

Table F.4: Peru: Impact on Microenterprises

	Propensity to operate ME	Hours worked	Value of worth	Revenue	Revenue +
House quality index	0.7				
Household has electricity		0.59	0.41	-0.23	-0.08
Education of household head = 1	-0.11				
Education of household head = 2	0.05				
Entrepreneur education level = 1		0.22	0.68	0.63 ^a	0.33
Entrepreneur education level = 2		-0.16	0.82 ^c	0.45	0.19
Entrepreneur head of household		1.65 ^a	-0.16	-0.58 ^a	-0.41
Age of head of household	-0.28				
Age of entrepreneur			1.69 ^b	0.74 ^a	-0.03
Dependency ratio [0 – 14/15+]	0.09				
Male entrepreneur		0.3	0.87 ^c	0.64 ^b	0.12
Business is the main occupation of entrepreneur		2.61 ^b	0.72 ^c	0.35 ^a	0.11
Years of operation (business)		0.19	0	0	-0.04
Business outside home (fixed)		2.05 ^a	0.17	0.57 ^a	0.24
Mobile business		-0.54	-0.83	0.24	0.48 ^a
Retail business		1.95 ^a	0.76 ^c	0.79 ^b	0.53 ^a
Service business		1.09	0.25	-0.2	-0.34
Household hours in business					0.06 ^a
Value of business					0.48 ^b
Road index	-0.73 ^a				-0.27
Price of candle	-1.68				
Price of kerosene	0.27				
Reservation wage (community average)	0.08				
Community electrified	0.24				
3 regional dummies suppressed					
Constant	0.73	2.49	-0.29	4.14 ^b	2.01
Observations	1338	524	524	524	524
F-stat	1.63	5.22	6.23	8.12	22.44

Note: ME = microenterprise.

a. Significant at 5 percent.

b. Significant at 1 percent.

c. Significant at 10 percent.

Table F.5: Ghana: Impact on Microenterprises

	Propensity to operate ME	Equipment purchased	Hours worked	Revenue	Revenue +
House quality index	0.17				
Household has electricity		0.12 ^c	0.32	0.08 ^b	0.07
Education of household head	-0.13				
Education of household head	-0.25				
Education of household head	0.01				
Education of household head	0.89 ^a				
Entrepreneur uneducated		-0.09 ^b	0.26	-0.01	-0.01
Female head of household	-0.1				
Entrepreneur head of household		0.03	0.36	0.03	0.02
Male entrepreneur		0.24 ^a	-0.55	0.11 ^c	0.10 ^c
Dependency ratio (0-14s/15+)	0.08 ^b				
Age of head of household	-0.62 ^a				
Age of entrepreneur		0.11 ^b		-0.09 ^b	-0.08
Years of operation (business)		0.02 ^b	0.18 ^b	0.04 ^a	0.04 ^a
Manufacturing business		0.19 ^c	-0.06	-0.16 ^a	-0.18 ^a
Service business		0.28 ^a	0.35	-0.26 ^a	-0.30 ^a
Value of equipment					0.10 ^b
Household hours in business					0.01 ^b
Distance to road	-0.03				0.01
Price of kerosene	-0.20 ^b				
Community electrified	0.35 ^a				
10 regional dummies suppressed					
Constant	2.17 ^a	-0.31	4.83 ^a	0.44 ^a	0.38 ^c
Observations	3,938	1,742	1,742	1,742	1,675
F-stat	5.39	6.81	3.62	28.57	8.1

Note: ME = microenterprise.

a. Significant at 1 percent.

b. Significant at 10 percent.

c. Significant at 5 percent.

enterprises and enterprises that were operating a manufacturing or service unit. Male entrepreneurs were likely to invest more in equipment, as were entrepreneurs who were educated. In Peru, because of lack of data on equipment, the net worth of the microenterprise was regressed instead. The worth of the enterprise was likely to be higher for older and educated entrepreneurs. Mobile businesses, not surprisingly, were likely to be of low worth. Philippines ESMAP data and the Lao PDR data set do not have information on equipment owned by the microenterprise.

The revenue of the enterprise was higher for fixed and retail businesses in Peru, lower for manufacturing and service units in Ghana, and higher for retail businesses in Lao PDR. Older enterprises were likely to have higher earnings, as were enterprises operated by men in Ghana. Household hours put into the business were positively related to revenue/profit earnings of the microenterprise for Peru, Ghana, and the Philippines. Stock of equipment and worth of the microenterprise were positively related to revenue/profit earnings of the microenterprise in both Peru and Ghana.

Table F.6: The Philippines: Impact on Microenterprises

	Propensity to operate ME	Hours worked	Income	Income +
House quality index	0.18			
Household has electricity	0.59 ^a			
Male household head	-0.08	-0.99	0.64	0.76
Age of head of household	0.41 ^b	-2.83 ^a	2.19	2.2
Household education (in years)	0.04 ^b	-0.15 ^c	0.34 ^a	0.34 ^a
Dependency ratio [0-14/15+]	0.07 ^c			
Cultivators	-0.13			
Commercial farming	0.19			
Livestock rearing	0.18 ^c			
Finland fishing	-0.54			
Sari-sari store		3.11 ^a	1.86 ^b	1.60 ^c
Business is the main occupation of entrepreneur		0.77	0.4	0.05
Business uses electricity		1.47 ^b	1.74 ^b	1.64 ^b
Business uses kerosene		-0.21	1.02	
Business uses biomass		-0.43	0.53	
Business uses liquefied petroleum gas		-2.09 ^b	1.02	
Hours worked in business				0.14 ^c
Price of dry-cell batteries	-0.03			
Time taken to collect water	0.01 ^b			
3 regional dummies suppressed				
Constant	-3.29 ^a	15.11 ^a	-10.44	-10.53
Observations	1,979	250	250	250
F-stat	8.29	6.75	11.2	10.23

Note: ME = microenterprise.

a. Significant at 1 percent.

b. Significant at 5 percent.

c. Significant at 10 percent.

Electrification status of the household was significantly and positively related to equipment and earnings in Ghana, but not hours worked; it was positively related to hours worked and revenue earnings in the Philippines and to revenue earnings in Lao PDR. All three equations were found to be independent of the electrification status in Peru. The channel of electrification is clear in Ghana, where the variable capturing electrification status of the household becomes insignificant once the hours and value of equipment are added as regressors in the revenue equation. In the

Philippines, the variable capturing use of electricity in home business is significant even when hours worked is added as a regressor. One possible explanation, stemming from the Ghana analysis, may be that electricity is capturing electrical tools used in businesses.

Electrification has a small but significant impact on the revenue earnings of the microenterprise. The possible channels are increase in number of hours worked per day by the household members and use of electrical equipment.

Table F.7: Lao PDR: Impact on Microenterprises

	Propensity to operate microenterprise	Business income
House quality index	0.41 ^a	
Household has grid		0.53 ^b
Household has electricity		0.17
Household education (in years)	0.07 ^b	
Dependency ratio (0–14/15+)	–0.10 ^c	
Number of businesses		–0.11
Business is the main occupation of entrepreneur		1.45 ^b
Home-based business		–0.19
Retail business		1.39 ^b
Pieces of farmland owned	0.00	
Distance to road	–0.01	
Price of electricity	0.13	
Price of diesel	–0.03	
Community electrified	–0.13	
15 regional dummies suppressed		
Constant	–2.26 ^b	14.02 ^b
Observations	5,446	529

a. Significant at 5 percent.

b. Significant at 1 percent.

c. Significant at 10 percent.