
Access to Energy with Awango by Total

—A Business Solution to a Social Issue

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[Abstract]

Total officially launched the **Awango by Total** program in 2011 to market solar lamps providing affordable access to energy for communities in emerging economies.

Over 1.3 billion people do not have access to electricity. To enable off-grid, low-income communities to meet some of their most basic everyday needs, Total has introduced Awango by Total, a line of innovative, reliable solar lighting and phone charging solutions. The approach is practical, innovation-based and embedded in our business operations. The Group set an objective of improving the daily lives of five million people by selling one million Awango by Total solar lamps by 2015. This goal has been met and exceeded: by May 2015, one million solar lamps had been sold in Africa alone.

Awango by Total is based on a social business model and was distributed in more than 30 countries at the end of 2015.

1. Identifying the Problem: Access to Energy

Energy is an essential driver of social and economic development. Yet access to electricity is a daily struggle for 1.3 billion people worldwide (Source: IEA, 2011). Many households in Africa, Asia and the Caribbean lack reliable access to power, making it tough for them to light their homes. Their traditional lighting sources — kerosene lamps, candles and disposable batteries — are inefficient, unsuited to new uses and account for a signifi-

cant percentage of spending by base of the pyramid households, estimated to 37 millions of US Dollars every year.

2. Developing a Meaningful and Sustainable Solution

Our initial goal at Total was to identify the business models that will enable us to offer low-income populations a modern, reliable and affordable energy source that has a lower environmental impact and can be used independently. The sustainability of the project had to be met from both development and busi-

ness points of view.

Awango by Total was launched through an internal start-up, set up within the Marketing & Services Branch which supervises Total's network of 15,500 service stations worldwide. Building on its solar expertise and extensive presence via this retail network in growth countries, especially in Africa, Total has adapted to this distinctive market by developing a specific business model.

3. Total's First Social Business Model

Awango is Total's first social business and the first large-scale achievement of the Total Access to Energy program.

The program objectives and its business model (cf. chart 1) are intrinsically linked. The last mile channels and retail models have been developed through global partnerships with major development NGOs as well as local partnerships with micro-businesses and testing solar kiosks to reach the most remote areas.

4. Products and Solutions Adapted to the Targeted Market

In 2011, and for more than a year, all of the components in the *Awango by Total* line have been tested by customers in four pilot countries — Cameroon, Indonesia, Kenya and the Republic of the Congo — with 125,000 lamps and solar kits sold.

Equipments were selected for their robustness and ease of use. Initial partnerships with three suppliers (d. Light Design, Greenlight Planet and Sundaya) enabled the program to offer a full line of lighting and phone charging products, ranging from portable solar lamps to modular kits.



Chart 1 Awango by Total - Program Objectives and Business Model



Demonstration and Sale of a Sundaya kit to a Customer at the Charles de Gaulle Service Station in Ouagadougou (Burkina Faso)



(credits: P. Sondoillet - Total)

Products are covered by a one to two-years warranty for all products, and customer service has been fully implemented. The products are available at an affordable price and can be financed through responsible solutions, such as micro-credit and others: leasing in the Republic of the Congo or cooperatives in Indonesia. Distribution networks are also adapted to local conditions. To cover the last mile to the communities concerned, the solutions are being marketed through Total's service station networks, newly created young reseller networks, agricultural cooperatives, etc.

5. Expanding the Program to a Global Scale

Following this initial and successful experiment, deployment has been being stepped up, with rollout proceeding through 2013 in eight new countries: Burkina Faso, Cambodia, Ethiopia, Haiti, Myanmar, Nigeria, Senegal and Uganda.

Total's teams have set themselves the objective of selling a million lamps in order to

provide 5 million people with safe and sustainable energy by 2015. This target was met in May 2015. *Awango by Total* was present in 30 countries at the end of 2015, with 4 new countries added to the list for a deployment in early 2016.

6. Evaluating the Impacts

Even very isolated villages can get hold of the kits, thanks to Total's dedicated retail networks. Whether people want to do homework or domestic chores, work on craft businesses or get around after dark, life can go on, safely, after the sun has set, which was not possible or much harder before the introduction of this program. The well-made, affordable lamps allow families to avoid the recurring costs associated with traditional energies. The purchase pays for itself in just a few months.

The strategically related competencies of Total and the German development cooperation agency (GIZ) have been put in common during the initial phase. Total and GIZ have

been working in partnership in four key areas: measuring the program's social impact, educating communities about renewable energies, training the sales force and developing local recycling systems. The results of this cooperation have been shared and published online

(accessible at https://energypedia.info/wiki/File:Rapport_final-baseline_study-GIZ-TOTAL_Vf.pdf0)

On this study, some 85% of *Awango by Total* product users say their lamp has significantly improved their daily lives and that they would like to see new functions and new uses. Total is therefore working on combining solar panels, energy storage and the ability to use household appliances such as fans.

7. | Prospects on the Long-Term: Reaching 25 Million People in Africa

Total is committed to fostering the emergence of innovative technological and marketing solutions to develop a more efficient, reliable and affordable lineup that is also economi-

cally viable enough to be sustainable and widely adopted.

This pledge has been reasserted at Total's highest level, as Patrick Pouyanné, Total's Chief Executive Officer declared in May 2015: *"Total intends to provide clean, safe and affordable energy to as many people as possible. To do that, we strive to find innovative technological solutions, using a business model viable on a large scale. Our success here illustrates our commitment to better energy and is a practical way of addressing climate change. We aim to keep growing the program and are targeting sales of five million lamps in Africa in 2020, reaching 25 million people on the continent, which is central to Total's overall strategy."*

<Complementary Resources>

Awango by Total, Access to Energy for Everyone on Total website

<http://jp.total.com/en-us/making-energy-better/worldwide-projects/awango-total-access-energy-everyone>