

Renewable Energy for Providing Energy Access in Rural Mali

Learning from Successful Experiences in Mali.

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Proceedings at:

http://www.inforse.org/europe/conf12_COP18-side_event_INFORSE-HELIO.htm



Mali-Folkecenter Nyetaa and its partners are working on the ground with communities to pilot models that help bridge the gap between energy providers and energy end-users (The African Rural Energy Enterprise Development-AREED).

- The AREED approach has been implemented in Mali, Senegal, Ghana, Zambia and Tanzania
- **On the Supply side:** It combines Enterprise Development Services (EDS) with start-up finance to stimulate enterprise creation in the RE sector
- **On the Demand side:** It provides End User Finance to stimulate the productive uses of of the energy supplied by the entrepreneurs



AREED Approach



Intermediaries: national/international NGOs

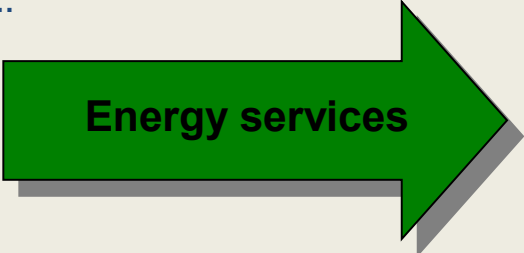
Supply side

Enterprise Development Services (EDS)

- Identification, training,
- Elaboration of Business plan
- Marketing and communication
- coaching
- Etc...

Demand side

Entrepreneurs



End users of energy (productive and domestic uses)

Start-up + 2nd stage financing

End User Finance

Short-term: in-house Investment Facility
Long-term: **Financial institutions**

Credit line

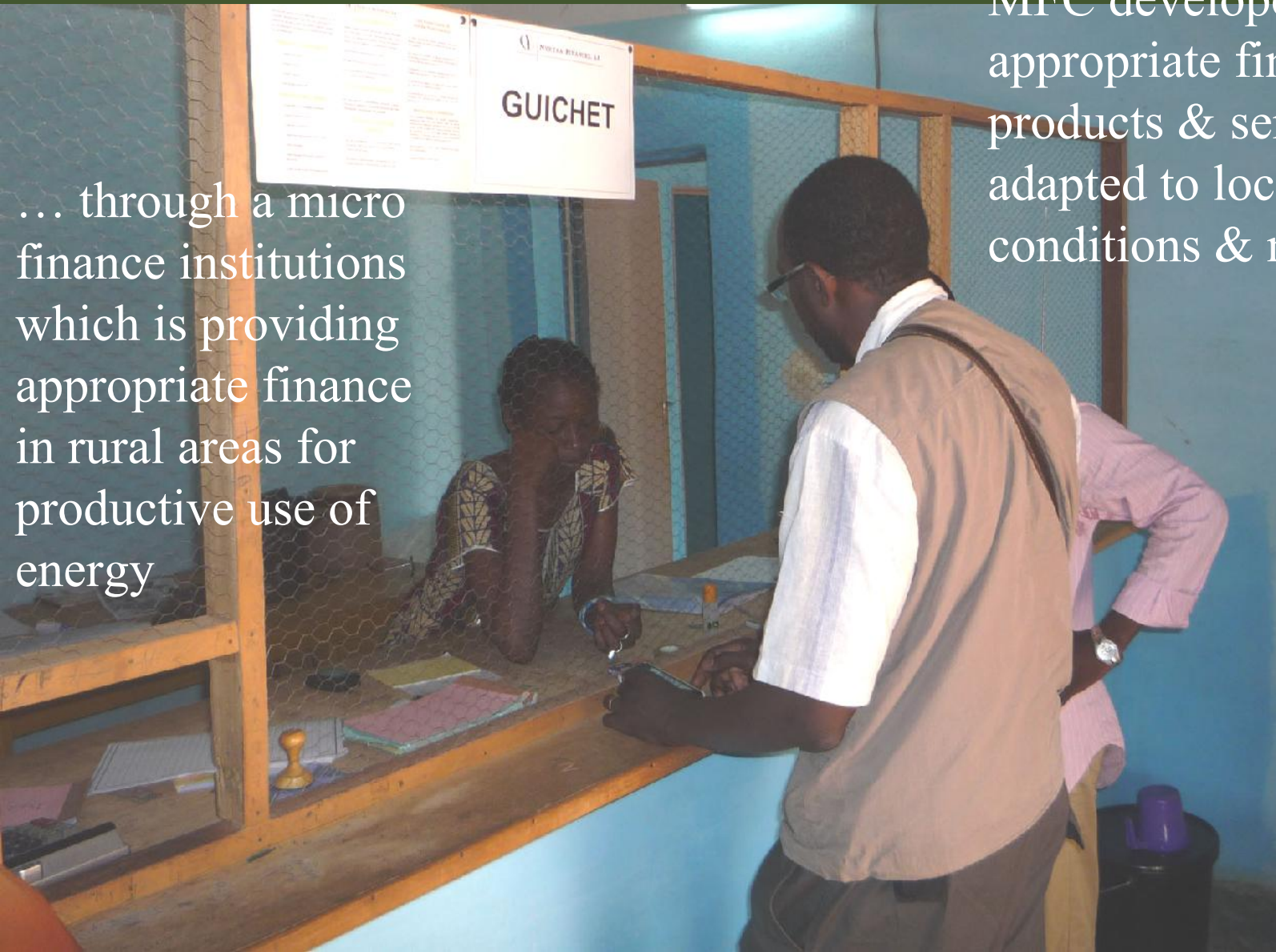
Key payers: MFIs and regular Financial Institutions



