

# HTCC Uganda – RBF for E-Cooking and Higher Tier Biomass Stoves

## Terms and Conditions

### 1 ABOUT HTCC UGANDA

The Higher tier Cooking Component (HTCC) is part of the Strengthening the Entrepreneurial Ecosystem for the Clean Cooking sector (SEE-CC) programme. The project aims to strengthen the supply side of the clean cooking sector by supporting small and medium-sized enterprises improve their business operations and access to finance for upscaling, innovation and increasing affordability of higher tier cookstoves in Uganda. The HTCC Uganda Project is supported by the Netherlands Enterprise Agency and jointly implemented by GIZ Uganda under the Energising Development (EnDev) Programme, and CLASP and will run until December **2025**.

### 2 RBF OVERVIEW

The RBF Facility for higher tier cookstoves aims to reduce the risk associated with the procurement and sale of these products, accelerating both the scale and timeline of higher tier cookstove sales for participating companies.

The Facility will provide financial subsidies to companies operating across Uganda that procure large quantities of high quality, low emissions, and energy efficient cookstoves in Uganda. All shortlisted products must undergo third party testing to ensure and verify emissions, energy performance, quality, and safety in order to receive subsidies.

The table below shows the technology scope of the Facility:

Household Biomass Stoves	Thermal Efficiency (%)	Emissions Factor		Safety Requirement (%)	Durability Requirement (%)
		PM 2.5, mg/MJ	CO, g/MJ		
<b>Household biomass cookstoves (carbonized and uncarbonized biomass fuel)</b>	Minimum score of Tier 3 based on ISO 19867-1:2018 or Class 2 under the US 761:2019 performance standards	Minimum score of Tier 3 based on ISO 19867-1:2018 or Class 2 under the US 761:2019 performance standards	Minimum score of Tier 3 based on ISO 19867-1:2018 or Class 2 under the US 761:2019 performance standards	≥ 88	≥ 88
<b>Electric Cooking Appliances</b>	<b>Test protocol as per Global LEAP EPC Test Method and Test Protocol as per Rapid Product Assessment for Electric Induction Cookers.</b>				
<b>Electric Pressure Cooker (EPC)</b>	Meet eligibility requirements highlighted in <a href="#">Section 3.2</a>				
<b>Electric Induction Cooker (EIC)</b>	Meet eligibility requirements highlighted in <a href="#">Section 3.2</a>				

**Note: There is no fee to participate in the program.**

This document governs the terms and conditions of participation in the procurement subsidies. CLASP serves as the operating agent and administrator (“Administrator”) of the procurement subsidy of the Facility.

Companies that apply for and/or receive procurement subsidies (“Participants”) are subject to the Terms and Conditions (“Terms and Conditions”) described in this document, which govern the operation of the facility and the relationship between the Administrator and Participants in the Program.

By completing and submitting a Bid Submission Form (“Bid”), Participants agree to comply with these Terms and Conditions. Violations of these Terms and Conditions may disqualify a Bid and/or Participant from the Program at the sole discretion of the Administrator.

Participants agree and acknowledge that the information submitted in or with a Bid does not contain any confidential or trade secret information.

### **3 ELIGIBILITY REQUIREMENTS**

#### **3.1 Eligible Companies**

Higher tier cooking products manufacturers and distributors (e.g., distributors of electric induction stoves, electric pressure cookers, tier-3 and above biomass stoves in Uganda that have completed the Facility’s subsidy request form and been approved by the Administrator (“Distributor”);

Collectively, Distributors and other companies participating in the Program are sometimes referred to hereinafter as “Participants.”

Groups of two or more Distributors who wish to partner to procure Products (as hereinafter defined) may also be deemed eligible to participate in the Program, with advance permission by the Administrator. Distributors that are interested in such partnerships should contact the Administrator. In such instances, a single Distributor must serve as the lead Participant (such Participant, a “Bundler”).

In some cases, a third-party partner may serve as the Bundler. All Bundlers must be approved by the Administrator and will serve as the Administrator’s single point of contact and will be responsible for its own and any of the Participants associated with the Bundle’s compliance with these Terms and Conditions. Approval of Participants and Bundlers is within the sole discretion of the Administrator and is not subject to appeal.

Any costs associated with engaging the Bundler will be borne by Participants. The Administrator may request information from any Participant taking part in a bundled order at any point.

Requests for subsidies for products not included in this list are subject to the sole discretion of the Administrator. Distributors who wish to submit such subsidy requests are encouraged to contact the Administrator first.

#### **3.2 Eligible Cookstoves and Appliances**

Eligible cookstoves must be:

1. Winners or Finalists of the [2020 Global LEAP Awards for Electric Pressure Cookers](#) (EPCs)

OR

2. OR Winners or Finalists of the [2025 Global LEAP Awards for Induction Cooktops](#) (ICs),
3. Already included in the [VeraSol Product Database](#),

OR

4. Undergone testing according to the relevant Global LEAP test methods with performance benchmarked 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

5. Tier 3 and above biomass stoves that have undergone testing according to Uganda National Bureau of Standards (UNBS's) [US 761:2019 standard](#) or the [US ISO 19867-1:2018 standard](#).

