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SUSTAINABLE ENERGY  
PROGRAMME



BREATHE  
EASY

SMOKE-FREE HOMES.  
HEALTHY FAMILIES.



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# Developing financially viable models for increasing the use of improved stoves and fuels

**Karen Westley**

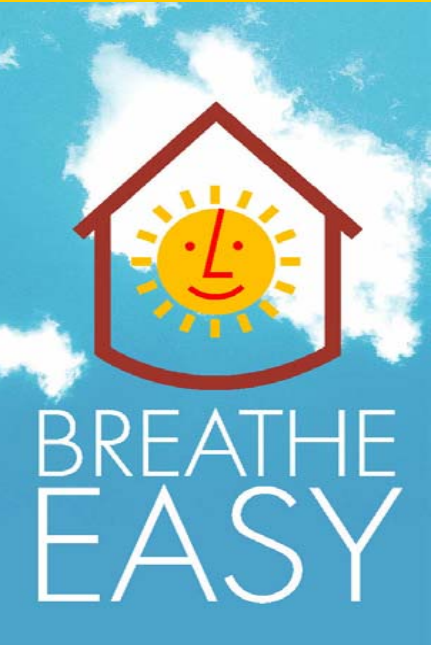
**Seattle, 2004**





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# Unpacking sustainability



SMOKE-FREE HOMES.  
HEALTHY FAMILIES.

Target driven vs. demand driven  
Price subsidy vs. consumer finance  
Renewables vs. full menu  
Technology vs CVP  
NGOs/government vs. enterprises

Benefit of hindsight – India  
programme



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# Business Proposition?



SMOKE-FREE HOMES.  
HEALTHY FAMILIES.

**To sell a product to people with no money who live in very remote areas. The competitors for the product are currently 'free'. The product reduces health risks and provides environmental benefits that the customers are not aware of.**



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# BUT....



SMOKE-FREE HOMES.  
HEALTHY FAMILIES.

**People do switch to cleaner fuels and devices when they are affordable and available – the famous “energy ladder”**

**There are success stories: China – role of private sector**

**The ‘panda’ stove!!!**



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# What does she want?

Affordable

Consistent fuel supply

Clean

Easy to light

Convenient and quick

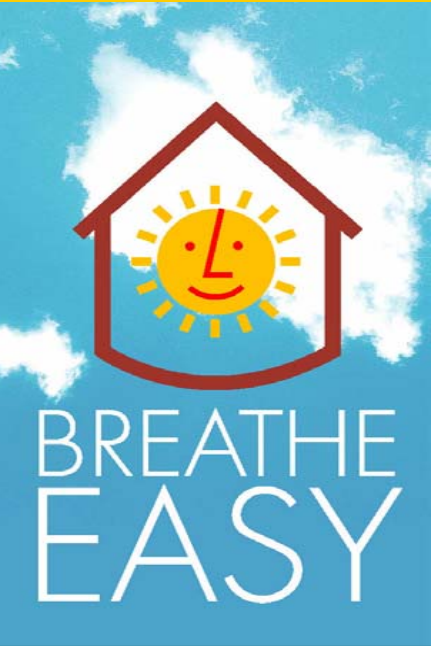
Suited to cooking needs





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# Business models



SMOKE-FREE HOMES.  
HEALTHY FAMILIES.



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Mass production: consistent product; quality control; economies of scale; **distribution challenges; price subsidies; break even point and profits**

‘Artisan model:’ decentralized; close to market; **supply chain bottlenecks; quality control; purchase guarantees; subsidized distribution**

**Linked to social marketing and training**



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# KENYA BREATHE EASY FUND



SMOKE-FREE HOMES.  
HEALTHY FAMILIES.

Getting beyond 'projects' –  
opportunity for bigger play

- ❖ **Consumer credit**
- ❖ **Vendor/product selection**
- ❖ **Enterprise finance**
- ❖ **BDS**
- ❖ **Social marketing**
- ❖ **Quality control**

**SUSTAINABLE MARKET DRIVEN  
IMPACTS**



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