PENAMPANG, 25 MAY 2013 – AirAsia Foundation is proud to award its first social enterprise grant in Malaysia to Tobpinai Ningkokoton Koburuon Kampong (Tonibung) or Friends for Village Development, a Sabah-based organisation with a 20-year track record in empowering indigenous communities across the country.

Under the grant terms, Tonibung will receive RM58,000 to establish a hire purchase scheme that enables rural indigenous communities to affordably start micro hydro projects in their villages. This initial funding pool will benefit 22 households of Kampung Tiku, Sabah, that do not have access to the national power grid. A 10kW turbine will be installed at the village to generate clean, renewable hydro energy to address their basic electricity needs.

In addition, Tonibung will be provided with enterprise guidance by the Foundation’s management team and Council of Trustees, including AirAsia Group CEO Tan Sri Tony Fernandes and Deputy Group CEO Dato’ Kamarudin Meranun.

“AirAsia was founded on the basis of entrepreneurship and as a group, we are a strong proponent of using innovative ideas to address business challenges. We are, therefore, very pleased to fund Tonibung’s micro hydro scheme as it applies these same principles to find ways to sustainably support underprivileged communities. By leveraging on community structures, we also hope to empower communities to make their own decisions in managing available natural resources,” said Fernandes.

Through the hire purchase scheme, the villagers will repay the turbine cost progressively over a period of 36-months. With this new energy source, Kampung Tiku households will be able to cut their dependence on kerosene and diesel fuel, thus reducing their monthly expenses on power generation needs by up to 60% in the first three
years, and up to 95% thereafter. Access to cheap, clean and renewable energy will also enable villagers to increase household expenses on nutrition and health, and engage in small scale enterprises such as rice-milling. At the end of the repayment period, the regenerated funding pool will be used to invest in a new turbine for another indigenous village.

Tonibung Executive Director Adrian Lasimbang said, “This hire purchase scheme will be applied in managing all future micro hydro funding that Tonibung is awarded. With a revolving fund, we can ensure long term availability of resources so that more communities can access this system without having to wait for a grant to be given to them.”

Founded in the 2012, AirAsia Foundation is the philanthropic arm of the AirAsia Group entrusted to share the company’s values of entrepreneurship, equal opportunity and innovation throughout ASEAN. Under its Charter, the Foundation is mandated to support social enterprises as a way of empowering underprivileged individuals, as well as projects that seek to preserve and revive the region’s unique cultural heritage. Through its work, the Foundation is committed to helping build an ASEAN Community of the future.

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About the AirAsia Group

AirAsia, the leading and largest low-cost carrier in Asia, services the most extensive network with 85 destinations. Within 10 years of operations, AirAsia has carried over 152 million guests and grown its fleet from just two aircraft to approximately 106. The airline today is proud to be a truly ASEAN (Association of Southeast Asian Nations) airline with established operations based in Malaysia, Indonesia, Thailand, Japan and the Philippines servicing a network stretching across all ASEAN countries, China, India, Sri Lanka and Australia. AirAsia was named the World’s Best Low Cost Airline in the annual World Airline Survey by Skytrax for four consecutive years in 2009, 2010, 2011, 2012.

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