



“MicroPowerEconomy” for Rural Electrification : Senegal

Provision of power supply to remote villages that optimises profitable operation

Project description

The goal of the initiative is to offer rural customers in Senegal reliable power supply through the innovative business model “MicroPowerEconomy” that enhances social, environmental and economic sustainability for both the rural customers and the power provider.



Business model

MicroPowerEconomy establishes stand-alone hybrid power systems for the environment-friendly and reliable electrification of rural villages while promoting the development of local enterprises to ensure the power supply's economic viability.

The business model is to provide green energy technology, micro-finance services and business training to stimulate local economic growth, while at the same time minimising risks to make rural electrification an interesting investment opportunity.

Scaling up activities in 2011

- Set up and train a team of local technicians for large-scale implementation of the MPE approach.
- Collaboration with different financial and political partners for the provision of both equity finance and public subsidies.
- Identify a total number of 50 villages (total population 50,000) suitable for MPE implementation.
- Start the scale-up phase by setting up village power systems in 10 Senegalese villages.

Immediate needs

- Provide sector-specific expert support for business plan optimisation.
- Broker contact with funding partners from the private sector to support scale-up.





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Partnership

- **INENSUS West Africa S.A.R.L. (Senegal)**
MicroPowerEconomy's lead partner, is a power provider for rural areas.
- **MATFORCE CSI (Senegal)** specialises in energy services and technology supply.
- **PAMECAS (Senegal)**: provides micro-finance services to rural customers and takes care of billing and accounting in the villages.
- **INENSUS GmbH (Germany)** has specific know-how about off-grid power systems and supplies technical core components made in Germany.



Social, environmental and economic impacts

Social impact: Social life will benefit from a reliable power supply for public lighting to enhance security and for healthcare to refrigerate medicines and vaccines. Lighting and media access in schools and households contribute to better education and information.

Environmental impact: MicroPowerEconomy mainly uses renewable energy sources (such as wind and solar power), which lead to a reduction in greenhouse gas emissions and to reduced dependency on imported fossil fuel.

Economic impact: MicroPowerEconomy supports rural development by providing a reliable electricity supply in combination with financial services, e.g. micro-loans. This opens new opportunities for income-generating activities, and helps create local jobs and a local circular flow of income, thereby reducing rural to urban migration.

Contact

Dipl.-Ing. Jakob Schmidt-Reindahl
Email: js@inensus.com

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

SEED Secretariat

info@seedinit.org