

Project Brief

# Tanzania Clean Cooking Project (TCCCP)



With support from



Sweden  
Sverige



## AECF is a **leader** in de-risking energy access companies to increase clean energy access for rural and marginalized communities.

AECF is implementing a project funded by the Government of Sweden, to support market-based approaches for clean cooking in the United Republic of Tanzania.

The Tanzania Clean Cooking Project (TCCP) is a US\$3.75 million three-year project that aims to catalyse the clean cooking sector through enhanced private sector participation.

The project will provide matching grant financing and technical assistance to small and growing businesses working in clean cooking.

The financing aims to de-risk companies to venture into underserved markets and enhance affordability and accessibility of clean cooking solutions for at least 60,000 beneficiary households.

The project is open to channeling more funding from development partners looking to support clean cooking in Tanzania

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## Objectives of TCCP

- Accelerate adoption of clean cooking solutions in underserved markets.
- Catalyze private sector participation and innovation in clean cooking.
- Strengthen sector coordination and advocate for a conducive policy environment for the clean cooking sector.



## Funding

Funding ticket sizes to companies will be under two categories:

- **Catalytic fund:** US\$ 50,000 to US\$ 75,000 for small companies with an annual turnover of US\$ 30,000 to US\$ 200,000.
- **Growth fund:** US\$ 100,000 to US\$ 400,000 for large companies with an annual turnover greater than US\$ 200,000.

For both categories, funded companies will be required to contribute cash matching funds of:

- > **1:0.4** (AECF: investee if male-owned/managed company)
- > **1:0.3** (AECF: investee if female-owned/managed company)
- > **1:0.3** (AECF: investee if youth-owned/managed company)\*

\* Any person below 35 years old.

## 1.

## Disbursements

The first disbursement will be upon a contract signing. Subsequent disbursements will be reimbursable, subject to the achievement of agreed milestones and after a satisfactory review of the project progress reports, utilization of the disbursed funds and the project financing need.

## 2.

## Selection criteria

Initially, companies will be competitively shortlisted based on eligibility and selection criteria at the concept note stage. The second step is submitting business plans, based on which selected applicants will be awarded funding by AECFs Investment Committee (IC). The decision will be made based on the plans' compliance with funding requirements, additionality, impact, and sustainability (see term sheet for more details).



### Step 1: Concept Note Stage

- > Call for concept notes.
- > Online application through the AECF website.
- > Concept notes evaluated.
- > Companies shortlisted and notified.

### Step 2: Business Planning and Due Diligence Stage

- > Shortlisted companies submit business plans.
- > Submitted business plans evaluated.
- > Due diligence carried out on companies.
- > Pitching of business ideas to the Internal Investment Committee (IIRC)
- > Final selection of businesses for funding by Investment Committee (IC).
- > Contracting and induction workshop.
- > Project implementation.

## Eligibility criteria

- The company must be legally registered and physically established in Tanzania by the time of project implementation.
- The company should produce audited accounts for at least two (2) years. Companies with less than two years of market experience but can demonstrate proof of sales in Tanzania or other markets during their period of operation may be considered.
- Be a private sector company with a business goal to increase access to clean cooking energy solutions. Joint ventures are also allowed.
- Be able to request funds within the range of US\$ 50,000 – US\$ 400,000. This is a non-refundable grant.
- Be able to show commitment (and sources) to provide required match funding
- Be compliant with Tanzania laws and regulations, including, inter alia, tax compliance. It should also comply with international human rights, labour standards and environmental management laws.
- Not be involved in any act of terrorism or support terrorists' activities.
- Not be involved in any act of corruption.
- Allow AECF regular due diligence and monitoring visits.

<sup>2</sup> According to provisional ISO/IWA tier classification for clean and improved cooking technologies

## Types of clean cooking solutions to be supported

Recognizing that several cooking solutions are needed to address the prevalent use of traditional forms of cooking, the project will provide support to a range of clean and improved cooking solutions including:

- Improved cookstoves that meet or exceed Tier 2 fuel use efficiency .i.e. thermal efficiency greater than 25%<sup>1</sup>.
- Clean cookstoves and fuel solutions that meet the Tier 4 threshold for indoor emissions. This includes sustainable fuels, e.g., pellets, briquettes, bioethanol, biogas, and LPG.
- Affordable electric cooking solutions
- Other technologies that conform to national industry standards for clean cooking.



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**25%**





## How to Apply

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To apply for support, kindly go to <https://tinyurl.com/f4ta35kd> and click on the “Apply” button to register on our secure online application platform. You will be expected to fill out an application form to determine your eligibility against the set criteria (see more details in the term sheet). Applications will be accepted between **29 September 2022** and **10 November 2022**. The application window will close at midnight (EAT) on **10 November 2022**.

For clarifications contact: [tcptanzania@aecf africa.org](mailto:tcptanzania@aecf africa.org)



West End Towers, Kanjata Road Off  
Muthangari Drive / Waiyaki Way  
T: +254111035000  
E: info@aecfafrica.org

[www.aecfafrica.org](http://www.aecfafrica.org)

