High Tier Cooking Component (HTCC) Uganda

Results-based financing (RBF) for E-Cooking and Higher Tier Biomass Stoves

Frequently Asked Questions (FAQs)

SEE - Clean Cooking











This resource covers FAQs for the <u>Higher tier Cooking Component</u> (HTCC) Uganda Results-based Financing for E-Cooking and Higher Tier Biomass Stoves - part of the <u>Strengthening the</u> <u>Entrepreneurial Ecosystem for the Clean Cooking</u> (SEE-CC) program.

Who manages the HTCC Results-based financing component?

<u>CLASP</u> serves as the operating agent and administrator ("Administrator") of the results-based financing. GIZ Uganda serves as the overall lead implementer for the HTCC project. For more information on the Financing Facility, please check our website or contact financing@clasp.ngo.

Implemented by:





Which companies are eligible to participate in the HTCC Results-based financing?

The RBF is open to distributors and other companies that play a role in facilitating higher-tier clean cooking technologies procurement and distribution, operating across off-grid, mini-grid, and grid-connected (utility) areas in Uganda.

What are the eligible technologies?

Quality verified Electric Pressure Cookers (EPCs), Electric Induction Cookers, and Tier 3 and above biomass stoves.

However, participating companies will not receive their initial subsidy disbursements until all technologies included in the subsidy request have completed quality verification through an authorized test lab. This means that the product must fall under any of the following:

- 1. Electric Pressure Cookers named Winners or Finalists of 2022 Global LEAP Awards for EPCs OR
- Electric Pressure Cookers and Electric Induction Stoves are already included in the <u>VeraSol Product</u>
 <u>Database</u>, OR
- Products that have undergone testing according to the relevant Global LEAP test methods, and whose performance benchmarks satisfactorily against the lowest performing Winner or Finalist product in the same size/form factor category in the most recent Global LEAP Awards competition, OR
- 4. Electric Induction Cookers that have undergone testing conducted by the Administrator using the "Rapid Product Assessment" test procedure, OR
- 5. Tier 3 and above biomass stoves that have undergone testing according to the Uganda National Bureau of Standards (UNBS's) <u>US 761:2019 standard</u> or the <u>US ISO 19867-1:2018</u> standard.

Exceptions to the quality assurance guidelines will be made at the Administrator's sole discretion.

How do I complete the product testing process?

For Electric pressure cookers and electric induction cookers, the testing process is managed in collaboration with the Verasol program. For Tier 3 and above biomass cookstoves, the team partners

with UNBS-accredited test labs in Uganda for testing and certification. For questions about testing laboratories or other aspects of the testing process, please contact financing@clasp.ngo.

When should I start the product testing process?

Testing is not required to submit a subsidy request, but testing must be complete before any subsidies are disbursed. Companies may therefore wait to initiate the testing process until their procurement subsidy request has been approved. In addition, companies must provide evidence of having initiated the testing process no more than three weeks after a subsidy request is approved.

How can I obtain an exception to the quality assurance guidelines?

For such requests, please contact <u>financing@clasp.ngo</u> with your proposed exception and rationale.

How do I participate in the HTCC Results- based financing?

Subsidies are disbursed via competitive auction windows open to all eligible distributors in Uganda. CLASP will post a link to the Subsidy Request Form on the program's webpage www.clasp.ngo/higher-tier-cooking-component-uganda-results-based-financing when a bid submission window is open.

Can I make updates to my application after submission?

Unfortunately, no updates can be made to your application after submission. For any issues, please contact financing@clasp.ngo.

Will I have to submit any other forms after completing my subsidy form?

Yes, CLASP will send a Transaction & Sales forecast form link to participants with successful requests. These participants will be required to submit sales forecasts along with additional details and documentation related to the clean cooking product's procurement in order to confirm their participation in the Program.

How are subsidy amounts determined?

Companies determine their subsidy amounts in the Subsidy Request forms, calculated as a percentage of a product's Free on Board ("FOB") origin price and multiplied by the volume of products a company indicates they will sell with a given subsidy level. We encourage all interested companies to request the minimum amount of subsidy required to enable them to achieve their desired business outcomes.

In general, CLASP will prioritize companies with smaller overall subsidy requests, and requests that represent a smaller percentage of a product's FOB price. In addition, CLASP may approve a smaller subsidy than what is included in a company's request. Please refer to the Terms and Conditions document for a full summary of the evaluation process for subsidy requests submitted during auction windows.

How will I know if my subsidy request is approved?

Participants should expect to hear within fifteen days of the request submission closing date if all or part of their bid has been accepted.

What if the price of my product changes?

You will be expected to fill out the product price Variance declaration form provided by CLASP. The form allows you to explain the reason(s) for the deviation between the declared and submitted product FOB Price on the invoice and how the deviations will impact the planned purchase orders.

What is the subsidy disbursement schedule?

Subsidies will be disbursed after participants achieve key milestones, including demonstrating compliance with the Facility's verification process. The first payment (40%) will be made after verifying that the distributor has procured products (e.g., that a down payment has been completed and the transaction is finalized and legitimate). The subsidy balance (60%) will be disbursed after verification that products have been sold to end customers. Subsidy disbursements aligned to the verification of product sales will be made on a rolling, quarterly basis upon completion of verification surveys.

For more information on disbursement and verification, please read the procurement subsidies terms & conditions.

How will product sales be verified?

CLASP has engaged a third-party firm to conduct customer verification and impact surveying on behalf of the RBF. Participating companies will be required to submit customer contact information for all sales. Companies may also be asked for calls to discuss the RBF's impact and additional data. Sensitive company data will not be made public without the company's express permission.

How long do I have to sell my products?

You will be expected to sell your products by the 31st of March 2025.

Will there be future open rounds for this RBF?

Future open rounds will be informed by the performance progress of participants in the current window and the availability of funding.