

CLEAN COOKING FUND

ACCOMPLISHMENTS, OPPORTUNITIES AND CHALLENGES

CLIMATE ACTION SUMMIT ANNIVERSARY
ENERGY TRANSITION COALITION INITIATIVES WEBINAR SERIES

CLEAN COOKING FUND OBJECTIVES



CLEAN COOKING FUND



INVESTMENT

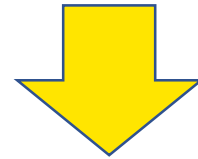


INNOVATION



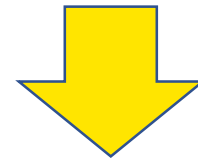
IMPACT

- Leverage World Bank/Multilateral Development Banks finance and attract private-sector *investments* in the clean cooking sector.
- Catalyze technology and business *innovations* by providing incentives for players across clean-cooking value chains.
- Link incentive payments with verified results at the output, outcome, and *impact* levels.



US\$500 MILLION TO CATALYZE \$2 BILLION IN INVESTMENTS AND REACH 200 MILLION PEOPLE

- Support a sizable stream of businesses along the supply chain delivering clean cooking solutions.
- Develop an impact bond market for the clean cooking sector to attract a broad range of funding.

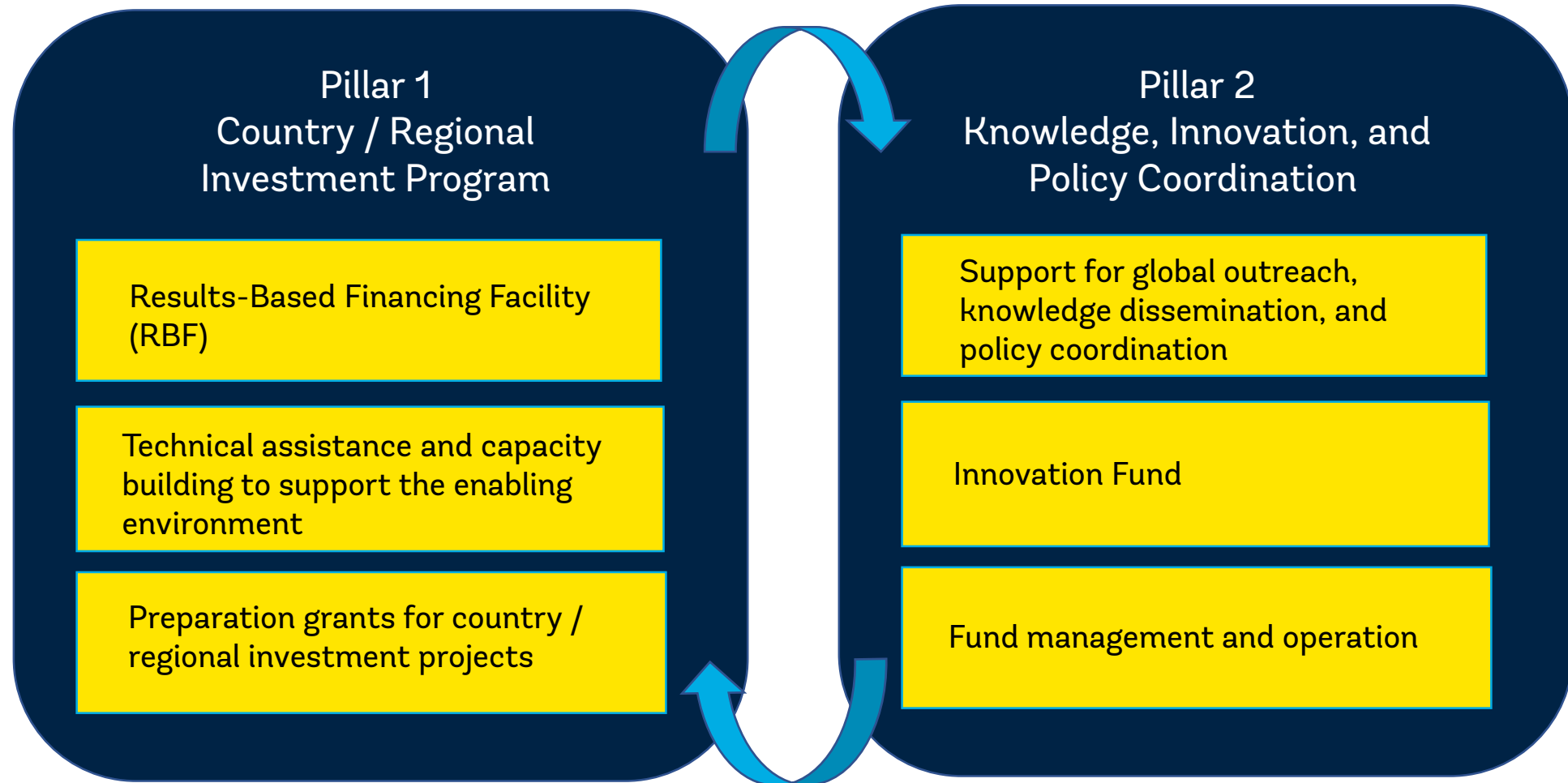


REPLICATION AND SCALE-UP

Universal Access to Clean Cooking

