

SEED Awards 2010

for entrepreneurship in sustainable development

Solanterns : Kenya

Replacing one million kerosene lamps with one million solar lanterns

Project description

Solanterns offers smoke-free, brighter solar lanterns at a lower cost than kerosene lamps; thus, health risks, and fire and environmental hazards are reduced, and investments opportunities are created for microentrepreneurs.



Business model

Solanterns builds on existing institutional distribution channels and rental services to reach poor customers and convince people to go solar.

High-visibility brand stores, cooperative societies, micro-finance institutions and others serve as sales points, partly offering financing for the purchase.

Youths are trained as micro-entrepreneurs to rent out lanterns to households who cannot afford the upfront investment. Over three years, households can either spend US\$ 146 on kerosene or US\$ 25 on a solar lantern.



Scaling up activities in 2011

- Distribute 20,000 solar lanterns (contributing to the goal of one million solar lanterns).
- Train 500 youths as freelance sales and rental agents.
- Raise US\$ 400,000 part equity and part working capital to scale up operations.
- Establish partnerships with youth groups and microfinance institutions to scale up the rental model.

Immediate needs

- Financial support to set up a micro-credit scheme for youth entrepreneurs trained as sales agents.
- Working capital to leverage economies of scale for importation and distribution.
- Contact to youth empowerment and employment organisations to share the income generation model.
- Linkages to social investors.



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Partnership

- Renewable Energy Ventures (K) Ltd. is responsible for sourcing and distributing the lanterns, and raising funds.
- Bridgestaff Consulting Ltd. offers financial training to the micro-entrepreneurs in preparation for their business entry.
- K-Rep's Juhudi Kilimo is a micro-finance institution providing micro-credits to the youth entrepreneurs.



Social, environmental and economic impacts

Social impact: Solanterns helps to reduce health and safety risks associated with kerosene lighting: some 60% of child deaths in developing countries result from respiratory illnesses attributed partly to indoor air pollution; 60% of poisoning incidents are due to accidental kerosene ingestion by children.

Environmental impact: The initiative's environmental benefit is climate protection through reduced greenhouse gas emissions – some 100 tons per year for one thousand kerosene lamps replaced!

Economic impact: By saving US\$ 121 over 3 years for the cost of kerosene, those households living on less than a dollar a day reduce their daily expenses by 10%. Additionally, Solanterns creates new jobs by training and engaging youths from poor neighbourhoods.

Contact

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SEED Partners

SEED is hosted by the United Nations Environment Programme (UNEP). Other current partners are the United Nations Development Programme (UNDP); IUCN (International Union for Conservation of Nature); and the governments of Germany, India, the Netherlands, Norway, South Africa, Spain, the United Kingdom and the United States of America.







About the SEED Initiative

The SEED Initiative identifies and supports promising small scale social and environmental entrepreneurs around the globe, entrepreneurs that while working towards a greener economy also tackle poverty, marginalisation and social exclusion.

SEED provides these social entrepreneurs with know how and networks, taking the lessons learnt at local level up to decision-makers to promote evidence-based policy making.

More information: www.seedinit.org

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