AFFORDABILITY, BUSINESS MODELS AND Support Schemes for OFF-Grid Renewable Energy Systems"

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Effective and Innovative Business Models. What Viability for Privately led Initiatives ?

Out line

- Country Overview
- Energy situation
- Renewable energy
- What is SEEDS ?
- Financing
- SEEDS involvement
- Business Models
- Problems encounted
- SEEDS Achievements
- References



Country overview

- Geography
 - An Island in the Indian Ocean.
 - Total land area 65,610 sq: km.
 - Average temperature 27c lowlands)-14c(Centralhills),
 - Average rain fall 2,000mm.No of average rainy days/year – 90

Demography

Population- 21mn, Literacy rate- 92%, Households with electricity- 95%, Per capita electricity consumption- 480.3 kWh.



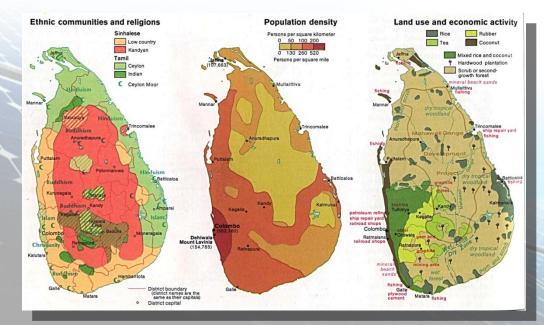
Country overview

• Economy

 Lower income economy in the South Asia Region. Contributors to GDP- Agriculture, Industry & Services. Popular tourist attraction. GDP at current market prices – USD 60.0 Bn. Per capita GDP at market prices – USD 2,836

Poverty

• People living below the poverty line in 2009/10-8.9%



Energy situation

- Composition of Primary energy 59% of primary energy met by renewable energy.
 - Biomass 47%
 - Hydro 12%
 - Imported fossil fuel- 41%

Composition of secondary energy

- Biomass 57%
- Petroleum 34%
- Electricity 9%

Share of commercial energy in secondary supply- 43% Losses in conversion, transmission & distribution – 20%



Renewable Energy

- Biomass
- Solar



- Wind power
 - Biogas
- Mini-hydro







What is SEEDS?

- Economic wing of Sarvodaya movement
- Commenced in 1986, a registered Company
- Has more than 2500 Societies at present with 150,000 members
- Society deposits SLR 3.2 Bn , Loan o/s SLR: 3.9
 Bn
- 22 Districts, 64 Branches
- Total staff 899 Field Staff 456

Financing

- Energy Service Delivery Project (ESD)
- Renewable Energy for Rural Economic Development (RERED)
- Renewable Energy for Rural Economic
 Development Additional Finance (RERED AF)