CLEAN COOKING FUND STRUCTURE

Overarching Goal: Accelerate Access to Clean Cooking



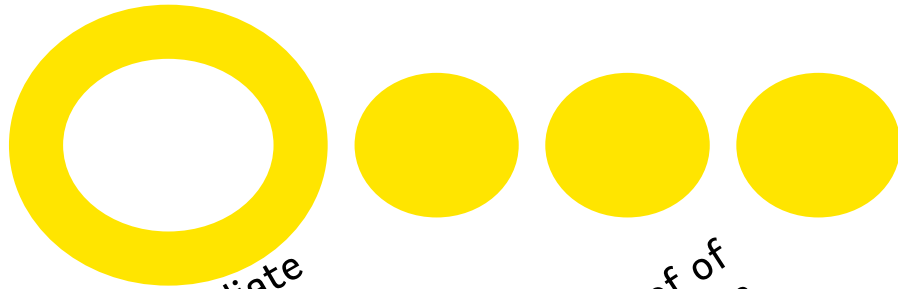
SUPPORT MARKET DEVELOPMENT TOWARD LONG-TERM SUSTAINABILITY

CLEAN COOKING FUND FUNCTIONS

- Correct a temporary market failure by monetizing full co-benefits of clean cooking interventions not currently priced by the market.
- Subsidize market actors' costs to build customer awareness and market adoption.
- Develop evidence base and track record to crowd in new RBF buyers and future commercial financiers.
- Act as a revenue source to attract upfront private-investment funding for project developers.

NEARER-TERM...

Donor subsidization

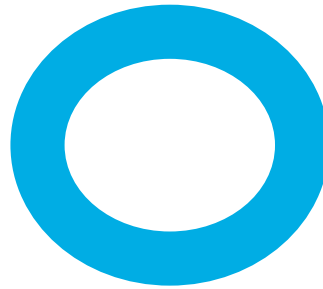


Addresses immediate financial bottlenecks to accelerate market adoption

Pilots provide proof of concept and evidence base for co-benefits monetization

MEDIUM-TERM...

Government support



If continued payment support is needed, can transition to government funding

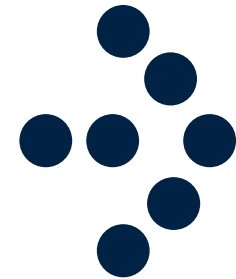
LONGER-TERM...

