

# SEE - Clean Cooking

## Higher Tier Cooking Component – Ethiopia

### Annex1: Application Guideline

SEE – Clean Cooking

Co-financed by:



Ministry of Foreign Affairs



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## Annex1: Application Guideline

### Higher Tier Cooking Component Project Innovation Challenge Fund

The innovation challenge fund in the higher tier clean cooking sector of Ethiopia is a grant that is under the GIZ HTCC project that provides funding to innovative solutions. Business Models and Pricing Schemes in the clean cooking sector. You or your business can apply for this grant (One Application per Business Plan) to secure funding for product development, market research, and outreach efforts. This grant can also provide your business with visibility and credibility in the industry, which can attract additional funding and investment.

***Deadline for submission of Application form: January 27, 2024 4:00 PM***

***[Before filling in the Proposal Template, please read carefully the relevant call for proposals, the guide for applicants and any other reference documents]***

***[Incomplete forms will not be accepted.]***

Addis Ababa  
Ethiopia

## Note:

This is a guiding template for the enterprises applying to the "HTCC Innovation Challenge fund". The guideline is designed to assist you in preparing and submitting the proposals and answer questions you may have in this process. Additionally The document clarifies who can apply for a grant, what costs the grant can cover (i.e. eligible and non-eligible activities and costs), the evaluation process, formal conditions and criteria, the data and documentation which have to be submitted, as well as technical guidelines and rules for the application processes.

- Please note that the application is to be filled out and shared through email to [htcceth@giz.de](mailto:htcceth@giz.de). When filling out the round two proposal document we recommend to read the instruction under each question which guides you through each application question.
- In case of any discrepancy between this guideline document and the application form, the application form shall prevail.
- Any question in connection with this tender shall be communicated through email [htcceth@giz.de](mailto:htcceth@giz.de) not later than December 31<sup>st</sup>, 2023
- The reference number shall be mentioned in the subject line of the email.

### How to Apply:

- All bids must be delivered/submitted physically to the address below at or before **January 27, 2024 4:00 PM**
- Bidders should submit their technical and financial proposals as per the issued tender document.
- The detail TOR and application form can be accessed from the attachments
- The proposal should be stamped with the organization stamp and must be signed
- Any applications received after the deadline will not be entertained
- GIZ-Ethiopia reserves the right to cancel the bid partially or fully.
- The enterprise must submit the Concept note with the GIZ Form attached and renewed business license and other legal documents

The address referred above to submit your Technical and Financial Offers is:

**Deutsche Gesellschaft für  
Internationale Zusammenarbeit (GIZ) GmbH  
Energising Development (EnDev)  
P.O Box 12994,  
Yeka Sub-City, Gurd Sholla, CMC Road  
Behind Tele office, Addis Ababa, Ethiopia**

## Executive Summary

The high tier clean cooking sector in Ethiopia faces several challenges, including limited access to financing, lack of awareness of clean cooking solutions, and a limited range of available technologies. The Higher tier Cooking Component (HTCC) Ethiopia project <sup>[1]</sup> is implemented by GIZ EnDev Ethiopia in collaboration with SNV Ethiopia to support the growth of the higher-tier clean cooking market. By building on and aligning with earlier activities and lessons learnt from both EnDev's clean cooking component and SECCS-II projects, HTCC aims to accelerate market development for HTCC technologies, particularly for e-Cooking and advanced biomass higher-tier stoves. The project envisages establishing a competitive business environment for HTCC that contributes to increased adoption of higher-tier clean cooking technologies in Ethiopia.

The HTCC Innovation Challenge Fund is managed by GIZ HTCC Ethiopia team and seeks to address these challenges by providing funding and technical assistance to entrepreneurs and businesses that are developing innovative solutions to improve access to clean cooking solutions. The fund also aims to promote awareness and adoption of clean cooking solutions. The stoves to be designed with in this innovation competition are planned to be affordable, efficient, and easy to use, making them an ideal solution for households where access to modern clean cooking energy is limited. Through the ICF, GIZ will be supporting 10 to 20 enterprises who fulfil the objectives of one of the three main thematic areas of the ICF (Technology innovation, Business model innovation, Pricing scheme innovation). The award will range from 5,000 – 25,000 Euro as grant per winning company.

