

New Financial Model & Innovations for Bangladesh

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Bangladesh Context

- 150 million people
- 60% without electricity
- Over 80% rural people without electricity
- *Lack of electricity and access to modern energy is one main causes of under-development*

“I dream of developing Bangladesh as one of the first solar nations in the world –to reach 75 million people by 2015”

A New Business Model is required

- We are installing 20, 000 Solar Home Systems per month
- At this rate , we will need 37 years to reach 50% of our people with Solar Energy

'We need a new business model to pave the way to sustainable & renewable energy based structure for our country. We also need an entrepreneur based structure'.

Limitations of the Existing Model

- It is subsidy / donor based , lacks in many cases innovations and efficiency
- Penetration rate is slow and expensive
- Monthly payment collection is challenging
- After sales maintenance is difficult
- Training manpower and retaining them in grass root level are also difficult
- Producing solar accessories at the community level is challenging
- Lack of varieties/options for the poor people

Key Elements of The New Model

- We need an entrepreneur based business model
- Cost effective, efficient and technology based solutions
- To achieve Economics of Scale and market based approach
- We need to connect the solar sector with the business sector to speed up the process of solar penetration in Bangladesh
- There is a growing market for solar both in the rural & urban areas
- Price reduction of Solar package

What We Need

- We need to create small to medium sized business companies all over Bangladesh
- We can link up local / village level entrepreneurs with these business companies to take solar energy to every nook and corner of the country
- IDCOL and other banks can provide low cost & long term funds to these companies
- Banks can also provide consumer finance

What We Need

Widening the Market

- Promoting Solar Lanterns through local Women / Youth Entrepreneurs who will also provide after sales service
- Small Solar Home Systems installation without down payment
- Linking Solar with more directly with productive activities such as power looms
- Different innovations for rural and urban areas – solar irrigation pumps, urban roof top program, replacing diesel generator, power in telecom tower by solar etc

What We Need

- Solar factories – joint ventures with international companies
- More solar accessories (batteries , charge controllers , wires etc) manufacturing businesses to create competition , reduce costs and inefficiency
- We can also gain the capacity to export solar panels and accessories to other countries , like China

Green Energy Foundation

For Promoting Solar in Bangladesh

- Training of Solar Integrators
- Pilot testing new business models & technologies
- Capacity development for small companies
- Training of local entrepreneurs especially women & youth
- Business wing for innovations with solar and other accessories companies
- Exporting solar manpower to other countries

I want to transform Bangladesh

into

A Solar Nation

*to Bring Social , Economical
& Environmental
Benefits to Our People*

THANK YOU