, communication, finance, and sales.⁶ In contrast, only 13 percent of STEM and 16 percent of technical non-STEM positions are occupied by women (Figure 1). Women encounter numerous barriers, many of which are rooted in workplace policies and practices in recruitment, retention, and promotion that do not effectively address the challenges that women face, such as a lack of opportunities, a persistent pay gap, and a lack of flexible work options.



Figure 1: Women RE Enterprise Employees, by Department (%)

About IFC's Energy2Equal (E2E)

In 2019, IFC, in partnership with the Government of Canada, launched the five-year <u>Energy2Equal</u> (E2E) program the first Sub-Saharan Africa initiative to address gender gaps in the renewable energy sector.⁷ A key component of the initiative is a peer-learning-platform where to companies have exchanged best practices on implementing gender-smart solutions that can help to improve business performance, foster innovation, attract more talent, and better engage with communities. This "E2E Company Insights," report is part of a series of short studies that highlight successful gender equality approaches taken by companies that are participating in E2E as they enhance their recruitment, retention, and promotion of women.

About IFC's Sustainable Infrastructure Advisory

The Sustainable Infrastructure (SI) Advisory Unit in IFC's infrastructure department helps to address sustainability challenges, while increasing benefits to local communities. The SI unit offers a range of solutions to tackle social and environmental risks while ensuring that development benefits are shared locally, specifically with women and youth. Gender equality is addressed by strengthening the capacity of clients, communities, and project teams to identify and address gender gaps and ensure benefit to all local stakeholders.

About Lekela Power

Founded in 2015, Lekela Power (Lekela) is a renewable power generation company that delivers utility-scale projects. In 2021, the company's portfolio, which includes over 1 gigawatt (GW) of wind power in operation across Egypt, Senegal, and South Africa, generated 2,800 GW of zero-carbon energy and avoided emitting 2.4 million tons of carbon dioxide (CO2).

The Gender Diversity Challenge

In 2019, Lekela joined <u>IFC's Energy2Equal</u> (E2E) peer-learning platform to gain insights on how it could increase women's participation in the company's leadership and workforce and learn from global best practices. For instance, sex-disaggregated data is a powerful tool for identifying gender gaps. This data can be used to develop effective mitigation strategies, create gender-smart solutions, track progress, ensure accountably, and monitor the long-term business impacts of investing in women.

As a partner in the E2E platform, Lekela made a public commitment to help close gender gaps and increase women's participation in the renewable energy sector. In 2020, IFC's SI Advisory team partnered with Lekela to help meet this commitment, starting with a gender assessment.

Initially, Lekela intended to conduct a project-level gender assessment at it's large-scale wind power project in Senegal, the Project Eolien Taiba N'Diaye (PETN), and integrate gender-smart business practices into project implementation via an approved Gender Action Plan however; Lekela subsequently saw value in broadening the scope of the gender assessment and expanded it to a corporate wide exercise that included four entities: its United Kingdom headquarters (HQ), and its regional offices in Egypt, Senegal, and South Africa. The broader gender assessment had the following objectives:

- Identify gaps that could impact women's ability to participate in Lekela's leadership, workforce, supply chain, community engagements, and investment efforts.
- Identify opportunities for enhanced corporate competitiveness as a result of greater gender inclusiveness.
- Understand how the regional differences and operating models among Lekela's projects in different countries influences gender policy and performance and identify opportunities for cross-regional comparison and learning.

Addressing Gender Gaps in the Workforce and at the Board levels

IFC conducted the gender assessment using a robust methodology that included key informant interviews, focus group discussions, and data analysis. The IFC team collected and analyzed gender-disaggregated data on Lekela's workforce, leadership, supply chain, and community engagement.

The assessment looked at sex-disaggregated data for each operation at the board level, at the workforce, senior and middle management levels, and in technical levels, and found gaps in key roles at Lekela's Headquarters and at the three regional offices. In 2019, women held 12 percent of board positions (Figure 1). At the workforce level, Lekela employed a total of 69 people, 39 percent of whom were women. However, women comprised only 29 percent of senior and middle management and female employees in technical roles were underrepresented. Lastly, women were unevenly distributed across the various operations. For instance, while women comprised 65 percent of Lekela's workforce in South Africa (11 out of 16 people), at Lekela's new wind project in Senegal, only 16 percent of the employees were women (3 out of 19 people).