The innovation challenge fund is also planned to support the development of a network of clean cooking entrepreneurs and businesses in Ethiopia. The network is aimed to provide a platform for entrepreneurs and businesses to share ideas, collaborate, and access funding and technical assistance to develop their clean cooking solutions.

In conclusion, the Innovation Challenge Fund is a catalytic initiative that aims to create an Increased supply of different and innovative HTCC technologies paired with innovative pricing schemes that make HTCC more accessible and affordable and acceptable to customers. The fund provides an opportunity for entrepreneurs, businesses, and organizations to develop innovative ideas and solutions that improve access to modern clean cooking solutions, while also promoting sustainability and reducing greenhouse gas emissions.

The grantees will be selected on a competitive basis. The selection would be carried out in a transparent manner based on specific criteria, involving an evaluation committee with technical expertise. Successful grantees are required to match up the grant with their own financing to achieve the objective.

Therefore, The Innovation Challenge Fund for Higher Tier Clean Cooking presents a unique opportunity to catalyse innovation and drive transformative change in a critical area of sustainable development. By supporting new technologies, business models, and pricing schemes can accelerate the adoption of clean cooking solutions, the ICF aims to improve public health, protect the environment, promote gender empowerment and enhance socio-economic well-being of Ethiopian population.

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1. Part of the larger 'Strengthening the Entrepreneurial Ecosystem for the Clean Cooking sector' project coordinated by RVO.

# 1. Introduction

## 1.1. Background and Context

Ethiopia faces a considerable clean cooking challenge. Over 96% of households use biomass as primary cooking fuel, predominantly relying on firewood (82% of the population), which will have dramatic consequences for the environment, economic development, and, most notably, on the health of women and children (MECS 2022)<sup>2</sup>. Ethiopia faces significant challenges in providing clean, modern and sustainable cooking solutions to its citizens. The majority of the population relies on traditional biomass fuels such as wood, charcoal, and animal dung for cooking purposes, which leads to deforestation, air pollution, and health problems. In response to this situation, the Ethiopian government has prioritized the promotion of higher tier clean cooking solutions to improve public health, reduce environmental degradation, and contribute to socio-economic development. Adopted in 2019, the National Electrification Programme 2.0<sup>3</sup> aims at universal electricity access by 2025 with a 35% off-grid contribution and by 2030 with 96% of households connected to the grid. The recent Ten-Year Development Plan 2021-2030<sup>4</sup> has confirmed this goal. The Ethiopian Energy Compact<sup>5</sup> (2021-2030) targets universal access to electricity from 47% to 100%, and an increase of ICS from 10,000,000 to 20,000,000 and biodigesters from 33,000 to 98,000 by 2030<sup>5</sup>. Furthermore, Ethiopia's Updated Nationally Determined Contributions (NDCs<sup>6</sup>) state mitigation potential in cooking and baking. This is laid out in the Climate-Resilient Green Economy (CRGE) strategy, which aims to reach 17.7 million households with clean and improved cookstoves by 2030, with a potential GHG emission reduction of 51.2 MtCo2e.

The Higher tier Cooking Component (HTCC), as part of the larger 'Strengthening the Entrepreneurial Ecosystem for the Clean Cooking sector' project, aims to support the development and growth of the higher tier clean cooking market in selected countries. In Ethiopia Deutsche Gesellschaft fuer Internationale Zusammenarbeit (GIZ) GmbH and the Netherlands Development Organisation (SNV) under a consortium partnership for HTCC.

The consortium envisions that the development of the higher-tier clean cooking market in Ethiopia and the shift from pre-commercial to pioneering phase can be accelerated by creating the necessary framework conditions to boost entrepreneurship and the commercialisation of higher-tier clean cooking solutions. Through the HTCC project, Ethiopia is expected to be geared at establishing a competitive business environment that contributes to increasing the adoption of higher-tier clean cooking technologies. Through a multi-stakeholder and market-based approach, the intervention will address barriers for growth at the supply side, as well as within the enabling environment. Considering the potential for e-cooking in Ethiopia as well as the possibility to transition to higher tier biomass stoves vis-à-vis the current context, the project will aim to support identified enterprises to foster innovation and to increase the supply of products based on stimulated market demand. However, through the innovation challenge fund, all potentially viable higher-tier technologies will be considered for further support, within the current Ethiopia context, not only the above two as mentioned above.

