CLEAN COOKING FUND
ACCOMPLISHMENTS, OPPORTUNITIES AND CHALLENGES

CLIMATE ACTION SUMMIT ANNIVERSARY
ENERGY TRANSITION COALITION INITIATIVES WEBINAR SERIES
CLEAN COOKING FUND OBJECTIVES

- 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.
- 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.

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

REPLICATION AND SCALE-UP

Universal Access to Clean Cooking
CLEAN COOKING FUND STRUCTURE

Overarching Goal: Accelerate Access to Clean Cooking

Pillar 1
Country / Regional Investment Program

- Results-Based Financing Facility (RBF)
- Technical assistance and capacity building to support the enabling environment
- Preparation grants for country / regional investment projects

Pillar 2
Knowledge, Innovation, and Policy Coordination

- Support for global outreach, knowledge dissemination, and policy coordination
- Innovation Fund
- Fund management and operation
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

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

**Medium-Term…**
Government support

Immediate financial bottlenecks have been unblocked

Value proposition has been clearly demonstrated to market actors

**Longer-Term…**
Self-sustaining market

Viability of clean cooking business models attracts more private investment
CCF ANNIVERSARY: KEY MILESTONES

**September 23, 2019:**
announced to establish a $500 million Clean Cooking Fund at the UN Climate Action Summit

**November 4, 2019:**
Outlined the Clean Cooking Fund’s plan at the Clean Cooking Forum in Nairobi. Feature Story: Clean Cooking: Why it Matters

**May 2020:**
Organized CCF deep-dive session including pipeline presentations and the CCF business plan was endorsed by donors

**September 17, 2020:**
Board date for Rwanda Energy Access and Quality Improvement project- the first CCF co-financed operation

**October 25, 2010:**
Conducted the CCF concept review meeting and received cross-sectoral support and management endorsement

**November 9, 2019:**
Conducted the first CCF mission in Rwanda

**June 2020:**
Finalized CCF Operational Procedures

**September 24, 2020:**
Launch date of the State of Access to Modern Energy Cooking Services report
**OPPORTUNITIES AND CHALLENGES**

- **Increasing policy prioritization at global and country levels**

- **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**

- **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!