50 EURO

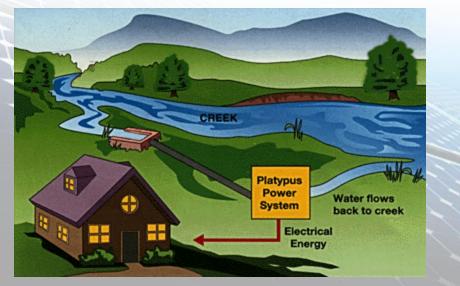
Banks & Financial Institutions

SEEDS Involvement

1) Lending for SHS

2) Grid Power Connection Loans for very poor

3) Community Lending for Micro Hydro Projects





SEEDS Involvement

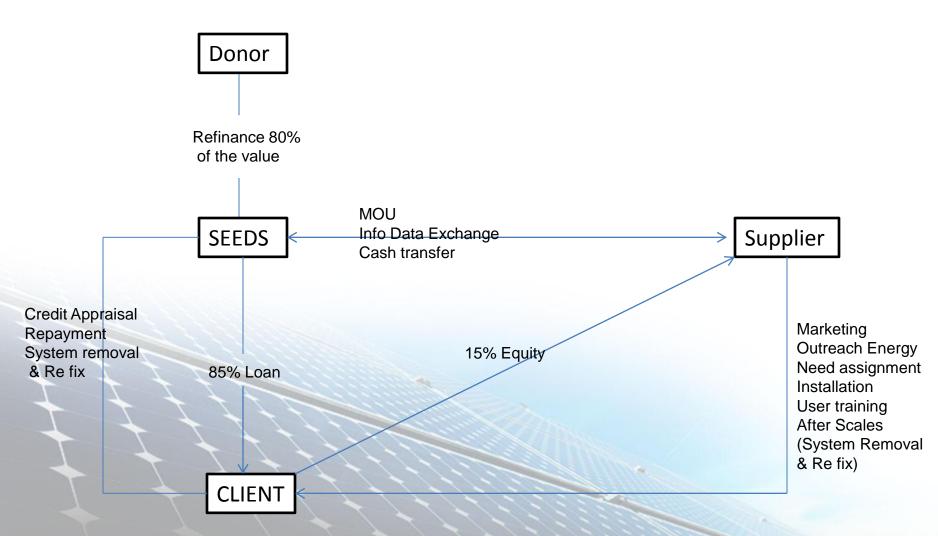






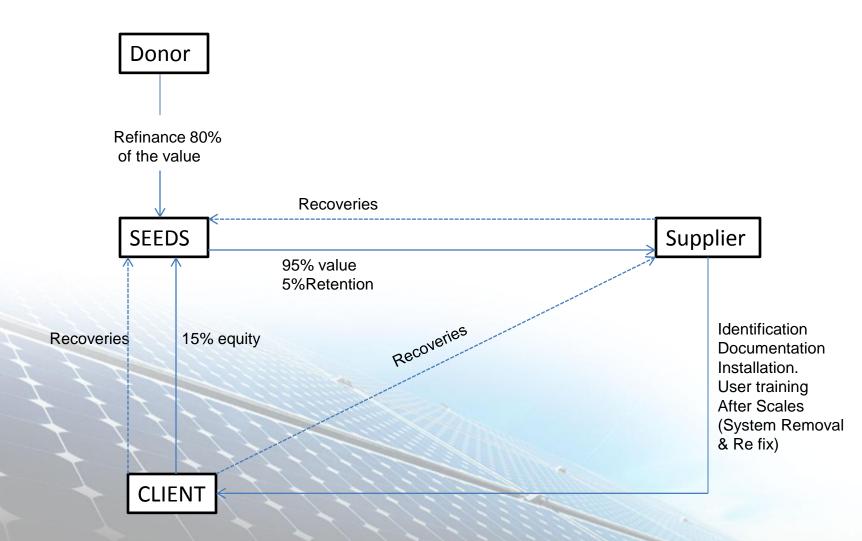


Model - 1



Relationships in Solar Loans-Model 1

Model - 2



Relationships in Solar Loans-Model 2

Model - 3

- Loans for Grid Connections
- Estimated Amount Paid to Ceylon Electricity Board as a Loan
- Repayable within 36 months
- **Two Personal Guarantees**

New Proposal

- 3 no:s LED lights
- B&W TV Socket
- Radio/ Mobile charger



Cost:- USD 115 (SLR: 15,000/=)

50% Subsidy equitant to present kerosene oil subsidy given to "Samurdi" recipients (Poorest people)50% Equity contribution out of a loan

Problems encounted

- Technical
- Financial
- Policy
- Institutional

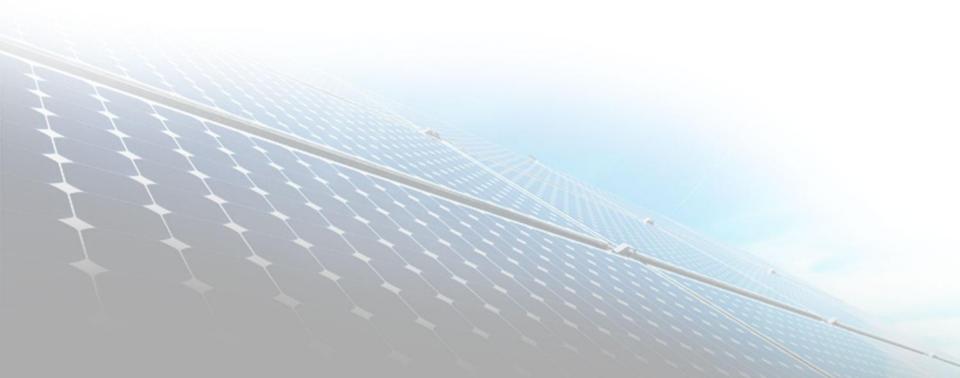


SEEDS Achievements

- Won the "6th Ashden Award" (UK) in 2006 for Productive uses of Light
- SEEDS granted highest no of LNs for SHS
- Internationally and Locally recognition & publicity
- Shared the experience with other Countries
- CNN, BBC, and some other Media telecasted SEEDS Renewable Energy Projects
- Many Organizations conducted Surveys & Published Reports

Refferances

- <u>www.energy.gov.lk</u>
- <u>www.seeds.lk</u>
- Sri Lanka Energy Report prepared for APCTT June 2009



thank{you}

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Justice of Peace – All Island

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