



REACHING THE LAST MILE

d.light design and Mercy Corps solar lighting partnership



Timor Leste – Nick Brubaker for Mercy Corps

Together, Mercy Corps and d.light increase the availability of a range of high quality, affordable solar energy products appropriate for last mile markets around the world.

d.light is a leading provider of solar light and power products throughout underserved communities in Africa, Asia, and Latin America. Through this partnership, d.light is able to penetrate smaller, more remote off-grid areas, broadening their market and serving their mission to alleviate energy poverty through their for-profit social enterprise. Mercy Corps, in turn, is able to increase energy access and economic opportunity in the communities we serve, contributing to the agency's mission to help build more secure, productive and just communities.

Currently partnering with d.light and d.light distributors in Nigeria, Kenya, Nepal, Haiti, Timor-Leste, Somalia, and India, Mercy Corps expects to expand the partnership to reach 150,000 people by 2015, generating over \$2,700,000 in household savings and offsetting over 3,500 tons of CO2.

TARGETS:

increase energy access for  **+150,000 people**

\$2.7
MILLION
IN HOUSEHOLD
SAVINGS

CO₂
3,500 tons
offset



the d.light/Mercy Corps partnership EXPANDS ENERGY ACCESS

– by –
LEVERAGING
PROVEN
TECHNOLOGY



– by –
IMPROVING
DISTRIBUTION
CHANNELS

MERCY CORPS APPROACH: Last Mile Distribution of Household Energy Products

In underserved communities, households spend a disproportionately high percentage of their income and time accessing energy, which is often dim, hazardous, and expensive. High quality solar powered lights and phone chargers are cleaner, more reliable and affordable alternatives for household energy needs, as they quickly displace kerosene use; however these products are often unavailable outside of capital cities. Slim profit margins make it difficult for distributors to invest in small-scale solar lighting supply chains to reach remote households, where products like these can have the greatest social impact. These remote households are often referred to as the 'last mile' either due to a lack of access to the resources required to engage in the formal market or due to distance from key marketplaces.

Mercy Corps works with d.light to identify and train supply chain actors, to raise community awareness through social marketing, and to develop business skills among local micro-entrepreneurs and retailers.



TIMOR LESTE: Social Marketing Through Alternative Energy Centers

The Energy for All (E4A) Programme in Timor-Leste works with Dili-based suppliers of alternative energy technology, including d.light products, to expand outreach to the largely untapped market of rural and off-grid energy consumers.

Mercy Corps is supporting the upgrade and expansion of existing small businesses to become rural and peri-urban Alternative Energy Centers (AECs), which supply alternative energy technology, and provide regular warranty servicing of the products. The centers act as social marketing hubs for

A Mercy Corps employee, Acacio Barreto, discusses d.light sales performance with business owner Francisco Soares in Timor Leste.



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Dili-based suppliers, extending the reach of their sales network and providing a community focal point for alternative energy products, services, information, financing and networking.

There are now 22 businesses in Timor-Leste offering d.light products, all of whom received training from the in country d.light distributor in marketing and sales, branding, and product servicing. By demonstrating the profitability of selling solar technologies in rural and peri-urban markets, E4A incentivizes Dili-based suppliers to replicate this model and extend their sales network to other energy poor areas.

Through E4A, an anticipated 4,500 households will benefit from clean, reliable, and affordable energy access in their homes and in village institutions like schools and clinics.

KENYA AND INDIA: Strengthening Supply Chain Actors Through Micro-Entrepreneurship

Currently distribution channels for solar lighting products are scarce in Upper Assam, India and in Wajir, Kenya. The lack of retail channels for improved lighting pushes up household energy costs for rural customers as they resort to expensive kerosene and batteries, diverting resources that could be invested in more productive livelihood activities. Households in Wajir, for example, spend an average of \$85 per year on kerosene and battery lighting, purchasing just enough for about 1-2 hours of dim lighting per night. A d.light lantern can pay for itself in the first year and save rural households an additional \$90 in the first two years of use, amounting to roughly 2 months of income for an average family in Wajir.



Kenya – Erin Gray/Mercy Corps



Timor Leste – Nick Brubaker for Mercy Corps

Through pilot projects in Wajir, Kenya and Upper Assam, India, Mercy Corps teams aim to increase the availability of improved lighting in rural markets through a network of d.light trained micro-entrepreneurs.

d.light distributors in county provide sales training, stock delivery, and product promotional support to the micro-entrepreneurs, along with a 2-year warranty guarantee to customers for all of their household products. Mercy Corps in turn provides the initial start up capital for micro-enterprises, monitors sales performance, and work with entrepreneurs to collect customer feedback. As a result, affordable d.light solar lighting products are reaching customers in Upper Assam and Wajir for the first time, reducing household lighting expenditures and enhancing quality of life.

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ABOUT MERCY CORPS

Mercy Corps helps people turn the crises they confront into the opportunities they deserve. Driven by local needs, our programs provide communities in the world's toughest places with the tools and support they need to transform their own lives. Our worldwide team in more than 40 countries is improving the lives of 19 million people. For more information, see mercy Corps.org.

ABOUT d.light

d.light is a for-profit social enterprise whose purpose is to create new freedoms for customers without access to reliable power so they can enjoy a brighter future. We design, manufacture and distribute solar light and power products throughout the developing world. We aim to transform the lives of at least 100 million people by 2020.