



Programme Brief **CookFund**

Accelerated Market Roll-out of
Clean Cooking Solutions in
Tanzania



The United Nations Capital Development Fund (UNCDF) is a hybrid UN agency with a unique capital investment and development mandate.

UNCDF is implementing a three-year (**December 2021- December 2024**) CookFund Programme funded by the European Union (EU) under the Integrated Approach to Sustainable Clean Cooking Solutions Programme in Tanzania and the 11th European Development Fund (EDF), aiming at contributing to Tanzania's climate change commitment by increasing the share of the population with access to sustainable cooking solutions.

The CookFund is a **Euro 17 million** programme that seeks to accelerate market rollout of clean cooking solution in Tanzania mainland.

The aim is to further address under-capitalization, scalability and formalization challenges and henceforth build the internal capacity of enterprises companies involved in the production, importation, distribution, wholesale or retail of stoves, fuels, or related clean cooking products and services.

CookFund aims to bridge a critical gap between early-stage support, equity financing and concessional/ commercial debt needed to transition to modern, clean cooking at scale.



Main Objective (Impact)

Reduce climate change impact in Tanzania by increasing the share of the population with access to sustainable cooking solutions.



Specific Objective (Outcome)

Increase usage of modern and clean cooking solutions in urban areas for improved environment and inclusive wellbeing of the population.



Outputs

CookFund for accelerated market roll-out of clean cooking solutions in place and operational.



Key Implementors



MINISTRY OF ENERGY



Impact Capital
for Development



Funded by
the European Union

Programme Scope

Beneficiaries

Impact oriented commercially active enterprises and companies working and/or providing clean cooking solutions to households in urban areas of five regions in Tanzania Mainland, namely **Dar es Salaam, Pwani, Morogoro, Dodoma and Mwanza**.

Innovators and suppliers of end user payment modalities for clean cooking solutions are also considered.

Indirectly, the CookFund targets end users of clean cooking technologies. Special attention will be given to enterprises benefiting women, youth and other disadvantaged individuals

Targeted Clean Cooking Solutions

- Liquefied Petroleum Gas (LPG),
- Liquefied Natural Gas (LNG),
- Bioethanol,
- Electric Cookers,
- Briquettes, and
- Improved Charcoal Stoves (only energy efficient charcoal stoves).

CookFund places a strong emphasis on the provision of high-quality sustainable clean cooking services that integrate the clean cooking technologies (CCT) and sustainable fuels.

Development Impacts



295 SME Suppliers
to be technically and financially supported



~ 23,000 ha
of forest/trees to be saved



>185,000 MT
of charcoal to be avoided

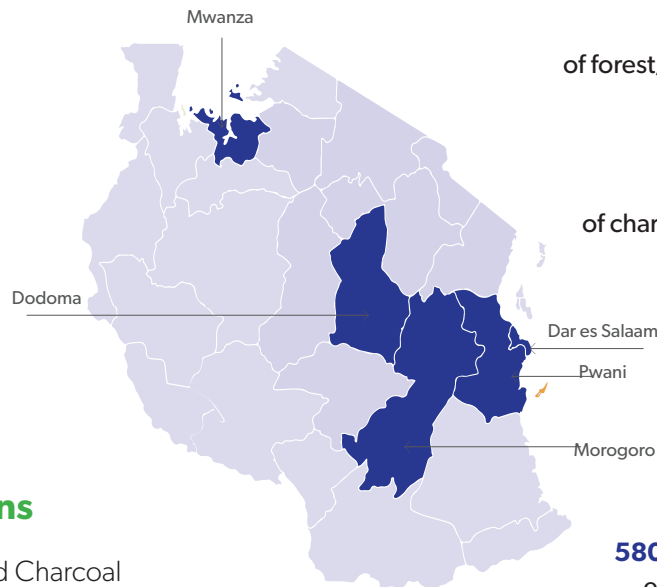


12,500 jobs
to be created
directly & indirectly



580,000 households
end-user impacted

Geography





Funding

» Uses of funds: Grants mainly focus in addressing enterprises/companies' under-capitalizations and end-user affordability.

» Total grant fund: €14 million will be utilized by UNCDF and the remaining €3 million will be used by UNIDO for bioethanol program in Dar es Salaam only.

» Size of individual awards: €10,000 – €300,000.00

» Matching Contribution: 25% - 50% of the total project cost for the planned new business line or expansion.

Funding Categories

Category I:

A combination of investment/working capital growth grant and of performance-based subsidy.

Category II:

The same as Category I above but specifically focusing on digital innovation in reaching out more end users i.e PAYGO

Selection Process

Proposal submission stage

Organizations will be competitively screened and shortlisted based on the quality of the proposal, eligibility, and selection criteria



Verification & Validation stage

Will be to verify businesses operations and validate proposed business ideas. Chosen candidates will then be appraised and funded by the programme.



Contracting and Monitoring

Successful applicants will sign volume-based Service Level Agreement (SLA) with UNCDF with the first disbursement done upon contract signing and the second after achievement of agreed sales volumes. Only new sales to eligible end users will be included and counted, after verification by UNCDF and/or an independent verifier.



Eligibility Criteria

The CookFund Programme is open to enterprises and companies that meet the following criteria:

Non - Financial criteria	<ul style="list-style-type: none"> • Legally registered and operating in Tanzania. • Adherence to geographical scope (Dar es Salaam, Mwanza, Dodoma, Morogoro and Pwani) and targeted clean cooking technologies. • Present a well-developed business plan. • Have sufficient market experience (1 year minimum), managerial and technical competence and expertise. • Be capable and ready to track end user sales data.
Financial criteria	<ul style="list-style-type: none"> • Capacity of matching 25% of investment funds requested. • Present 1 year audited financial statements or commit to submit financial statements within 6 months of operations. • Must be capable of setting up a separate bank account for receiving the Cook-Fund grant and keep proper books of accounts.
Compliance criteria	<ul style="list-style-type: none"> • Compliance to national laws, regulations and best practices including Tanzania Revenue Authority, BRELA, environmental, Social and Human rights principles. • Consideration for gender mainstreaming.



How to Apply

All submissions are done by completing the special Application Form to be downloaded from UNCDF procurement platform and CookFund webpage. Applications will be advertised over the course of the programme duration through newspapers, UNCDF website and social media platforms. Links to the applications will be shared.

The application form must be submitted in its original format (Word) along with any supporting documentation to the following email address: cookfund.tz@uncdf.org.

For further information and/or questions, please contact:
UNCDF Tanzania,
Email: cookfund.tz@uncdf.org
Tel: +255 22 260 0911





About UNCDF

UNCDF has been present in Tanzania since 1982, promoting local economic development and financial inclusion, and enhancing local government alternative sources of funds to finance infrastructure.

Our niche is designing and Implementing solutions that galvanise local markets. We develop innovative blended finance mechanisms and provide tailored technical support to capitalize economic development.



Financial & Business Advisory Including project origination, structuring, due diligence and development of new innovative financial vehicles



Capital Deployment of UNCDF's own financing instruments includes grants, concessional loans and guarantees.



Capital Catalyzation to leverage concessional resources to mobilize finance.



Technical assistance to pilot and scale up innovative financing solutions



Capacity development for MSMEs to enhance business performance and for government actors.



Policy advice, advocacy, thought leadership in support of policy and regulatory reforms.



Market analysis and scoping to identify SDG investment opportunities and barriers

CAPITAL TRIGGERS

DEVELOPMENT TRIGGERS

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