Prior to IFC's gender assessment, Lekela had implemented some gender-smart approaches across the company. For example, it included workforce equal opportunity clauses in job postings, it increased the number of women who were shortlisted for jobs, and it offered flexible work hours. The assessment provided Lekela with an opportunity to continuously improve itself. For instance, it began comparing recruitment and retention approaches among the three country operations in South Africa, Egypt, and Senegal. This exercise allowed it to see blind spots and address the issues by developing action plans that were consistently deployed across the company.

Educating Women in Renewable Energy

Lekela is supporting women into the field of engineering and renewable energy through education and training. During the construction of our wind farm in Egypt, Lekela trained three women through an apprenticeship programme. The apprentices experienced on-site training at its West Bakr Wind Farm for three months, following which, they were seconded to an operational wind farm nearby to gain experience in operations and maintenance. Continuing this scheme, Lekela aims to support women with STEM education and roles in renewable energy, while tackling the skills shortage in the regions where it operates.



Based on the assessment's recommendations, Lekela established a Diversity and Inclusion Working Group, which meets regularly to review and report on progress, internally, and it rolled out training to reduce unconscious gender bias for all Lekela's employees. The company is also standardizing several recruitment and retention policies and procedures across its operations. For example, it is recruiting female interns and recent graduates for technical roles, conducting targeted recruitment of women for technical roles, and requiring recruiters to include an equal number of women and men on the short lists for jobs.

Lekela's commitment and investments to increase the number of women in its leadership and workforce have resulted in more women joining the Board and working in other areas of the company. To hold itself accountable, it began publishing data on gender performance in its 2020 Sustainability Report. The number of women on Lekela's Board increased from 12.5 percent in 2019 to 29 percent in 2021 (Figure 2). In addition, Lekela increased the number of women in senior management from 29 percent in 2019 to 37 percent in 2021.⁸ While female representation in the total workforce saw a small decline, from 39 percent to 37 percent, the overall proportion of women who were hired increased by 10 percent, and women now comprise more than half of all new employees. Further, 40 percent of the total wind farm workforce were local hires from the host communities.

Area	Indicator		Unit measure	2016	2017	2018	2019	2020	2021
Workforce: Lekela	Lekela HQ +Project Company		#	-	-	39	69	83	92
	Gender diversity by level	Board	%	-	-	12.5%	12.5%	25%	29%
		Senior Management	%	-	-	20%	29%	29%	37%
		Total workforce	%	-	-	36%	39%	41%	37%
	New Hires	Total	#	-	-	16	21	15	17
		Women	%	-	-	19%	43%	47%	53%

Figure 2: Company Sex-Disaggregated Data, Lekela HQ + Project Company

Source: Lekela Sustainability Report 20219

Gender-diversity in the supply chain

In the global infrastructure supply chain, there are fewer women-owned businesses than men-owned businesses and the findings were similar at Lekela. Through the 2020 gender assessment, IFC identified gaps in the collection of gender-disaggregated procurement data. Where data was available, women-owned businesses were clustered around cleaning and maintenance, and bird and bat watching services; however, there were few women-owned businesses in engineering and technical products and services.

In 2021, Lekela expressed interest in partnering with IFC to undertake a value chain analysis of wind energy production and distribution in South Africa to identify entry points to support women-owned businesses, and to design a pilot program to support women-SMEs in one of Lekela's South Africa windfarms; however, the project was paused due to internal developments at Lekela.

Integrating Gender in Community Investment Plans in Senegal

Lekela's corporate strategy is anchored in sustainable practices, including fostering long-term economic development opportunities in the host communities where it operates. It specifically works to empower women in the communities through education, entrepreneurial support, and environmental initiatives to create a positive impact that will be felt for generations. In 2021, Lekela invested \$3.8 million in the three African countries where it operates, and this is benefiting more than 800,000 people, of whom 55 percent are female.

