

Crowdfunding is Bringing Clean Renewable Energy to Every Corner of the Globe

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April 16, 2013—For decades, there have been limited ways to champion the widespread adoption of renewable energy sources. We've been educated on the importance of modifying our individual consumer behavior and advocating for sustainable energy policies. Now, crowdfunding offers all of us a new way to protect our shared environment and engage in the expansion of renewable and sustainable energy sources worldwide.

"Our environment is a shared public trust belonging to everyone, the responsibility to protect that trust is also shared," said Premal Shah, President and co-founder of Kiva. "We can take steps to protect our environment by changing our own behavior, but the reality is that clean renewable energy is out of reach for the vast majority of those who need it most. Now, with crowdfunding, we have the opportunity to come together to support a cause that affects all of us, one microloan at a time."

Through Kiva, anyone with an Internet connection can make a loan as little as \$25 to the borrower of their choice on Kiva.org. Kiva's community of 900,000 individual lenders are crowdfunding more than \$2.2 million in loans per week and a total of \$420 million since the nonprofit's founding in 2005. These small dollar loans have helped more than 1 million borrowers in 65 countries start and grow businesses, go to school, improve their homes, buy clean energy products, and more. And with Kiva's repayment rate of 98.9%, lenders are able to relend their money again and again, or withdraw it from the system.

Kiva's lenders have crowdfunded green loans for more than 2,600 people in 21 countries. Green loans are used by borrowers for installing solar lighting systems, purchasing clean cookstoves, distributing renewable energy products in isolated regions, making household improvements to reduce energy costs and consumption, and implementing sustainable agricultural practices. Each of these loans were crowdfunded, \$25 at a time, by 57,000 Kiva lenders from 91 different countries; proof of a sustainable model and a compelling mission shared around the world. More about Kiva's green loan program can be found at www.kiva.org/green.

Approximately 20% of the world's population, 1.3 billion people, live in energy poverty. Many continue to use expensive, inefficient and dangerous sources of energy such as charcoal, kerosene and diesel. Emissions from inefficient cookstoves alone is among the major contributors to climate change, and the indoor air pollution resulting from household cooking fires has been cited as the leading environmental cause of death in the world, killing nearly 2 million people a year—mostly women and children.

Despite the health benefits and potential energy and cost savings of utilizing renewable energy sources, most cannot afford the high upfront costs without access to financing. Finding financing for clean energy products is rare, in both industrialized and developing countries.

"Our goal in crowdfunding green loans is to leverage the patient, risk-tolerant capital provided by Kiva lenders to advance clean green energy solutions for the world's poor," said Shah. "The loans you fund on Kiva help to create sustainable supply chains in isolated regions and make renewable energy products more affordable. The benefits for the borrowers are less energy consumption, more savings, and improvements in health and well-being. The benefits for all of us are increased adoption of renewable energy and a healthier shared environment."

When loans focus on helping individuals climb out of poverty and facilitate a movement toward clean and sustainable energy, the results are clear: the United Nations has positioned clean technologies at the center of global responses to climate change and notes that ending energy poverty results in higher rates of primary education, women's empowerment, reduction in child mortality, increased maternal health, and greater rural youth employment.

Kiva works with upwards of 150 field partners, including microfinance institutions and other nonprofits, to reach people on a local level, including some of the most remote places on earth. These partners administer the loans, work with borrowers and collect repayments. Several Kiva field partners started their green loan programs using Kiva's capital.

Kiva field partners with green loan programs include: [Solar Sister, Uganda](#), offering loans for women micro-retailers to buy inventories of solar lights to sell in their communities. [One Degree Solar, Kenya](#), loans for retailers to purchase and resell solar devices that can charge phones, lights and batteries. [EarthSpark International, Haiti, loans for retailers to purchase and resell both solar products and clean cookstoves to expand last-mile distribution.](#) [Barefoot Power, Tanzania](#), loans for small to medium-sized solar product distributors to expand adoption in rural areas. [XacBank, Mongolia](#) loans for energy-efficient housing supplies and renovations, hybrid vehicles and more. [Credit Mongol, Mongolia](#), loans for clean energy and energy-efficient products in one of the most polluted countries on earth. [Visionary Empowerment Programme, Kenya](#) loans for products, services and skills training to empower rural communities for sustainable development.

One of Kiva's partners, Solar Sister, helped Catherine get her loan of \$300 funded on Kiva.org to buy solar lanterns to sell in her village. Catherine is a full-time teacher and mother of two from Mityana, Uganda. Solar Sister continues to empower women, like Catherine, by providing them with the tools and start-up capital necessary to run their own business and jumpstart their income. Catherine uses her earnings from solar products sales to buy school supplies for her two daughters and support her husband while he attends school. <http://www.kiva.org/lend/505242>

"Kiva loans help women in rural Africa kickstart their Solar Sister 'business in a bag' selling solar lights," said Katherine Lucey of Solar Sister. "With this support, these unlikely entrepreneurs are able to earn income to support their families while also providing access to life changing technologies for their communities. It is a ripple effect of impact that provides light, hope and opportunity."

For more information on what you can do to support the green crowdfunding movement, visit www.kiva.org/green

About Kiva:

Kiva.org is the world's first and largest crowdfunding platform for social good, connecting people through lending to alleviate poverty and expand opportunity. Founded in 2005, Kiva's growing global community of 900,000 lenders have crowdfunded more than \$415 million in loans for 1 million borrowers in 65 countries. Kiva is a nonprofit organization based in San Francisco. For more information visit kiva.org