

From the Department of

## CORPORATE STRATEGY AND INTERNATIONAL BUSINESS

## CASE STUDY SERIES

## The Energy Context

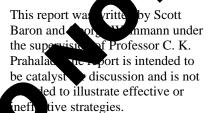
Globally, approximately 1.8 billion people ack access to electricity and 2.4 billion people use wor fir to for cooking. The poor are spending roughly \$20 billion or your for ad-hoc solutions, such as kerosene lamps, wholes, charcoal, firewood, dung fires and batteries, just to meet basic energy needs (World Development Report, 1999) Law o modern forms of energy, particularly electricity, keeps, wore from escaping poverty and becoming more product e, ad these substandard substitutes are often more expensive are more damaging than modern alternatives. For these reasons, electricity access has been a top priority for world to ments, multilateral development organizations (NGOs) for over 50 years. However, the number of people without access to modern forms a energy has remained approximately the same despitations efforts.

## THE INNOVATION

using sustainable distributed (off-grid) energy technologies. The success of E+Co's investment in Tecnosol, a rural distributed energy company in Nicaragua, demonstrates that local entrepreneurs can succeed with market-based solutions to solve critical problems at the bottom of the pyramid.

In 1994, E+Co (pronounced "E and Co"), a rural energy finance company, was formed to pioneer a different approach to the global energy problem. Focusing on local entrepreneurs, E+Co combines the traditional training and support services of an NGO with the capital investment strategies of private equity and banking firms. The result has led to a dramatic rethinking on how to reach and provide access to energy for the world's poor.

Over 10 years, E+Co has invested in 90 energy enterprises, reaching more than 200,000 people with modern energy across a variety of technologies and geographical contexts.



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