In Senegal, where Lekela began operations in 2018, the Project Eolien Taiba N'Diaye (PETN) was the first large-scale wind power project in the country and is the largest wind farm in West Africa. As a key component of the national development plan "Sénégal Émergent 2035," the 158-megawatt wind farm has provided a 15 percent increase in the country's power generation capacity, and it is expected to provide clean energy for more than 2 million people.

The project will significantly improve the energy mix in Senegal, while also creating shared value for the project's stakeholders, and especially the host communities. The wind farm projects are often located in areas that experience development challenges, including low levels of formal education, limited opportunities for skilled employment, insufficient healthcare, and a lack of infrastructure for marketplaces. With every Lekela wind farm project, a long-term investment plan is put in place to make sure the local community benefits in a sustained way from the project's presence. The PETN has planned a series of socio-economic activities that will benefit the population in Taiba N'Diaye through a significant community investment of up to \$20 million.

To support successful community investments that address gender issues, in 2021, IFC's SI Advisory team conducted training on how to carry out a community gender assessment, as a follow on to the corporate level gender assessment it had already done. This framework was developed in-house by IFC and included accompanying tools and questionnaires.



Before the PETN project, women sold fruits and vegetables in roadside markets that were not protected from the sun, wind, and rain. These attracted few customers and generated little income.

Lekela funded the modernization of two key markets to provide a safe environment for women entrepreneurs. The improved environment increased their incomes.

Lekela's community liaison officers and other community engagement staff across the Senegal, South Africa, and Egypt operations attended IFC's training sessions. These sessions helped build capacity on how to apply a framework for conducting community gender assessments.

Following the training, PETN implemented the community gender assessment, with the support of IFC on inputs and reviews. This assessment identified two key challenges for women-owned businesses:

- Lack of access to market infrastructure: Women traders at roadside markets earn their main income from street sales, but these markets were open air, with no shelter from the sun, wind, and rain. This lack of a functional, secure, and clean facility discouraged customers, which impacted the women's ability to generate sales and earn an adequate income from their micro businesses.
- Lack of business management skills: While women are actively involved in micro and small business, these are not run professionally, and they are not profitable. A diagnosis of 25 women-owned businesses identified the need to substantially improve business management skills, and this need was subsequently included in Lekela's socio-economic investment plan for the project.

The Host Community Gender Response

Following the community gender assessment in 2021, Lekela developed an action plan to implement gendersensitive social investments, which prioritized financing market infrastructure. That year, more than 50 percent of participants in community investment initiatives were women and girls. The program achieved the following results:

- Two modernized markets were built near the Taiba wind project in Senegal to provide a safe operating environment for local women traders. This led to greater income for the women traders, and the number of women traders increased by 25 percent in Taiba Ndiaye, and 80 percent in Mbayenne.
- The PETN project is delivering community-level renewable energy initiatives that are supporting enterprise creation and women's empowerment. In 2022, Lekela installed a total of 15kW of solar PV systems for three women-owned businesses. These solar systems are powering processing and cold storage equipment, which improves the quality of the products, expanding access to markets, and increasing incomes for the women entrepreneurs.

"The Taiba markets were built with the aim of allowing the women to conduct their small businesses and sell fresh products in safe conditions, and to increase their income. We can say from the results of the surveys we have recently conducted that the results are beyond our expectations."

Taiba ESG Manager

Conclusion

Lekela recognizes that, historically, women have been underrepresented in the energy industry and that having more women is important for corporate competitiveness. Utilizing sex-disaggregated data and applying a gender lens to all its operations is helping the company to recruit more women for its group Board and senior management roles. Further, Lekela continues to prioritize attracting more women for technical roles. Lekela's efforts are backed by detailed sex-disaggregated data and the company keeps itself accountable through annual public reports such as its <u>Annual Corporate Sustainability</u> <u>Report.¹⁰</u>

Lekela recognizes that focusing on investing in women in its host communities is an important part of building a sustainable business. It is keenly aware that women in these host communities have experienced entrenched inter-generational gender inequalities, and the company has made commitments, and taken proactive steps to reduce economic disparities between women and men.



End Notes

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Creating Markets, Creating Opportunities

