

COMMERCIALISING SOLAR HOME SYSTEMS DISTRIBUTION IN MYANMAR THROUGH INNOVATIVE PAY-AS-YOU-GO SOLUTIONS



Project developer: Brighterlite Myanmar Ltd.
Location: Mandalay & Upper Myanmar, Myanmar
Technology: Solar-PV
Project Cost: 750,000 Euro
EEP Contribution: 247,500 Euro (33% of project value)
Duration: June 2016 - June 2018



Project Description

The project provides access to clean electricity for low- and middle-income households in rural and peri-urban areas of Myanmar. The project developer Brighterlite Myanmar will deploy solar home systems to households on a pay-as-you-go basis.

The project creates a scalable, commercially viable and mobile-powered pay-as-you-go wireless solar utility. Solar home systems are leased-out to households using the distribution network of the mobile financial service provider Wave Money (jointly owned by Telenor and Yoma Bank). The project target is 3,000 households to obtain access to reliable, clean and affordable energy, mainly for lighting and phone charging, at costs similar to or lower than their current energy costs.

The fee-for-service business model is employed by the project and operates as an “off-grid utility”, continuously leasing out solar home systems (SHS) to households.

Result-Based Financing Integration

Disbursement of the EEP-Mekong funds will be done in three installments according to the project’s milestones and results to be achieved. The first instalment is to be paid after it is verified that Brighterlite’s

internal payment processing system, usage code system and combination with a mobile phone based payment solution for subscription is ready for application. The second instalment is subject to the verification of a cumulative stock of 1,000 SHSs. The third disbursement is released in the form of subsidy for each solar home system sold (up to 1,000 SHS – Euro 70/SHS, more than 1,000 SHS – 50 Euro/SHS).

Social and Environmental Impacts

The targeted households do not have access to electricity. Their current lighting is by using petroleum lamps, causing indoor air pollution and high operating costs. The project reduces health risks and improves social and economic parameter by providing a clean energy solution for lighting purposes. It is estimated that over 50 distributor and retailer jobs will be created or secured by the project. Over the entire lifetime of the SHS (10 years) it is calculated to achieve a reduction in greenhouse gas emissions by about 15,000 tons over.

Sustainability and Scaling Up

The project is designed to become commercially sustainable after the grant support from EEP Mekong

has ended. By the time the project ends, the business model will have been developed, integrated and tested in different business environments. Through the use of the Telenor Group's and Wave Money's comprehensive and granular distribution network and brands in both Myanmar and the Mekong region, the project has substantial potential for scaling-up and replication. It will also help Brighterlite Myanmar leverage debt finance for up to 50,000 additional solar home systems in Myanmar.

Business Innovation and Dissemination

The project combines a proven technology (solar home panels) with an innovative business model. The business model is truly innovative for Myanmar and uses already existing distribution networks. It creates not only accessible energy, but provides quality service for its customers. Brighterlite is already present in Pakistan, Kenya and now in Myanmar and will use the lessons learned from this project to disseminate its innovative business model further in Myanmar and the region.

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