To develop and strengthen the supply side and to address the limited skills and capabilities of the private sector, selected businesses will be connected with the Energy Enterprise Coach (EEC). The EEC offers e-learning, cohort, and individual coaching to strengthen

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<sup>2</sup> [MECS-EnDev-Ethiopia-eCooking-Market-Assessment.pdf](#)

<sup>3</sup> GoE (2019). National Electrification Programme 2.0. Available [here](#).

<sup>4</sup> GoE (2021). Ten-Year Development Plan 2021-2030. Available [here](#).

<sup>5</sup> MoWE (2021). SDG7 Energy Compact of Ethiopia.

[www.un.org/sites/un2.un.org/files/energy\\_compact\\_ethiopia\\_eredpc\\_version\\_01.docx\\_1\\_0.pdf](http://www.un.org/sites/un2.un.org/files/energy_compact_ethiopia_eredpc_version_01.docx_1_0.pdf)

<sup>6</sup> Updated national determined contribution of Ethiopia can be access [here](#).

entrepreneurship and upskill businesses in a range of relevant areas. In view of the currently small market for higher-tier clean cooking in Ethiopia, support from the EEC is expected to include, general professionalisation of companies, advice to expand product portfolios, consumer-centered product development or adaptation, business model development, marketing and other business development support. To further boost the nascent market for higher-tier stoves, support will also focus on encouraging businesses via an open call to invest in R&D and business innovation by establishing an innovation challenge fund. As a result, private sector businesses will be empowered to further integrate higher-tier clean cooking solutions into their product portfolio. Participants of the BDS training will develop an effective marketing strategy and extend their distribution networks.

## 2. Background

### 2.1 Background and Context

Ethiopia faces a considerable clean cooking challenge. Over 96% of households use biomass as primary cooking fuel, predominantly relying on firewood (82% of the population), which will have dramatic consequences for the environment, economic development, and, most notably, on the health of women and children (MECS 2021). Ethiopia faces significant challenges in providing clean and sustainable cooking solutions to its citizens. The majority of the population relies on traditional biomass fuels such as wood, charcoal, and animal dung for cooking purposes, which leads to deforestation, air pollution, and health problems. In response to this situation, the Ethiopian government has prioritized the promotion of higher tier clean cooking solutions to improve public health, reduce environmental degradation, and contribute to socio-economic development. Adopted in 2019, the National Electrification Programme 2.0<sup>7</sup> aims at universal electricity access by 2025 with a 35% off-grid contribution and by 2030 with 96% of households connected to the grid. The recent Ten-Year Development Plan 2021-2030<sup>8</sup> has confirmed this goal. The Ethiopian Energy Compact<sup>ii</sup> (2021-2030) targets universal access to electricity from 47% to 100%, and an increase of ICS from 10,000,000 to 20,000,000 and biodigesters from 33,000 to 98,000 by 2030<sup>9</sup>. Furthermore, Ethiopia's Updated Nationally Determined Contributions (NDCs<sup>10</sup>) state mitigation potential in cooking and baking. This is laid out in the Climate-Resilient Green Economy (CRGE) strategy, which aims to reach 17.7 million households with clean and improved cookstoves by 2030, with a potential GHG emission reduction of 51.2 MtCo2e.

The Higher tier Cooking Component (HTCC), as part of the larger 'Strengthening the Entrepreneurial Ecosystem for the Clean Cooking sector' project, aims to support the development and growth of the higher tier clean cooking market in selected countries. In Ethiopia Deutsche Gesellschaft fuer Internationale Zusammenarbeit (GIZ) GmbH and the Netherlands Development Organisation (SNV) under a consortium partnership for HTCC.

The consortium envisions that the development of the higher-tier clean cooking market in Ethiopia and the shift from pre-commercial to pioneering phase can be accelerated by creating the necessary framework conditions to boost entrepreneurship and the commercialisation of higher-tier clean cooking solutions. The three-year intervention through the HTCC project in Ethiopia will be geared at establishing a competitive business environment that contributes to increasing the adoption of higher-tier clean cooking technologies. Through a multi-stakeholder

<sup>7</sup> GoE (2019). National Electrification Programme 2.0. Available [here](#).

