

Case study

Derisking investment to scale clean cooking access for over two million people



Background

The Democratic Republic of Congo (DRC) is home to the world's second-largest tropical forest, covering approximately 155 million hectares and representing 60 percent of the Congo Basin. This rainforest, also known as the "lungs of Africa", plays a critical role in climate regulation, biodiversity conservation, and rural livelihoods. It is the largest carbon sink in the world however it is currently facing threats of deforestation and degradation, mainly because of the extensive use of wood for cooking.

For instance, charcoal and fuelwood [account for 90 percent of household cooking energy](#), which is a major driver of forest degradation. It also imposes significant **health and economic costs, especially on women**, who perform most of the cooking and wood collection, exposing them to respiratory illness and limiting time for other activities. Electricity access remains among the lowest in Africa, and clean cooking solutions such as liquefied petroleum gas (LPG) remain largely inaccessible due to high upfront costs, weak supply chains, and limited consumer financing.

In this context, [DRC's National Energy Policy \(2023–2035\)](#) sets the strategic direction for the country's energy sector, including the transition away from unsustainable wood energy. [The DRC Energy Compact](#) translates national priorities and aims to increase electricity access for its population from 21.5 percent to 62 percent and clean cooking adoption from 12 percent to 30 percent by 2030. Achieving these targets will require an estimate of **\$37 billion in investments**, including **\$600 million for clean cooking**.

Despite clear national targets, the clean cooking market remains underfinanced. Early-stage Small and Medium Enterprises (SMEs) that produce, distribute, and sell clean cooking technologies and fuels lack access to working capital. Many do not meet the lending requirements of commercial banks, limiting their ability to scale sustainable and energy-efficient solutions. Financial institutions view the sector as high-risk and hesitate to provide loans, which further limits SMEs' access to credit. As a result, a persistent financing gap prevents businesses from scaling and slows the transition from wood energy to clean cooking solutions.

Employee at Brisol SARL in Makala, Kinshasa district is producing ecological briquettes out of household biodegradable waste.



Development finance solution

To address these constraints, UNCDF partnered with UNDP to implement the [Joint Programme for the Sustainable Consumption and Partial Substitution for Wood Energy in the Democratic Republic of the Congo \(DRC\)](#) between 2018 and 2025, with funding by the [Central African Forest Initiative \(CAFI\)](#).

As part of this programme, UNDP focused on strengthening policy and regulatory frameworks, while UNCDF deployed catalytic financing to unlock investment in clean cooking enterprises. Many businesses in the sector operate at an early stage and struggle to access capital due to high perceived risk, limited collateral, and a lack of financial track record. UNCDF deployed a staged financing approach to help enterprises move from early market testing to investment readiness.

This approach combined performance-based grants, concessional loans, and technical assistance to strengthen their business models, support growth, and demonstrate the commercial viability of clean cooking markets.

“ We worked with UNCDF for several years. They were the first to provide risk capital when we urgently needed to scale operations. The support we received, both financial and technical, paved the way for larger investments.

We recently closed an \$18 million facility and continue to collaborate with UNCDF to unlock additional capital for further growth.”

- Washikala Malango, CEO of [ALTECH Group](#)

The blue stove model is produced by BRISOL, one of the supported MSMEs.

 [Watch the full story](#)

A technician welding a clean cookstove during the production process.

Photo: UNCDF

Supporting clean cooking solutions through catalytic grants

UNCDF first supported early-stage enterprises through the [Clean Cooking Challenge Fund](#), which provided **\$1.5 million in performance-based grants and technical assistance to 14 SMEs** operating across the clean cooking value chain in Kinshasa, Goma, Lubumbashi, Bukavu, and Kisangani.

One of the selected SMEs was [Coopec AKIBA YETU](#), a savings and credit cooperative organization (SACCO) in North Kivu. The cooperative received a \$100,000 grant to design and pilot the “Jiko Bora” Liquefied Petroleum Gas (LPG) credit product. The initiative allowed households to acquire LPG kits through affordable installments rather than paying the full cost upfront.

