

FINANCING INNOVATION IN ENERGY SYSTEMS



CASE STUDY

Crowdfunding via blockchain
as a means to finance solar
energy projects

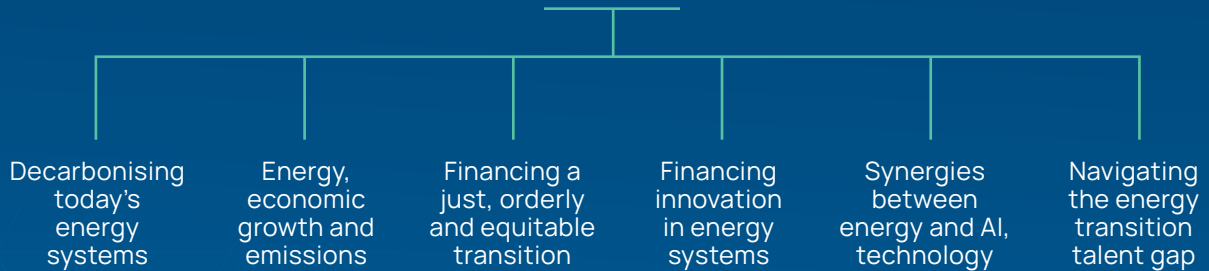
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Crowdfunding via blockchain as a means to finance solar energy projects

CONTEXT

The global energy transition will require enormous funding across a huge variety of projects, including securing new sources of green financing.

Crowdfunding is one potential financing model and SunMoney Solar Group is among a new breed of companies utilising such a mechanism, in its case, through digital tokenisation.

The company, which was launched in Hungary and is now based in the UAE, runs the world's largest community solar power programme and allows the public to invest indirectly in its clean energy initiatives. This enables individuals to be part of the decarbonisation journey while enjoying returns on their committed sums as sold energy is sold.

LEVERAGING BLOCKCHAIN TO FUND PROJECTS AND DELIVER ROI

SunMoney Solar Group is described as the world's first tokenised green energy project. It uses a technology-based crowdfunding model that enables investors to put their money into a pool that is directed towards clean energy developments within what the company says is "the world's biggest community solar power programme". In this way, investors buy into SunMoney's portfolio of plants, which it supports and maintains, and then the company sells the electricity on its investors' behalf, for which they receive monthly revenue.

While crowdfunding has been around for a while and in many iterations, what sets SunMoney apart is its use of the blockchain for

50,000

Number of clients SunMoney says is part of its investment mission

5mn

Total solar watts of the projects that SunMoney has invested in¹

US\$500bn

Power sector investment in solar photovoltaic (PV) technology is projected to exceed this figure in 2024⁶

473GW

Amount of renewable power capacity built worldwide in 2023 thanks to unprecedented solar capacity growth⁵