<sup>8</sup> GoE (2021). Ten-Year Development Plan 2021-2030. Available [here](#).

<sup>9</sup> MoWE (2021). SDG7 Energy Compact of Ethiopia.

[www.un.org/sites/un2.un.org/files/energy\\_compact\\_ethiopia\\_eredpc\\_version\\_01.docx\\_1\\_0.pdf](http://www.un.org/sites/un2.un.org/files/energy_compact_ethiopia_eredpc_version_01.docx_1_0.pdf)

<sup>10</sup> Updated national determined contribution of Ethiopia can be access [here](#).

and market-based approach, the intervention will address barriers for growth at the supply side such as limited number of HTCC businesses, limited access to finance, lack of high-quality and energy efficient HTCC technologies (and fuels) feasible to local conditions as well as low levels of local R&D and innovation, as well as within the enabling environment. Considering the potential for e-cooking in Ethiopia as well as the possibility to transition to higher tier biomass stoves vis-à-vis the current context, the project will aim to support identified enterprises to increase the supply of products based on expected market demand stimulation. However, through the innovation challenge fund, all potentially viable higher-tier technologies will be considered for further support, within the current Ethiopia context.

To develop and strengthen the supply side and to address the limited skills and capabilities of the private sector, selected businesses will be connected with the Energy Enterprise Coach (EEC). The EEC offers e-learning, cohort, and individual coaching to strengthen entrepreneurship and upskill businesses in a range of relevant areas. In view of the currently small market for higher-tier clean cooking in Ethiopia, support from the EEC is expected to include, general professionalisation of companies, advice to expand product portfolios, consumer-centered product development or adaptation, business model development, marketing and other business development support. To further boost the nascent market for higher-tier stoves, support will also focus on encouraging businesses via an open call to invest in R&D by establishing an innovation challenge fund. As a result, private sector businesses will be empowered to integrate higher-tier clean cooking solutions into their product portfolio. Participants of the BDS training will develop an effective marketing strategy and extend their distribution networks

## 2.2 HTCC Project

The Higher tier Cooking Component (HTCC), as part of the larger ‘Strengthening the Entrepreneurial Ecosystem for the Clean Cooking sector’ project, aims to support the development and growth of the higher tier clean cooking market in selected countries. The project builds on the combined technical and country experience of the Deutsche Gesellschaft fuer Internationale Zusammenarbeit (GIZ) GmbH and the SNV Netherlands Development Organisation under a consortium partnership for HTCC. Both organisations bring in significant country and sector experience, including years of experience with market-based interventions in the clean cooking segment. In the consortium, GIZ is responsible for the general coordination of the project and the implementation of the Innovation Challenge Fund, sector coordination at macro/ political level, and knowledge management. SNV leads the Results-Based Financing Fund and pipeline development support as well as sector coordination at meso-level. In addition, SNV bringing in strong expertise in standards and testing.

The consortium envisions that the development of the higher-tier clean cooking market in Ethiopia and the shift from pre-commercial to pioneering phase can be accelerated by creating the necessary framework conditions to boost entrepreneurship and the commercialisation of higher-tier clean cooking solutions. Considering the potential for e-cooking in Ethiopia as well as the possibility to transition to higher tier biomass stoves vis-à-vis the current context, the project will aim to support identified enterprises to increase the supply of products based on expected market demand stimulation. However, through the innovation challenge fund, all potentially viable higher-tier technologies will be considered for further support, within the current Ethiopia context.

By especially focusing on electric and advanced biomass stoves, the consortium proposes a three-fold approach to achieve the following:

- Building a pipeline of promising companies to be supported through business development support (BDS) implemented by the Energy Enterprise Coach, as well as a Small and Medium Enterprise Finance Facilitator (SME-FF)
- Scaling-up existing, and fostering new, higher tier cooking providers through a tailored approach to each step of the company's growth journey through an Innovation Challenge Fund as well as a Results-based Financing Fund
- Supporting a conducive enabling environment by capacitating key actors in their steering and coordination roles and by raising awareness and commitment, as well as filling gaps in knowledge, skills and stakeholder exchange

In addition, the consortium will ensure that all activities are based on a gender-transformative approach.

