

# Issue 129 January 10, 2014 | Focus on Carbon Finance for Cookstoves

Accessing finance is a major constraint to scaling up cookstove adoption. Carbon finance provides an opportunity for cookstove entrepreneurs to develop projects, though the process involves rigorous monitoring and a number of rules need to be followed. This issue of the WASHplus Weekly focuses on resources that provide guidance to cookstove project developers to better understand carbon finance, including reports, papers, project design documents, tools, videos, and useful websites.

NOTE: If you haven't done so already, the WASHplus Knowledge Management (KM) team would appreciate your comments and suggestions about products and services provided by WASHplus. The link to the survey is <a href="https://www.surveymonkey.com/s/3G7SH7C">https://www.surveymonkey.com/s/3G7SH7C</a>.

# **RESOURCES**

Assessing the Climate Impacts of Cookstove Projects: Issues in Emissions Accounting, 2013. C Lee, Stockholm Environmental Institute Working Paper. (PDF) This paper evaluates the quantification approaches to three key variables in calculating emission impacts: biomass fuel consumption, fraction of nonrenewable biomass, and emission factors for fuel consumption. It draws on a literature review as well as on interviews with technical experts and market actors, identifies lessons learned and knowledge gaps as well as key research needs, including refinement of monitoring approaches for cookstove use and broadened scope of emission factors used for cookstoves.

Performance of Designated Operational Entities in Household Energy Projects:
Benchmarking Survey, 2013. E Gatti, Nexus-Carbon for Development. (PDF)
This study assesses the performance of Designated Operational Entities (DOEs) during validation and verification of small-scale carbon projects. The study aims to enhance the fairness, transparency, and accessibility to climate finance for small-scale household energy projects including cookstoves. This study includes a set of performance indicators that can be used to benchmark the performance of DOEs over time.

Maneuvering the Mosaic: State of the Voluntary Carbon Markets 2013. Forest Trends' Ecosystem Marketplace & Bloomberg New Energy Finance. (PDF)

Consumer awareness of the immediate impacts and future risks of climate change is trending upward—converging with a global economic scenario that complicates the implementation of broad-based policy solutions. But where some policymakers fear to tread, many private

companies are voluntarily internalizing the price of carbon in their business activities, as seen in their still-growing voluntary demand for carbon offsets.

# Carbon Finance and Pro-Poor Co-Benefits: The Gold Standard and Climate, Community and Biodiversity Standards, 2011. R Wood, Sustainable Markets, Discussion Paper 4. (PDF)

This paper assesses the practical contribution of the Gold Standard (GS) and Climate Community and Biodiversity (CCB) Standards to local development through the identification of high quality carbon offset projects and ensuring high standards of consultation with local communities during project development and implementation. It is based on desk research, involving analysis of the GS and CCB Standards' project databases, project design documents, and secondary literature. The paper concludes that both standard systems successfully reward high quality projects that have a demonstrated commitment to local consultations and sustainable development benefits.

# **Carbon Finance: A Guide for Sustainable Energy Enterprises and NGOs**, 2010. The Ashden Awards and Global Village Energy Partnership. (PDF)

Access to finance for small-scale energy projects in developing countries is one of the major constraints to their expansion. In recent years, the availability of carbon finance through emissions trading or "carbon credits," has been creating opportunities for entrepreneurs in the process of developing sustainable energy projects. This guide is intended for project managers who want to know how to estimate the carbon emissions saved by their project and for entrepreneurs, who want to be able to consider carbon finance in their investment plan.

# **10 Steps for Carbon Credit Supported Projects**, 2010. Mercy Corp. (PDF)

The purpose of this document is to provide a simple outline of the terminology and to aid decision making on whether or not carbon revenue is an appropriate source of funding for your cookstove project. The document provides a general overview of the process to get carbon-related funding and what is expected of the project developer and implementer, the carbon retailer (the business that can sell credits on the carbon market), and the carbon verification body—the organization responsible for determining the eligibility of carbon credits.

# Household Cookstoves, Environment, Health, and Climate Change: A New Look at an Old Problem, 2011. The World Bank. (PDF)

This report takes stock of our collective knowledge of actions and opportunities centered on clean stoves. The report not only examines the lessons learned in specific stove campaigns; it builds the case for a multi-sectoral approach to understand the effects of stove policies and programs. After reviewing the state of cookstove research and action, the report takes a welcome and much needed look at the potential "game changers" associated with cookstoves. It examines opportunities for technology development, leading to the availability of "advanced" biomass stoves; new sources and mechanisms of financing, including those linked to climate change; and the formation of new international coalitions and partnerships like the Global Alliance for Clean Cookstoves.

# **VIDEOS**

**Carbon Credits Support Clean Cookstoves in Uganda**, 2013. ClimateCare. (Video)

The Ugastoves project in Kampala demonstrates how it is transforming the market for cooking appliances in Kampala by creating a market for fuel-efficient stoves in households and institutions throughout Uganda. More than 200,000 stoves have been manufactured since

project inception and 159 people have been employed. Reducing fuel needs by 36 percent saves families money. Learn more about the <u>project</u> and its <u>design</u>.

