



Programme Brief



MINISTRY OF ENERGY



Impact Capital
for Development



Funded by
the European Union



About UNCDF

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

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.

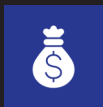
Our niche is designing and implementing solutions that galvanise local markets. We develop innovative blended finance mechanisms and provide tailored technical support to capitalize economic development.



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



Technical assistance to pilot and scale up innovative financing solutions.



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



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



Capital Catalyzation to leverage concessional resources to mobilize finance.



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



Market analysis and scoping to identify SDG investment opportunities and barriers.

About CookFund

A woman wearing a yellow polo shirt, blue jeans, and a red headwrap is smiling as she cooks. She is standing outdoors next to a modern, grey, cylindrical cooking stove. A large silver pot sits on top of the stove, and steam is rising from it. In the background, there is a grey metal fence and a blue sky with white clouds. The ground is dirt.

UNCDF is implementing a three-year 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 clean 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.



Expected Results



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.

Programme Scope

Targeted Groups

Impact oriented commercially active enterprises and companies working and/or providing clean cooking solutions to households in urban areas of five programme regions in Tanzania Mainland.

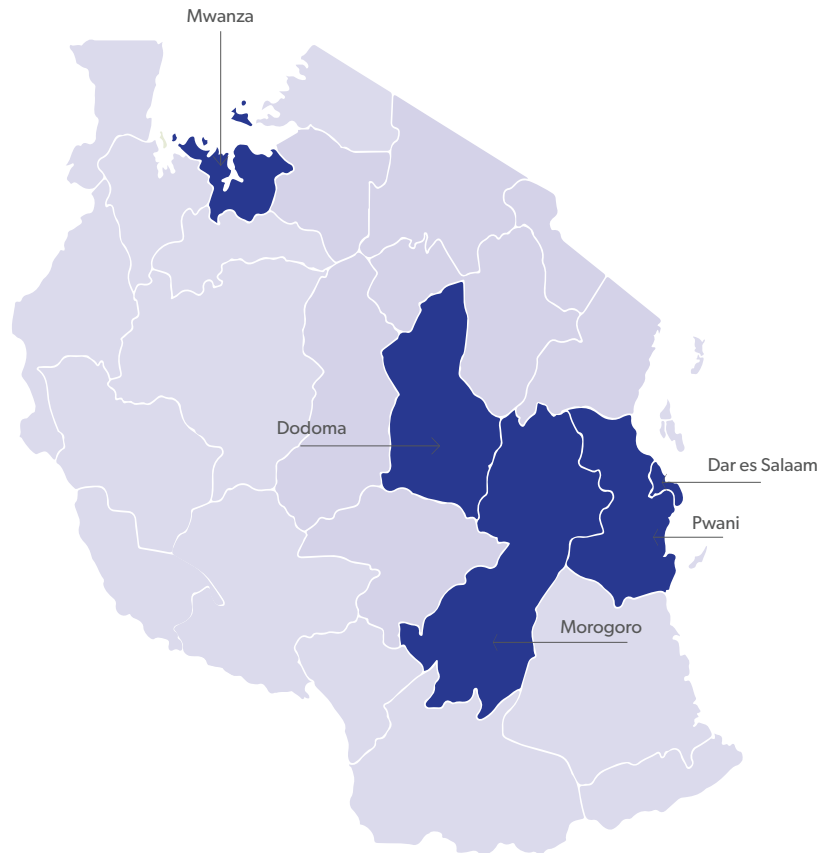
Innovators and suppliers of end user payment modalities for clean cooking solutions.

Beneficiaries

End users of clean cooking technologies (households, institutions and businesses).

Targeted Clean Cooking Solutions

- Liquified Petroleum Gas (LPG),
- Natural Gas ,
- Bioethanol,
- Efficient Electric Cookers,
- Briquettes and Pellets (green charcoal),
- Energy Efficient Improved 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.



295 Enterprises and Companies
to be technically and
financially supported



12,500 jobs
to be created,
directly and indirectly



Development Impacts



>185,000 MT
of charcoal to be avoided



580,000 households
end-user impacted



Funding Categories

Category I:

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

Category II:

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

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

Matching contribution:

25% - 50% of the total investment cost for the planned new business line or expansion.



How to Apply

All submissions are done by completing the special Application Form to be downloaded from UNCDF procurement platform and CookFund webpage: www.uncdf.org/cookfund.

Applications will be advertised over the course of the programme duration through newspapers, UNCDF website and social media platforms.

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

Eligibility Criteria

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



Non-financial criteria

- 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

- 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 CookFund grant and keep proper books of accounts.



Compliance criteria

- Compliance to national laws, regulations and best practices including Tanzania Revenue Authority, BRELA, environmental, Social and Human rights principles.
- Consideration for gender mainstreaming.

Selection Process

Screening and Shortlisting

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



Verification and Validation

Business operations and ideas of shortlisted applications will be verified and validated. Chosen candidates will then be appraised and submitted for approval by investment committees.



Approval of Screened Applications

Verified and validated applications will be submitted to UNCDF Investment Disbursement and Impact Committee for review and approval of impact key and quality, and thereafter for approval by Programme Investment Committee (PIC) chaired by the Ministry of Energy.



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 an independent verifier.



Key Implementing Partners



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