Providing the very poorest with SOLAR energy

FOR WHOM?

People living in isolated areas with poor access to energy

Although 98% of people in the towns have access to electricity, only 41% of those living in more remote areas have access. Not having a reliable source of energy exacerbates the already difficult living conditions of people who live in poor, rural communities and makes it difficult for them to sustain work that could bring in income.

This means that residents often use candles, kerosene lamps, car batteries or generators to meet their lighting needs so that they can work, and also to increase their sense of safety. Others illegally connect themselves up to a more fortunate neighbour. But these Plan B solutions are insufficient, very expensive and extremely dangerous.

WHAT?

Access to solar energy

ATE Co. (Access to Energy for Communities), which was set up by Entrepreneurs du Monde in 2015, offers 2 access to energy schemes, which provide a flexible, economical and durable source of energy:

1. Pay-as-you-go (PAYGO) scheme: this hire purchase scheme gives clients a way to finance their equipment gradually (from solar lamps to kits that can feed several large electrical appliances).

2. Solar micro-grids: these produce significant amounts of energy, which can be distributed to households based on their individual need and is billed in accordance with their energy consumption.

ATE Co. now almost exclusively serves rural communities and is improving people’s living and working conditions, which in turn helps slow the rural exodus.
Installation and finance

The PAYGOO kits and the solar micro-grids are installed by ATE Co. Technicians and provide a quality, cost-free, unlimited and renewable source of light. The PAYGOO scheme is a pre-paid service: payment activates the solar kits by way of a code sent by text message. The family will own their kit after only a matter of months.

With the micro-grids, families pay for their energy after its consumption instead, and will not end up owning the equipment. Micro-grids are considered to be local electrification and so are set up in partnership with government-run electrical cooperatives.

Progressing towards autonomy

Entrepreneurs du Monde has been supporting ATE Co. with its structure and development at every level: legal, operational and financial.

The programme manager, who is currently French, is being closely supported by the Head of Energy programmes in Asia and the Caribbean, the Finance team and the Social Performance Management team.

Ultimately, ATE Co. will become a social enterprise under local law that is sustainable over the long term, and led by a 100% Filipino team.

ATE Co. already has 41 employees, who are split across the head office based in Manila and its two rural branches, situated in Rizal and on the island of Samar.
Through the REACH project, financed by the European Union, ATE Co. intends to equip 1,875 households in Northern Samar: 50% with the PAYGO scheme, and 50% through micro-grids.

This is the first time that ATE Co. has managed and distributed both types of technology within a single area at the same time. Operations began in February 2021, and during its first year ATE Co. has already equipped 313 families. The two schemes are proving to complement each other well: the micro-grids are useful for villages where houses are close together, and the PAYGO scheme is suitable for outlying areas where the required 5 - 10 families are spaced further apart.

Distributing the 2 types of technology in accordance with need has opened up further opportunities to reach those who are most vulnerable.

ATE Co. has co-developed the Mobile Money service in cooperation with the telephone operator Smart, enabling beneficiaries to make payments in a franchised sari-sari* store. The manager of the sari-sari simply chooses the option “pay your bill” in the Paymaya mobile app, selects “ATE Co.” and then collects payment from the service user. The close proximity of the sari-saris is a useful alternative option for:

- people who manage their budget on a weekly basis and who therefore prefer to pay their bill weekly, rather than wait until the next monthly payment service;
- the collectors, who can activate a kit when a beneficiary has been unable to engage with the monthly collection or where they cannot get to a village due the roads being impractical.

*Micro-grocery stores commonly situated in poorer neighbourhoods.
Manylin Rapada

Inspired by a solar mini-network

Manylin Rapada is one of 300 beneficiaries who were connected to solar micro-grids in 2021. She chose a flat-rate of 2kw/h per day so she could feed 4 lamps, a fan, a television and a fridge, enabling her to sell cold drinks and ice. Previously, Manylin was connected up to a generator. The ATE Co. service now means that she no longer needs to pay for transport in order to buy petrol for the generator (reaching the town by motorbike and boat would cost her €50), or put up with the electric cutting out. Manylin is therefore singing the praises of her solar kit!

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<thead>
<tr>
<th>2020</th>
<th>2021</th>
<th>2022 objectives</th>
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<tbody>
<tr>
<td>Equipment sold</td>
<td>352</td>
<td>636</td>
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<tr>
<td>New families equipped</td>
<td>282</td>
<td>559</td>
</tr>
<tr>
<td>New indirect beneficiaries</td>
<td>1,408</td>
<td>2,795</td>
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<td>Employees in 31/12</td>
<td>30</td>
<td>41</td>
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<tr>
<td>Sales revenue</td>
<td>41 K€</td>
<td>182 K€</td>
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<td>Operational viability</td>
<td>11%</td>
<td>24%</td>
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ATE Co. is currently assessing the energy requirements for various income-generating activities, especially for agricultural and fishing work. They will then select and provide solar-powered equipment that can support the work involved in food production, food processing and sales. The team will work collaboratively with agricultural and fishing cooperatives.

The REACH project lasts for 3 years (2020 - 2022), and will have enabled ATE Co. to provide services on a larger scale. However, only 10 municipalities out of the 24 in Northern Samar are currently being served, so there are still 14 to be potentially equipped, and the need is great.

The initial challenge for ATE Co. in 2022 is to continue equipping the remaining 1,562 households that have already been identified and to ensure the long-term sustainability of the project, through partnerships with the Norsamelco electric cooperative and new municipalities.

In order to be able to bring this 2nd installation campaign to fruition, ATE Co. is seeking new financial partnerships.

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