Under this model, [IHUSI GAZ](#), a local LPG distributor supplied the equipment and fuel. The partnership delivered more than **500 LPG kits, distributed 7.5 tons of LPG, and leveraged over \$42,000 in private capital**. The initiative also expanded clean cooking access to over 3,000 staff members of the UNESCO [Virunga National Park](#). Following the pilot, AKIBA YETU promoted the “Jiko Bora” product across a network of 23 SACCOs, with two institutions preparing to replicate the product.

Onoya Tokombe Cedrick, manager of Recyclo Congo, showing the production of biomass briquettes using a large-scale briquette machine.

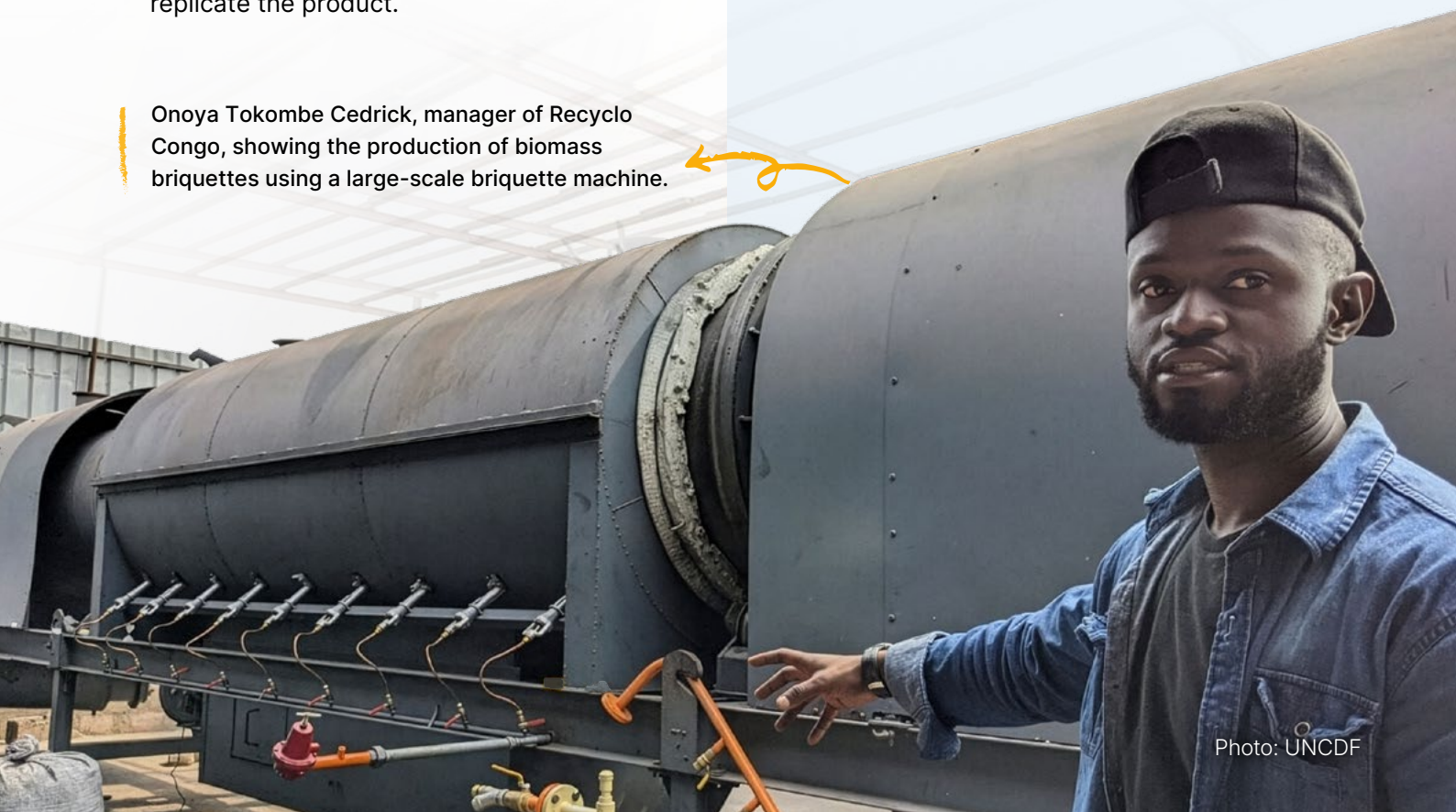
Scaling viable enterprises through concessional loans

While grants helped test and validate new market solutions, UNCDF also deployed concessional loans to support the expansion of promising enterprises. **Through two low-interest loans**, UNCDF provided working capital to clean cooking companies that had previously been unable to access formal debt financing.

