IN BoP THERE IS NO “READY-TO-GO” MARKET

Micro Energy Enterprise
Approach for Energy Access

Business Model
Build-Own-Operate-Maintain
Franchising model
Un-organized micro-enterprise network

Finance
Convergence of traditional aid and
innovative start-up finance

Marketing
Word of mouth

Enabling Environment
Unconventional partnerships of public,
private, and community institutions

Advantages
Market Creation: Micro Energy Enterprise Approach
- Addresses evolving needs
- Requires lesser seed fund and fosters demand aggregation
- Localizes retail and after sales service of quality products
- Enables transition of communities from aid to enterprise approach
- Integrates with grassroots institution such as women Self-help Groups
- Triggers frugal innovation: Solar Home Light System and Integrated Domestic Energy System and augments uptake of entrepreneurship

Physical targets drive decisions
Lack of value chain linkage
Scale-up issues due to low repayment rates
High staff attrition rate and longer breakeven period
Competition from grid infrastructure

Short-term solution & no after sales service

Pure Grant
Conventional approaches in Bottom of Pyramid (BoP) segments
Decentralized Market

300 Million People Lack Electricity
700 Million People Live without Clean Cooking Access
700 Million People Lived below USD 1.90 per day in 2013, globally
TERI HAS HARNESSED A CADRE OF MICRO-ENERGY ENTREPRENEURS

2005
5 women entrepreneurs take up operations and maintenance of Solar Charging Stations in India

2007
TERI commits to bring energy access to 2000 villages in India

2008
“Lighting a Billion Lives” initiative launched as a targeted entrepreneur-led mission for poor people

2009
Empanel manufacturers and helps them improve product quality and introduce newer product features

2009
Solar facility bundled with India’s digital governance vehicle “Common Service Centres” across 3 states

2010
Initiates commissioning of solar mobile charging facilities in 10 states

2011
Nurtures village entrepreneur network in and around forests and national parks in India

2012-2015
Facilitates market value chain creation for energy access

“Lighting a Billion Lives”

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Incentives for manufacturing Advanced Biomass Cookstove
Support for machinery and improving the manufacturing process
TERI’s patented cookstove design on a royalty-free basis
Access to retail chain network

Lives impacted
Based on Grant/Equity
2007 to 2011
514,000+

Based on Grant/Equity + Market Creation approach
2012 to present
4,950,000+
(10x growth)

Project Surya disbursed over USD 60,000 to 4,000 plus women for offsetting black carbon through usage of advanced biomass cookstove

Upto 60% loan from JEEVIKA to over 30,000 self-employed women in Bihar, 40% VGF from DFID-TERI and PFC-TERI partnership

Regional Rural Bank provides consumer finance to rural households and weavers

CLIMATE CREDIT

INITIATIVES TO HARNESSE MICRO-ENERGY ENTREPRENEURS

Lighting a Billion Lives

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Efficiency
Cost/Kwh
Income Level
Market Creation
Desentralized Distributed Service
Centralized Grid

No Access
No Market
Market Exists