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Electricity where the sun shines

Lao Institute of Renewable Energy, LIRE

THE SKETCH OF AN IDEA

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The energy situation in Lao PDR is becoming increasingly important for development and poverty eradication. The import of fuel is a drain on national resources. Oil prices have risen and are expected to rise further in the long term. Electrification is a major challenge, particularly for the remote areas. On the other hand Lao PDR does have own renewable energy sources that can and must be developed for fulfilling the energy requirements of all villages. Available technologies need to be tested, the operational requirements explored and tested for commercial viability, etc. This must start as soon as possible in order to achieve any major effects within a few years.

The idea is for a strategically placed long-term effort, that has the **mission to explore, develop and sustain efforts for making Laos develop its own energy sector with own renewable sources of energy – with energy prices that are commercially viable and affordable to most of the Lao people.**

The proposal is to launch a Lao Institute of Renewable Energy, LIRE. For reasons of institutional sustainability and operational stability, the institute shall be run by an independent **private Lao trust (foundation)**. The trust shall collect and channel resources into activities that contribute to the above-mentioned mission.

The objectives of the trust are:

1. To operate a **Lao Institute for Renewable Energy** LIRE that explores and develops renewable energy options for Laos, and makes them ready for commercially viable and sustainable use. Thereby to promote the emergence of a competent and effective renewable energy sector in the Lao PDR.
2. To promote sustainable social and economic development of communities throughout Lao PDR through efficient use of renewable energy, and thereby contribute to the **eradication of poverty**.
3. To actively search for, document and continuously track all efforts on renewable energy undertaken by all types of actors in Laos. LIRE shall become the **Lao resource center** for updated information on efforts for harnessing renewable energy in the country.
4. To operate an **exchange platform** that allows actors in the energy sector to exchange insights,

experiences and ideas. This is a continuous effort, but anchored in an annual national conference & fair on renewable energy, organized by LIRE as a venue for maximum information exchange.

5. To conduct **studies and surveys** that inform the national and local governments on the situation and on possible lines of action, and inform the industry on potentials for research and investments.
6. Where no industry is already active, or where the public interest demands free access to the results, to conduct focussed and well demarcated **R&D projects**. These will be both for technical solutions as well as for exploring the commercial viability of energy operations.
7. To provide **publicity for renewable energy**. Make villagers and urban dwellers aware about where and how they can access improved energy solutions for themselves. Make industries and SMEs see where they can enter the service business for renewable energy.
8. To contribute to the development and quality control of suitable **training programs** for the renewable energy sector at all levels (basic schools, high-schools, vocational trainings, colleges and universities). In the absence of a suitable institutional framework initiate and operate such trainings and cooperate with the educational institutions in building up the required human resource base..

Trustees and Board

The institutional arrangements are as follows:

- Sunlabob Ltd. is the initiating founder of the trust and declares the trust together with other founding trustees.
- An annual general meeting (AGM) of all trustees is the governing body of the trust.
- Trustees can be individuals, companies or institutions/organisations.
- The trustees select a board of 4-10 trustees who are mandated to manage the operations of the trust.
- The board appoints new trustees. Their voting power becomes active after they are approved by the AGM. The total number of trustees shall not exceed 15. At least two thirds of all trustees must be Lao nationals living and working in Lao PDR.
- (Further points to be taken up according to the trust laws of Lao PDR, or along the lines of the Tanzanian Institute of Renewable Energy).

Launching

The LIRE shall be an effort with a sustained longterm view, but starting almost immediately with first efforts. Initial surveys for renewable energy can be started immediately, leading up to a **first national exchange event on renewable energy within a year after initiating** the first efforts. This event shall also launch the LIRE in the public mind and focus its mission and its agenda.

Diversity of stakeholders

The effects of the renewable energy sector have far reaching ramifications into poverty alleviation, good governance and nature conservation. So the potentially interested agencies and stakeholders may be many and diverse.

Funding

Funding for the foundation itself, or for specific projects of the foundation, is expected to be forthcoming from:

1. The government (national and local).
2. Various donor agencies
3. Conservation movements
4. Other foundations (eg. in Europe) specialized in renewable energy
5. Lao industry and investors
6. Foreign industry and investors
7. Ecological investment funds
8. CO2 sequestration funds

The next steps to develop this effort further are:

- a. Sunlabob to find at least three other founding trustees to declare the trust. Convene the prospective trustees and initiate the legal procedures for declaring the trust.
- b. Declaration of the trust.
- c. Launch initial activities, no matter how small these may be.
- d. Plan for a first national conference & fair on renewable energy to take place one year after the declaration of the trust, organize the surveys and run-up activities to that event, find the funding for running the event. Use the event to broadcast the mission of the LIRE and attract further funding into the foundation and into specific projects that were prepared and presented at the event.
- e. Raise funds to start small surveys, start initial R&D efforts.