OR

6. Electric Pressure Cookers and Electric Induction Stoves that have undergone testing conducted by the Administrator using the "Rapid Product Assessment" test procedure.

All Products will be tested in an accredited test laboratory facility designated by the Administrator, according to either the Global LEAP test method for EPCs, the UNBS 761:2019 test procedure or the US ISO 19867-1:2018 test protocol to verify the Product's technical requirements, performance and safety requirements ("Verification Testing"). The Rapid Product Assessment is a newly developed testing procedure that is applicable to a wide range of electrical appliances including electric induction stoves.

Products deemed eligible by the Administrator based on this Verification Testing that fail to meet performance expectations in the field may be removed from Program eligibility at the Administrator's discretion. However, this Verification Testing is not intended to replace Participants' own technical, or market due diligence and the Administrator is not responsible for any Products that deviate from tested levels of quality and energy performance.

Products eligible for subsidies must be packaged and sold with safe operating instructions. Products shall not violate or infringe a third party's intellectual property. After the Facility's launch, the Administrator will accept and evaluate new higher tier stoves for inclusion to the facility's list of eligible products on a rolling basis.

Only products approved by the Administrator will be eligible for subsidies.

#### **4 SUBSIDY STRUCTURE, AMOUNTS, AND REQUEST**

Subsidies will be allocated through a reverse auction in which Participants complete and submit a subsidy request form ("Request") that lays out the amount of subsidy funds requested, volume of products to be procured, national markets in which these products will be sold, and other data regarding the intended market segmentation and impacts of the HTCC products sales. The intent of the reverse auction is to maximize the number of households and businesses that gain new or expanded access to higher tier cookstoves through deployment of available subsidies through a competitive bidding process.

The total subsidy payment for Administrator- approved procurements ("Subsidy") will be offered as a percentage of an eligible product per-unit Free on Board ("FOB") origin price. Participants will specify their requested per-unit Subsidy levels and procurement volumes in their subsidy request.

Subsidies are intended to enable companies to increase the speed and scale of product procurement

and sales. Because market dynamics vary substantially across different cooking technologies and market segments (e.g., off-grid, mini-grid, grid-connected), no minimum or maximum order thresholds are specified. It is therefore up to each Participant to determine the appropriate volume of products to include in a Request. Determinations as to the eligibility of the volume of products included in any individual Request will be at the sole discretion of the Administrator.

Individual Participants are subject to an overall cap in Subsidy funding of UGX 180 Million (\$50,000). Exceptions and adjustments to this cap may be made based on overall uptake of the Subsidies and total amount of Subsidies available at any given point across the program’s lifecycle. Any exceptions will be at the sole discretion of the Administrator.

#### 4.1 Subsidy Disbursement

Subsidies will be disbursed after milestones have been achieved by Participants, including demonstration of compliance with the Facility’s verification process.

The disbursement schedule is shown in Table 2 below. The first payment will be made after verification that Products have been procured by the Distributor (e.g., that a down payment has been made and the transaction is finalized and legitimate and products have been received in business warehouse premises). The second subsidy disbursement will be made after verification that Products have been sold to end customers.

Table 2. Subsidy Disbursement

AT PROCUREMENT/ PURCHASE/CONFIRMATION OF MANUFACTURE	TIME OF PRODUCT	OF	40%
UPON PRODUCT SALE	VERIFICATION	OF	60%

Subsidy disbursements aligned to verification of product sales to end customers will be made on a rolling, quarterly basis upon completion of verification surveys.

### 5 VERIFICATION PROCESS

The Facility’s verification process is designed to ensure that Participants comply with the rules of the Program, ensure that only eligible quality verified products are sold to end consumers, and assess the Facility’s commercial and developmental impact.

The process includes two steps:

- 1) Verification of initial product procurement by Participants, and
- 2) verification of sale of product to end customers (both virtual and in person as needed)

The Administrator will complete step 1 of the verification process immediately after a Request is approved, based on additional documentation that Participants must provide.

- o The first payment under this agreement would be the payment of 40% of the agreed subsidy. The payment will be made subject to the participants submitting documentation showing evidence of procurement of quality high tier clean cooking products and FOB pricing. Required documentation

may include:

1. Purchase orders and commercial invoices
  2. Bank statements or other financial records showing adequate funds and debit entry for payment to supplier
  3. Product serial numbers and quality assurance documentation
  4. Shipping, local transport, and delivery forms
  5. Warehouse or storage facility addresses
- After a satisfactory document review, the CLASP will conduct an in-person warehouse inspection to confirm the existence of procured product. Initial disbursements (40% of the subsidy amount relative to the number of products purchased) will be triggered only upon successful verification.

The Administrator will engage a third-party Verification Agent to complete step 2 of the verification process. The Verification Agent will conduct telephonic and/or SMS and/or in-person customer interviews to verify that Products have been sold to the end customers.