One of the SMEs supported was ALTECH Group, a distributor of clean energy products and services. UNCDF provided ALTECH with a **\$350,000 concessional loan**, becoming the first lender to extend direct working capital to the company.

This financing enabled ALTECH to strengthen operations, expand distribution, and build a financial track record. As the company grew, UNCDF’s investment helped unlock **\$18 million in follow-on debt financing** from private investors.

With this support, ALTECH expanded its national network to more than 3,500 sales agents, sold over 400,000 clean energy products, and reached approximately five million people. In 2023, ALTECH ranked [among Africa’s fastest-growing companies](#).



Outcome


The programme expanded access to clean cooking solutions for more than two million people across the DRC. Supported enterprises distributed over 300,000 improved cookstoves and supplied more than 5,000 tons of clean cooking fuel, including LPG and briquettes. These results reduced reliance on wood energy, with over **150,000 tons of CO₂ emissions avoided**, and more than **2,000 hectares of forest preserved**.

More than **100,000 people received technical training, of which 70 percent were women and youth**. Clean cooking enterprises supported by the programme **created more than 1,300 jobs** across the value chain, with **women accounting for 53 percent of total employment**.

Across the portfolio, **\$2.15 million in catalytic capital (grants and loans) mobilized \$22.5 million in additional public and private investment**, including local commercial banks alongside international impact investors, climate funds, and pan-African private equity investors, demonstrating a **15x leverage effect**. By sequencing incubation, enterprise support, concessional finance, and financial sector engagement, UNCDF reduced market-level risk and built the conditions for scalable investment in the DRC clean cooking sector.

Beyond direct results, the programme laid the foundations for scale.

UNDP strengthened the policy and market environment, while UNCDF built a pipeline of investment-ready clean cooking SMEs, reducing risk and increasing investor confidence. UNCDF is now scaling this approach with a [\\$50 million investment programme to crowd in private capital and expand energy investments to reduce deforestation in DRC](#).



Women in Goma, DRC is cooking with clean stoves from Altech.

At a glance

DRC Renewable Energy ChallengeFund

\$1.5 million

in 14 grants

Concessional loan facility

\$650,000

in 2 loans

Overall Joint program budget
(UNDP and UNCDF)

\$18 million

Additional fund capitalized

Over

\$22.5 million

Partners

UNCDF, UNDP, CAFI, FONAREDD

Implementing partner

- **1 local MFI**
Akiba Yetu
- **2 LPG companies**
(1 women led)
BBOX
DAP Energy
- **1 biogas company**
BMI
- **3 biomass briquettes companies**
Recyclo Congo
Brisol
PKT
- **7 cookstoves companies**
(1 women led)
Altech
TAD & MBOA
Ets Mizizi
Halt Bank
Entrepreneurs Sans Frontières

Target sector

Clean cooking, Forest protection

Geographic focus

Kinshasa, Goma, Lubumbashi,
Bukavu, Kisangani

Timeline

2018 – 2025

About UNCDF

UN Capital Development Fund (UNCDF) mobilizes and catalyses an increase in capital flows for impactful investments in high-risk markets, especially in Least Developed Countries, Small Island Developing States and countries in special situations. By crowding in capital through the deployment of risk-absorbing financial instruments, mechanisms and structuring advisory, UNCDF contributes to job creation, sustained economic growth and equitable prosperity in more than 70 countries.

In partnership with UN entities and development partners, UNCDF operates with speed and agility to deliver scalable, blended finance solutions to drive systemic change and pave the way for commercial finance and scale up by development finance institutions and multilateral development banks.



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