Carbon Finance Supports Gyapa Stoves in Ghana, 2013. Gyapa Enterprises. (Video) This project introduces the Gyapa, an insulated and efficient cookstove, to families in Ghana. The Gyapa stove cooks food more quickly, requires 50 to 60 percent less fuel, and is less smoky. Over 550,000 stoves have been sold, generating savings of more than one million tons of CO2 emissions. Currently, over 12,500 stoves are produced and sold each month through 350 manufacturers. More than 500 local retailers benefit from selling the Gyapa stove. Learn more about the project and its design.

### Carbon Clear Darfur Low Smoke Cookstoves, 2013. Carbon Clear. (Video)

The Darfur Low Smoke Stoves Project, launched in 2007 by Carbon Clear and Practical Action, a UK-based NGO, demonstrates how carbon finance can improve livelihoods in Darfur, Sudan, where climate change, drought, and desertification are already a fact of life. Carbon Clear and Practical Action's pioneering cookstove carbon project has been recognized as a Lighthouse Project by the UN—an outstanding example of innovative climate mitigation in a difficult and unstable region of Africa.

#### **TOOLS**

### The Gold Standard Toolkit Version 2.2, 2012. The Gold Standard. (Link)

This toolkit provides clarity and guidance to help project proponents successfully implement high quality greenhouse gas reduction projects that also make measurable positive impacts on sustainable development.

The **Global Alliance for Clean Cookstoves** new website features a series of tools described in the next five entries. For a description of the site in general and an instructional webinar, see Webinar and Website categories below.

#### **Project Screening Tool**, 2013. (Link)

Use this Project Screening Tool to assess whether your clean cooking project could benefit from carbon finance.

#### **Networking Platform**. (Link)

Stakeholders can use this networking platform to connect with subject matter experts, potential partners or buyers, as well as to discuss issues relevant to the cookstove sector.

# Carbon Project Cycle. Tool.

This interactive tool explains the carbon certification process in detail covering all steps of the process from project identification through the verification and issuance processes.

# **Project Map and Database.** (<u>Database</u>) | (<u>Map</u>)

Search an extensive database and map developed by the Global Alliance for Clean Cookstoves to quickly locate cookstove projects all over the world.

#### **Glossary**, Global Alliance for Clean Cookstoves. (Glossary)

The Global Alliance for Clean Cookstoves has compiled a glossary to define the many abbreviations and acronyms used throughout the site.

#### **WEBINARS**

# **Innovative Approaches to Cookstove Consumer Finance**, June 23, 2013. (Slides) | (Q&A) | (Webinar Recording)

Winrock International and the Environmental Protection Agency hosted this webinar on cookstove financing for consumers. While no one-size-fits-all solution exists for making high quality cookstoves more affordable and accessible, many organizations have developed their own innovative approaches to consumer finance that help get improved cookstoves into the hands of low-income and difficult-to-reach populations. Andrée Sosler from Potential Energy, Suraj Ologburo from Toyola Energy Limited, and Sylvain Romieu from UpEnergy each share their experience with developing consumer financing strategies for their organizations in Sudan, Ghana, and Uganda.

**Carbon Finance Platform**, 2013. The Global Alliance for Clean Cookstoves. (<u>Slides</u>) | Webinar Recording (<u>English</u>, <u>Chinese</u>, <u>Spanish</u>, and <u>French</u>)

This series of webinars introduce the new web-based Carbon Finance Platform and explain its features and tools. See description below for details of the website.

#### **WEBSITE**

# **Carbon Finance Platform,** The Global Alliance for Clean Cookstoves. (Link)

The Global Alliance launched the Carbon Finance Platform for Clean Cooking in November 2013. The platform is a comprehensive and interactive knowledge sharing web portal that provides how-to guides, tools, templates, and case studies to assist stakeholders with varying levels of carbon expertise. The platform serves as an interactive marketplace for multiple audiences and baseline knowledge levels, including new and experienced project implementers, carbon developers, as well as donors, investors, and carbon credit buyers. Those new to carbon finance can learn the basics; project implementers can screen their projects to find out if they are eligible for carbon finance; carbon developers and consultants can list their services in the online directory; and projects with credits for sale can list them in the marketplace.

WASHplus Weeklies will highlight topics such as Urban WASH, Indoor Air Pollution, Innovation, Household Water Treatment and Storage, Hand Washing, Integration, and more. If you would like to feature your organization's materials in upcoming issues, please send them to Dan Campbell, WASHplus Knowledge Resources Specialist, at <a href="mailto:dacampbell@fhi360.org">dacampbell@fhi360.org</a>.



**About WASHplus -** WASHplus, a five-year project funded through USAID's Bureau for Global Health, supports healthy households and communities by creating and delivering interventions that lead to improvements in access, practice and health outcomes related to water, sanitation, hygiene (WASH) and indoor air pollution (IAP). WASHplus uses at-scale, targeted as well as integrated approaches to reduce diarrheal diseases and acute respiratory infections, the two top killers of children under five years of age globally. For information, visit www.washplus.org or email: contact@washplus.org.