









Village Energy is building a rural renewable energy technician network to service and sell solar systems. It recruits and trains technicians as franchisee entrepreneurs directly at the village level, providing vocational training, business set-up support, branded marketing, and spare part and product inventory.



# Village Energy, Uganda

#### **BUSINESS MODEL**

Village Energy recruits local mobile telephone repairers as franchisees and provides solar technician training at the community level. In contrast to other sales-only solar companies in the region, the enterprise enters the market by first repairing broken devices.

Its ability to work across brands and technologies, the development of multiple revenue streams such as phone charging and lamp rentals, and the commitment to repair much faster than other solar traders enable the enterprise to cost-effectively work directly at the village level.

# **ENTERPRISE FAST FACTS:**

	Location	Kampala, Uganda
	Year founded	2009
	Sector	Energy
	Product/Service	Solar system repair and sales

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# Social impacts:

- Reducing rural unemployment among young men, and delaying marriage and motherhood among young women by offering employment opportunities in their communities.
- Spreading the benefits of solar energy such as additional lighting hours, lower energy costs, reduced health hazards and risk of accidents.

# **Environmental impacts:**

- Reinstating community trust in solar technologies and proliferating the use of renewable energy to almost 100 villages.
- Reducing carbon emissions and indoor air pollution from kerosene lighting by 25 % and kerosene-caused accidents by 50 %.

#### **Economic impacts:**

- Establishing a new occupation to serve a burgeoning rural industry, averaging a monthly income of USD 150 per technician.
- Saving a family that adopts solar USD 70 80 per year in kerosene fuel costs, representing up to 25 % of annual income.

The most trusted person in the village is not who sells you the best product, but who fixes it when it breaks.

# Scaling up activities:

- Test the business performance of current franchise locations in comparison to an alternative model of shops owned and operated by the company itself for the first year, with the goal to expand from six to 21 shops by the end of 2015.
- Pilot a model to include young female graduates of vocational institutes, where the women start as employed shop managers and will be given the option to convert to independent franchisees after one year.
- Establish partnerships with solar manufacturers to provide in-warranty repair services in the field, saving them time, money, and brand reputation.
- Implement and test phone charging and lamp rentals, and pay-as-you-go solar lanterns as viable business models at all presently launched locations.



77 To date, Village Energy has set up six shops in rural Eastern Uganda, two of which are run by young women, that have repaired hundreds of solar products.



# **Partnership**

- Village Energy is a for-profit enterprise that runs the franchise network, trades solar products and provides training and business support for the village-level entrepreneurs.
- Centre for Research in Energy and Energy Conservation (CREEC) will provide training, testing and certification and will work on solar technicians' regulatory standards.
- Strathmore Energy Research Centre (SERC) has set up a training institute in Nairobi and developed the training curriculum, while continuing to provide advice and support.



The 2015 SEED Awards in Ethiopia, Tanzania, Uganda and Kenya are largely supported by the European Union, which is made up of 28 Member States who have decided to gradually link together their know-how, resources and destinies.

### **About SEED**

SEED identifies and supports promising small scale social and environmental enterprises around the globe, enterprises who while working towards a greener economy also tackle poverty, marginalisation and social exclusion. SEED provides these enterprises with know-how and networks, taking the lessons learnt at local level up to decision-makers to promote evidence-based policy making. For more information please write to info@seed.uno or visit:

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