Through this approach, the consortium aims to reach 20,000 households with higher tier cooking technologies. In addition, the implementation aims to see at least ten companies having integrated higher tier clean cooking technologies into their product offering as well as creating approximately 500 new jobs across the value chains, at least 30% of which are filled by women. Furthermore, the consortium aims to assure that HTCC is prominently featured in the upcoming national cooking energy programme MoWE is developing and that improved testing and certification services are available for the private sector.

By the end of the project, the consortium envisions an accelerated and commercial market for high-tier cooking technologies in Ethiopia. By establishing a competitive business environment through product innovation paired with innovative pricing schemes and providing financial incentives to promote energy-efficient and high-quality cooking technologies, the consortium hopes to overcome the long-standing barrier of lack of supply, access, and affordability of clean cooking technologies.

## 2.3 Intervention regions

The HTCC in Ethiopia will target two distinct clean cooking segments (higher-tier biomass cookstoves and e-cooking appliances) and in the following regions: Addis Ababa, Oromia, Amhara, Southern Nations, Nationalities and People (SNNPR), Sidama, Southwest, Gambella as well as Afar, Somali and Benishangul-gumuz.

## 3. Innovation Challenge Fund

### 3.1 Definition

Innovation is a “Innovation is the multi-stage process whereby organizations transform ideas into new/improved products, service or processes, in order to advance, compete and differentiate themselves successfully in their marketplace”<sup>11</sup>. Innovation is often also viewed as the application of better solutions that meet new requirements, unarticulated needs, or existing market needs.

Clean cooking is an essential area of development that aims to provide access to modern and clean cooking solutions for households and communities. In Ethiopia, the high tier clean cooking sector is a critical area that requires innovation and investment to ensure that households have access to clean cooking solutions. However, clean cooking has a relatively

<sup>11</sup> Baregheh, Anahita; Rowley, Jennifer; Sambrook, Sally (4 September 2009). "[Towards a multidisciplinary definition of innovation](#)". *Management Decision*. **47** (8): 1323–339. doi:[10.1108/00251740910984578](#). ISSN 0025-1747.



low nationwide adoption rate. For daily cooking and frequently for lighting, the majority of Ethiopians still rely on various types of biomass, such as burning wood in a three-stone fireplace. This frequently has negative effects on women's and children's health as well as the environment. The health effects of traditional cooking are often misunderstood, according to recent studies conducted in Ethiopia. To address the challenges of the sector, GIZ in consortium with SNV has established the Innovation Challenge Fund in the higher Tier Clean Cooking Sector of Ethiopia.

The GIZ HTCC Project in partnership with SNV team will provide funding to innovative entrepreneurs and innovation service providers through the establishment of an Innovation Challenge Fund. The Innovation challenge Fund is a competitive financing facility which will be used as a means of addressing the issue of access to finance for innovative companies at an early stage of development, as well as for organisations engaged in services to innovative start-ups and promotion of the Ethiopian innovation system. The fund would also provide funding to the best innovation service providers to upgrade their capacity further and/or develop new services to the innovation and start-up community in Ethiopia.

The Innovation Challenge Fund is a competitive funding mechanism that aims to promote innovation and investment in the high tier clean cooking sector in Ethiopia. The fund provides grants and technical assistance to entrepreneurs, businesses, and organizations that are developing innovative solutions to improve access to clean cooking solutions in Ethiopia.

### 3.2 Objectives of the Innovation Challenge Fund

The primary objective of the Innovation Challenge Fund (ICF) is to stimulate innovation and accelerate the adoption of higher tier clean cooking solutions in Ethiopia by providing financial and technical support to entrepreneurs and businesses in this sector. The ICF aims to achieve the following specific objectives:

- A. Encourage the development of new and modern clean cooking technologies that are affordable, efficient, and user-friendly.
- B. Promote innovative business models and distribution strategies that can facilitate access to clean cooking solutions for low-income households.
- C. Bring innovative pricing schemes that can support the larger community.