Innovative finance:

... through a micro finance institutions which is providing appropriate finance in rural areas for productive use of energy

MFC developed appropriate financial products & services adapted to local conditions & needs

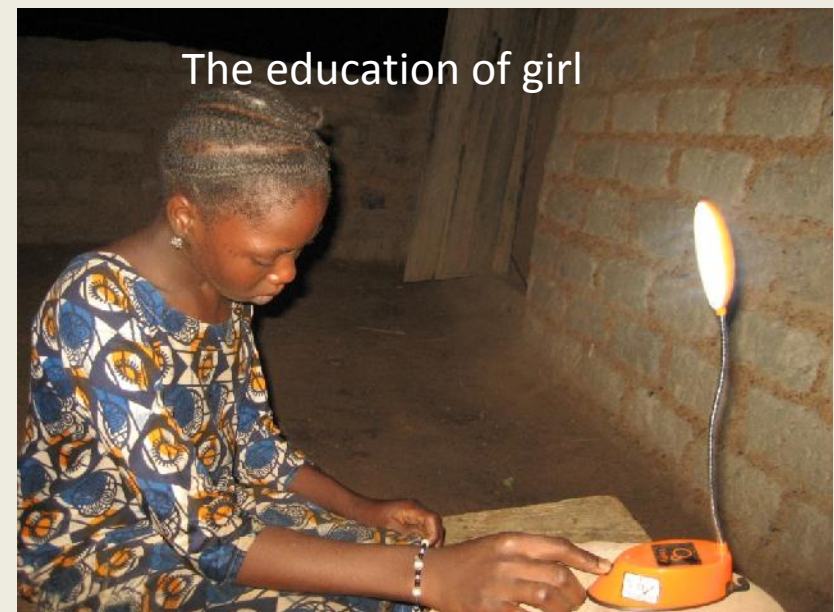


Using the AREED approach:

- ✓ A **solar lighting kits distribution chain** has been developed. The clients has two options to acquire the solar kits:
 - *Payment by cash or,*
 - *Sign a credit agreement with the MFIS. The client must be member of the cooperative, or guaranteed by one other member of the cooperative,*
- ✓ This model **allow women cooperatives to become retailers of the solar kits** among theirs members,
- ✓ It also allow **small villages to get access to better lighting** system (versus kerosene lamps)



Benefits for End Users





Energy for Productive Uses





Lessons learnt

These experiences demonstrate that:

- If **Rural poor can access funding through appropriate financial mechanisms** that enable them to pay by installments, **they can be valuable providers and consumers of renewable energy services** on a commercial basis and not as charitable recipients,
- There is **potential for incubating socially-owned, profitable and sustainable business in the RE Sector** through local retailers, cooperatives, etc



MFC NYETAA

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Awnitié from Mali, MERCI, Thank You

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