Self-sustaining market



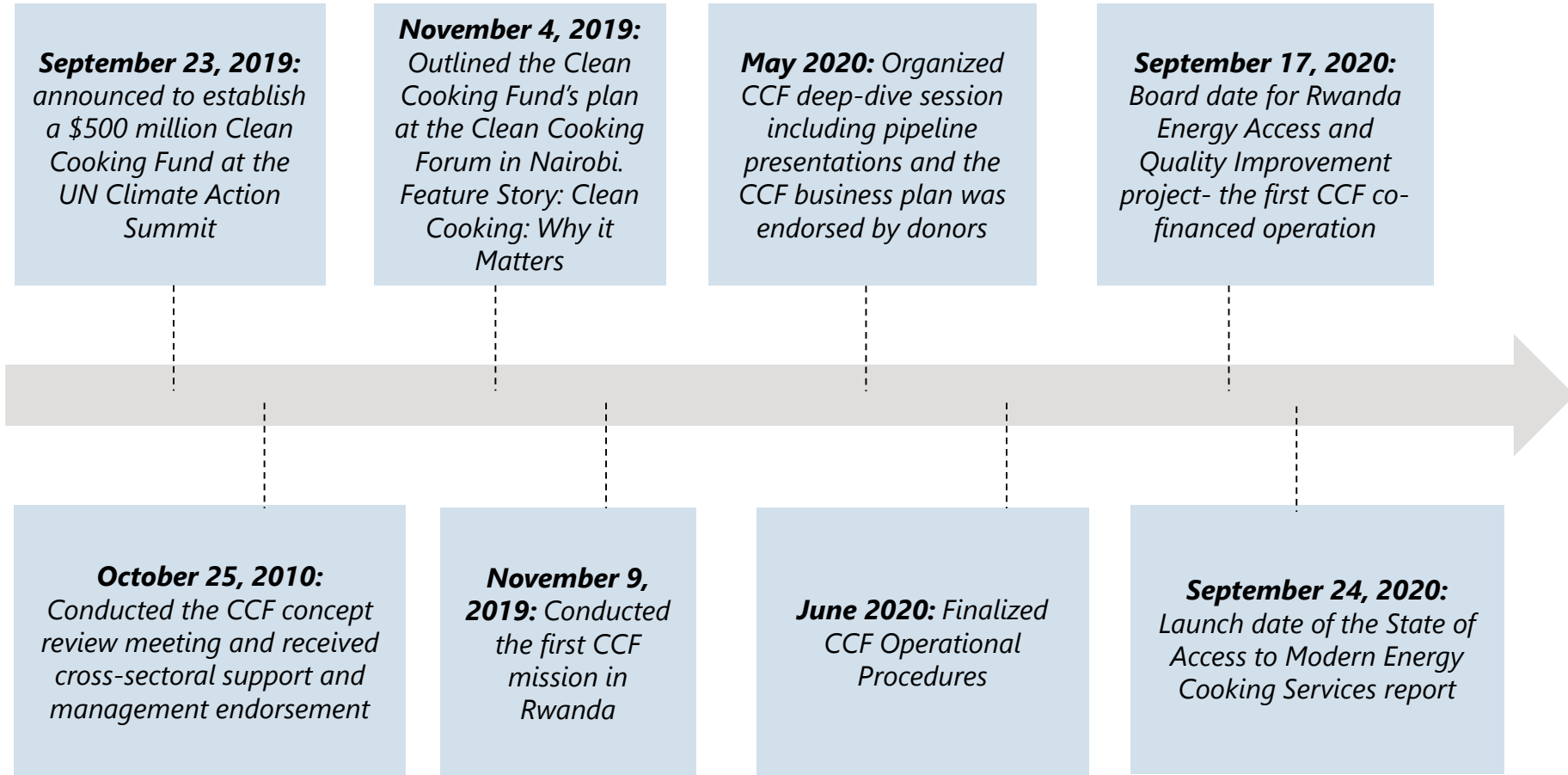
Immediate financial bottlenecks have been unblocked

Value proposition has been clearly demonstrated to market actors



Viability of clean cooking business models attracts more private investment

CCF ANNIVERSARY: KEY MILESTONES



OPPORTUNITIES AND CHALLENGES

➤ Increasing policy prioritization at global and country levels

- Launching of the Health and Energy Platform of Action (HEPA), national targets/strategies in various countries, and an initial CCF pipeline (Rwanda, Burundi, Uganda, Ghana, Niger, Zambia, Nigeria, Nepal, and Myanmar).

➤ New and emerging technologies, business models, and financing mechanisms

- Enabling accessible and affordable solutions, including the leverage of successes in off-grid electrification, using high-efficiency electric cooking appliances, IoT, and pay-as-you-go technologies.

➤ Better understanding of household cooking energy needs and sector dynamics

- Launching of the State of Modern Energy Cooking Services report building on Multi-Tier Framework surveys in 17 countries, systematic review of literature, survey of hundreds of enterprises, and expert interviews.

➤ COVID19 Pandemic provides both challenges and opportunities

- Underlining the interlinkages of cooking, health, gender, environment, and climate and requiring the public sector to lead recovery and rebuilding in face of significant disruptions to businesses.



INITIAL LESSONS LEARNED AND NEXT STEPS

Initial lessons learned

- The level of commitment and size of investment matter
- Need to formalize cooking energy demand in national energy planning and strategies
- Leverage the synergies with the off-grid sector
- Keep the RBF design flexible and adjustable

Next Steps

- Mobilize funding to meet the CCF pipeline funding demand and leverage public and private financing
- Support CCF projects preparation and implementation to generate results on the ground
- Develop the impact bond market for clean cooking to attract more health, gender, and climate financing



Thank You!