Organisations involved

- SunMoney Solar Group
- DIONE Protocol

Industry

Solar energy, blockchain

Location

Hungary, UAE

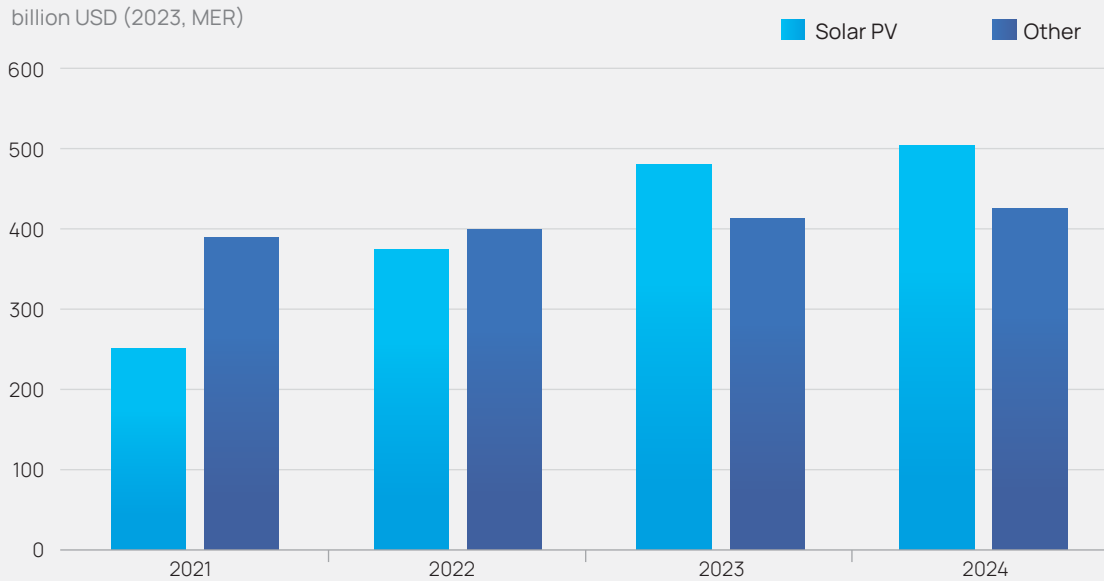
Investment

Not applicable



Global annual investment in solar PV and other generation technologies during 2021-2024

Investment in solar PV now surpasses all other generation technologies combined, according to the International Energy Agency's World Energy Investment 2024 report⁶



Source: IEA

recording transactions and tracking assets. SDBN (Smart Digital Business Network) is the world's first tokenised greentech real-world asset (RWA) project. It is operated by SDBN DMCC, a subsidiary of SunMoney Solar Group established in 2023 in a regulated crypto zone in Dubai.

Among SolarMoney's services are construction and acquisition of solar power plants and selling shares in project companies which own solar power plants. Private investors can buy into an existing, growing solar power plant portfolio in the European Union via SDBN3 tokens, which will pay out over time based on performance. An amount of 1 billion SDBN3 tokens have been minted with an initial token issuance price of US\$0.015 and SunMoney has secured more than 50,000 clients in 60 countries and has invested in five million solar watts of projects¹.

"We push into places where renewable energy is a good investment for people who want to invest, but

do not have millions," Zoltan Rendes, Chief Marketing Officer, and Partner at SunMoney Solar Group, told UAE newspaper The National last year⁴. "Our clients put money into a pool of solar power plants; they buy rights to the revenue generated by those watts."

SunMoney recently confirmed a collaborative partnership with DIONE Protocol, an emerging name in the blockchain sphere that is focused on renewable energy. That alliance is viewed as an important step forward for both entities and could potentially transform the renewable investment space by consolidating clean energy tokenisation assets onto a single, secure, and efficient blockchain platform.

Central to the project is the possible deployment of SunMoney's SDBN tokens on DIONE's Layer¹ Blockchain, Odyssey. These are backed by SunMoney Solar Group's expanding solar energy production capabilities.

Through DIONE's ORION renewable energy validator programme, SunMoney may be able to utilise its

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existing solar parks to enhance the Odyssey Blockchain's green power at a time when energy consumption by technology such as artificial intelligence and cryptocurrency mining is in the spotlight. The company says its solar parks boast an annual profit potential ranging 15-17% annually, based on SunMoney's experience and a decade of historical data.

"SunMoney Solar Group is dedicated to exploring new ways to make solar energy more accessible and profitable. Our partnership with DIONE Protocol is a promising opportunity to leverage their advanced clean energy blockchain technology and explore the capabilities of our SDBN tokens," said Rendes. "We're enthusiastic about the benefits this collaboration could bring to our clients and the wider renewable space."

Michele Sansoni, of the European Commission's Climate, Infrastructure and Environment Executive Agency (CINEA), said that "innovative financing schemes, like crowdfunding, could really contribute to the clean energy transition at the local level"³.

The alliance between SunMoney and DIONE Protocol is a potential demonstration of renewable energy tokenisation as a traceable and efficient method of securing funding for green energy projects while allowing the public to invest in tangible assets that contribute to the global transition.



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Zoltan Rendes,
Chief Marketing Officer, and Partner
at SunMoney Solar Group

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