To complete this step of the verification process, Distributors must provide Customer data for all product sales to the administrator along with evidence for customer transaction. The Administrator will provide formatting and submission guidelines for the customer data to Participants. Selection of customers to be interviewed will be made by the administrator or the Verification Agent.

After satisfactory sales verification results conducted through telephonic surveys and in-person visits (where applicable), follow up disbursements (60% of approved subsidy relative to number of sold products) will be triggered.

The Verification Agent shall endeavor to complete all customer interviews within three months of receipt of Customer data by the Administrator. Claimants may be deemed to have failed this step of the verification process if reported sales cannot be confirmed in an adequate sample size of customers. Sample size requirements will be determined by the Administrator or the Verification Agent.

## 6 **TIMELINE**

The Administrator will post details about each reverse auction window on the programs [website](#). All products associated with winning Requests must be sold to end users no later than the deadlines submitted by companies. Any products sold after their deadlines will not be eligible for any subsidy payments.

The Administrator may solicit requests from potential Participants outside auction windows. The timeline for submission and evaluation of such requests will be at the sole discretion of the Administrator.

## 7 **SUBSIDY REQUEST EVALUATION CRITERIA**

Requests will be evaluated by the Administrator according to the following criteria:

- 1) *Value for Money*: Per unit subsidy amount requested. Wherever possible and relevant, subsidy requests for sales of a given product will be benchmarked against and compared to similar requests.
- 2) *Impact*: Total number of intended sales and expected beneficiaries (both direct and indirect).
- 3) *Market segment(s)*: The portion of products that will be sold in off-grid, mini-grid, and grid-connected areas.
- 4) *Gender*: The extent to which sales will drive developmental benefits for women and girls.

- 5) *Additionality*: Narrative justification of how the subsidy funds will enable the Participant to reach more customers than they would through normal business operations.
- 6) *Organizational Capacity*: Ability to comply with all Program verification requirements. Bidders must demonstrate:
  - a. Track record of prior sales of same or similar products to end consumers.
  - b. Ability to secure any additional financing required to finalize procurement.
  - c. Ability to deliver end-use customer data for all product sales to the Administrator.
  - d. Ability to provide an approach to after-sales service to end consumers as well as guidelines on end-of-life disposal.
  - e. Ability to comply with local environmental regulations.
  - f. Sales Timeline: A month-by-month projection of sales for the intended procurement. Bidders must demonstrate a viable plan to market and sell eligible products to end consumers by the program deadline.

The Administrator shall have complete discretion in weighing these criteria and determining which requests are accepted. The Administrator reserves the right to refuse to consider any bid for any reason or no reason.

## **8 REQUEST SUBMISSION, NOTIFICATION OF RESULTS, AND SALES FORECAST AND ADDITIONAL DOCUMENTATION**

Participants should submit Requests using the online Subsidy Request form to be provided by the Administrator. Participants should expect to hear within 15 days of the Request submission closing date if all or part of their bid has been accepted.

Participants with successful Requests will then be required to submit a sales forecast along with additional details and documentation related to the product procurement in order to confirm their participation in the Program. The Administrator will notify participants of additional documentation requirements upon completion of the Request evaluation.

Participants unable to submit the Request online or by email should contact the Administrator for an offline version. The Administrator can be contacted via email at [financing@clasp.ngo](mailto:financing@clasp.ngo).

### **8.1 Conditions of Subsidy Request submission:**

- a) Subsidy Request submission represents a legally binding acceptance of these Terms and Conditions.
- b) Program Participants may be added to CLASP and GIZ mailing lists and contact databases and may receive information on other activities.
- c) Participants agree to comply with all requirements of the verification process.
- d) GIZ, the Administrator, and their partners may use information regarding Subsidy transactions and related verification activities for public information purposes and to promote the Facility, and other activities via media such as websites, reports, academic analyses, brochures, and events. The information used may include company names, sales figures (e.g., volume), geographic distribution, anonymized customer verification results, and more. Information regarding product pricing, third party manufacturing partners and/or vendors, and individual customer contact details will not be made public without Participants' prior consent.

- e) The Administrator reserves the right to adjust, strike, or redefine any of the Facility's terms and conditions, including amounts of subsidy funding, at any time and for any reason.
- f) The Administrator reserves the right to reduce the overall amount of subsidy allocated to any given Participant based on underperformance against projected sales volume and timeline.
- g) Should a Bid be submitted without all the required information, the Administrator reserves the right to reject that Bid.
- h) Should there be any evidence of fraud or corruption, the Administrator reserves the right to pursue legal redress and the Administrator shall not be held liable or otherwise responsible for any such fraud or corruption.
- i) Failure to comply with any Facility terms and conditions shall disqualify the Participant from participation in any future award or subsidy programs offered by the Administrator.
- j) All decisions rendered by the Administrator regarding Bids are final and are not subject to appeal.
- k) To the extent the laws of any jurisdiction to which Participants or Administrator are subject render participation in the Facility to be unlawful or illegal, Participants are not eligible to participate in the Facility offering.