### 3.3 Scope of the Innovation Challenge Fund

The ICF will only support entrepreneurs and businesses that focus on higher tier clean cooking solutions such as advanced biomass cookstoves and electric stoves, or other innovative technologies that can significantly reduce emissions and fuel consumption compared to traditional cooking methods. Applicants should target one or more of the following thematic areas:

- A. Technology innovation: Development or improvement of clean cooking technologies that meet the needs and preferences of Ethiopian households, considering factors such as cost, efficiency, safety, and cultural acceptance and appropriateness.
- B. Business model innovation: Design and testing of new business models, or distribution strategies that can help scale up the adoption of clean cooking solutions in rural and urban areas.
- C. Pricing scheme innovation: Design and provide pricing methods that can attract diverse consumers with different income levels based on affordability.

## 4. ICF Level

The allocated budget for the ICF is EUR 250,000 (EUR 170,000 for Grant ICF and EUR 80,000 for Local Subsidy) to be granted for 10 to 20 winning enterprises with HTCC technologies in up to three rounds of call for applications. GIZ reserves the right to limit the number of call of applications and also has the right to decide on exact amount of grants from ICF/ Local Subsidy scheme for winning applicants.

- EUR 170,000 for Grant ICF: This will be for Medium to big Micro and Small enterprises which according to Ministry of Trade and Industry (MoTI)
  - Medium enterprises: are business enterprises with a total investment between Birr 500,000 (8,500 Euro) up to Birr 1 million (16,500 Euro) and including those enterprises that have high technical consultancy and excluding other high-tech establishment.
  - Big Enterprises: are business enterprise with total investment more than 1 Million Ethiopian Birr (16,500 Euro)
- EUR 80,000 for Local Subsidy: This will be for Micro and Small enterprises which according to Ministry of Trade and Industry (MoTI) are
  - Micro enterprises: are small businesses with total capital investment not exceeding Birr 20,000 (400 Euro) and excluding these enterprises with high technical consultancy and other high-tech establishment.
  - Small enterprises: are businesses with a total investment between Birr, 20,000 up (400 Euro) to Birr, 500,000 (8,500 Euro) and do not include these enterprises with advanced technology and high technical consultancy.

The Innovation challenge fund is planned to support 10 to 20 enterprises and the fund will range from Euro 5000-25000 per company.

## 5. Eligible Companies

To be eligible for funding under the ICF, applicants must meet the following criteria:

- Be a legally registered entity in Ethiopia (e.g., private company, partnership company, research institution, scalable projects with a proof of concept or evidence of a successful pilot, non-governmental organization and Government organizations).
- Submit a detailed project proposal that addresses one or more of the thematic areas mentioned above and clearly outlines the expected outcomes, timeline, budget, risk mitigation strategies and clear gender and leave no one behind strategy.
- Provide evidence of in-kind contributions (team members, working areas, working capital etc. from other sources to ensure financial sustainability and leveraging additional resources).
- Be an organization that promotes or intends to promote clean cooking technologies / research / businesses
- Must be physically established in Ethiopia and your project idea will be implemented in Ethiopia.
- Organizational profile (including organogram, admin and financial manuals, Curricula Vitae and list of key technical and financial staff (as applicable) including qualification, and senior management),
- Demonstrate how current internal resource and technical capacity of the enterprise provides sufficient ground to utilize the requested funding in catalytic manner


- Request a grant funding amount within the stipulated range and technically capable to utilize the fund requested with proper due diligence. GIZ may commission external due diligence check on the prospective organisations to assess their legal framework and technical capacity to utilise the fund before having grant agreement.
- Applicants should target one or more of the following thematic areas:
  - Technology innovation: Development or improvement of clean cooking technologies that meet the needs and preferences of Ethiopian households, considering factors such as cost, efficiency, safety, and cultural acceptance and appropriateness.
  - Business model innovation: Design and testing of new business models or distribution strategies that can help scale up the adoption of clean cooking solutions in rural and urban areas.
  - Pricing scheme innovation: Design and provide pricing methods that can attract diverse consumers with different income levels based on affordability

## 6. Eligible Technologies

The HTCC stoves must meet certain criteria to be considered eligible for ICF. The criteria include:

