

Belize Project Moves Ahead

Tuesday, April 1, 2003

Belize Bundled Services Developed by the Renewable Energy Policy Project

A REPP pilot project to provide “bundled services” to four rural communities in Belize received the official endorsement of the Government of Belize, and as a result moves one-step closer to project development.

With the support of the Oak Foundation, REPP finished an initial study of the feasibility of providing up to four communities with a first of a kind “bundled services” project. Utilizing breakthroughs in wireless Internet, REPP intends to pursue funding for the implementation of projects in Belize to test whether providing off-grid electricity, telecomm and wireless Internet service simultaneously is technically feasible and economically replicable.

The promise of bundled service projects is that communities will develop productive activities that raise income levels faster than extra services drive up project costs. If this is born out in the pilot projects, bundled service will be more desirable and affordable than stand-alone electrification projects.

Providing modern service to poor and isolated communities in developing countries under conditions that assure the projects are both affordable and commercially viable remains an unsolved challenge. One approach attempts to make projects affordable by stripping the investment to lower and lower levels. Where this is being tried, projects offer lower and lower investments per household by, for example, lowering PV system capacity from 50 watts to 20 watts. Unfortunately, these projects often drain hard cash and do little to change economic opportunities in the communities.

Alternatively, others argue local entrepreneurs can build businesses selling systems to households that can afford them. This approach solves the affordability problem but restricts the population served.

The REPP bundled service pilot program offers another alternative: by enhancing the electrical service with telecomm and Internet access, the projects increase economic opportunities and raise the productive capacity of communities. If successful these projects can raise incomes, increase the affordability of projects, and be commercially viable.

To assure the projects' applicability in Belize and elsewhere, REPP's pilot projects will be developed under regulatory and policy conditions necessary for wide replicability.