

Socially responsible renewable initiatives in the Lao PDR

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The Lao People's Democratic Republic is a landlocked country in Southeast Asia, bordered by Thailand, Myanmar, China, Vietnam, and Cambodia. Development initiatives in the Lao PDR are impeded by geographic and demographic conditions: 70% of the country is mountainous and thickly forested, with a highly dispersed population largely living in rural and remote areas, lacking access to basic social infrastructure, communication, transport links, and professional opportunities,

Energy wise, the Government of Laos is committed to electrifying 70% of households by 2010, 80% by 2015 and 90% by 2020. To achieve this, the government recognises that decentralised solutions are required to reach the widely dispersed population. Isolated small communities make the cost of grid connection per household prohibitively expensive.

Sunlabob, operating since 2000, is a Lao company providing affordable and reliable energy solutions to villages that are not connected to the national grid. It does so by renting out Solar Home Systems for fixed monthly tariffs, selling KWh in villages with Village Hybrid Grids, selling light per hour with portable battery lamps, selling drinking water purified by solar power, etc. Since 2008, when Sunlabob launched an Energy Efficiency department, the company has not only focused on rural areas, but also on urban ones, conducting energy audits, energy efficiency consultancies for buildings and installing energy-efficient materials.

The company strongly believes that responsible business conduct matters, thus it is involved in an extensive range of CSR activities, particularly engaging in environmental and social responsibilities.

Furthering its commitment to reducing CO2 emissions with renewable energy solutions and developing the local community, Sunlabob is also careful to shorten its supply chain, sourcing local products whenever possible, and recycling waste materials into its assembly process.

The award-winning programme, the Solar Lantern Rental System (SLRS), is one such example of a socially responsible activity Sunlabob engages in. Firstly, the lantern is produced via a responsible supply chain route. The front covers of the lanterns are made from locally sourced waste polypropylene from the Co-operative Orthotic and Prosthetic Enterprise (COPE), an organization based in Vientiane, manufacturing artificial limbs mainly for victims of unexploded ordnances. Sunlabob purchases the waste polypropylene from the moulding of artificial limbs, which are no longer usable for COPE. What is essentially scrap is moulded again to become a casing for the lantern, protecting the inner parts and light bulb of the lantern. The revenue from the scrap enables COPE to supply more prosthetics and mobility devices, which are provided free of charge if patients cannot afford to pay for

them. Besides that, Sunlabob also buys scrap material from a local flip-flop factory. Once it has been cut to size, the scrap rubber is used for padding inside the lantern and for its base.

Secondly, the SLRS also contributes to the reduction of CO₂ emission. Rural households rely on home-made kerosene lamps that emit nearly 100 kilograms of carbon dioxide (CO₂) each year. The solar lantern on the other hand provides cleaner, safer, better lighting. Also, an integrated micro-processor provides accurate records of kerosene replacement, enabling entry into the carbon markets.

Lastly, the programme contributes to community development as local participation is crucial to the success and sustainability of the system. The management and operation of the system is overseen by a village energy committee, composed of three or four villagers, which acts as a governing body and platform for collective decision-making.

On the urban side of its offerings, Sunlabob helps other organisations reduce their energy consumption to combat global warming through its energy efficiency services.

At its head office, Sunlabob raises the skill-level of its local workforce, by conducting training sessions, and facilitating the transfer of knowledge from foreign staff to locals. It also works in partnership with an NGO to provide a rehabilitating environment for women who have been victims of trafficking and exploitation.

Countrywide, Sunlabob supports the development of an emerging renewable energy sector through the foundation of the Lao Institute of Renewable Energy (LIRE), a non-profit research and information platform, promoting and advocating energy efficiency, and assisting policy-makers at national and regional levels.

In this day in age, the question is no longer whether responsible business conduct makes sense but rather how to effectively harness the vital forces of the private sector to drive long-term economic growth, environmental sustainability and social progress.