- **Innovative products:** Products that have improved efficiency and performance from the products that currently exist in the market. The innovative aspect of the technology will be evaluated by the technical evaluation committee that will include experts from GIZ, MoWE, ECCA, Ethiopian Women in Energy Association (Technical Expert) and Ethiopian Intellectual Property Authority (EIPA)
- **Tier Level:** Tier level three and above, including their efficiency and performance. For HTCC Ethiopia When we categorize a stove to be Tier 3 and above, it means that the thermal efficiency is 30% and above. Similarly, emission ( $CO < 7.2 \text{ g/MJd}$  and  $PM_{2.5} < 218 \text{ mg/MJd}$ ) and safety ( $> 77$ ). This is clearly indicated in the ISO 19867-3 Clean cookstoves and clean cooking solutions – Harmonized laboratory test protocols – Part 3: Voluntary performance targets for cookstoves based on laboratory testing.
- **Functionality:** technologies designed for cooking and baking (*Injera, Kotcho*, etc).
- **Fuel Type:** fuelled by electric and biomass. HTCC stoves fuelled by LPG are not included in this Project.
- **Marketable:** technologies that demonstrate the need of customers and clients.
- **Source:** Technologies made mostly by locally sourced and/or imported materials. Use of locally sourced materials will get preference.
- **Complement:** technologies that are provided with provision of after sale services and warranty for 1 year for already established products in the market (Thematic area B and C).



Table 1. Voluntary Performance Target (VPT)<sup>12</sup>

|   | Tier <sup>b</sup> | Thermal efficiency % | Emissions            |                                      | Safety (score) <sup>c</sup> | Durability (score) <sup>d</sup> |
|---|-------------------|----------------------|----------------------|--------------------------------------|-----------------------------|---------------------------------|
|   |                   |                      | CO g/MJ <sub>d</sub> | PM <sub>2,5</sub> mg/MJ <sub>d</sub> |                             |                                 |
| Better performance<br> | 5                 | ≥50                  | ≤3,0                 | ≤5                                   | ≥95                         | <10                             |
|   | 4                 | ≥40                  | ≤4,4                 | ≤62                                  | ≥86                         | <15                             |
|   | 3                 | ≥30                  | ≤7,2                 | ≤218                                 | ≥77                         | <20                             |
|   | 2                 | ≥20                  | ≤11,5                | ≤481                                 | ≥68                         | <25                             |
|   | 1                 | ≥10                  | ≤18,3                | ≤1030                                | ≥60                         | <35                             |
|   | 0                 | <10                  | >18,3                | >1030                                | <60                         | >35                             |

<sup>a</sup> For non-default values, see [Clause 6](#).  
<sup>b</sup> The tier level for each performance metric should be reported separately. See example in [Table 2](#).  
<sup>c</sup> Safety protocols (see ISO 19867-1:2018, Clause 7) cover solid-fuel stoves and solar cookers only.  
<sup>d</sup> Durability protocols (see ISO 19867-1:2018, Clause 8) evaluate common material failures in biomass cookstoves. The protocol is not comprehensive of all failures that might be found in the field, nor are the tests found in the durability protocol applicable for all cookstoves. Instead the durability protocol seeks to cover the most prevalent durability concerns found across a range of cookstove technologies and construction materials.

Table 2. Indicative table for technologies that can be improved with innovative ideas or sold using innovative business or pricing schemes

This is not an exhaustive list.

| Type of Technology  | Price Range <sup>13</sup><br>(€) | Description  |
|---|----------------------------------|--|
| Electric <i>Injera</i> Baking Mitads<br> | 120 - 180                        | Electric <i>injera</i> baking stove ( <i>Mitad</i> ) is one of the most common e-cooking (e-baking) technologies in Ethiopia with high potential in the urban and peri urban market. The stove primarily used for injera baking and occasionally for baking bread. It can be available in the market as wall mounted and with a stand. |
| Electric Cookstoves<br>                  | 35 - 70                          | Electric cook stoves are one of the most common e-cooking technologies in Ethiopia with high potential in the urban and peri urban market. They provide services such as water boiling, coffee making, and sauce preparation. These stoves are available in the market as single or double burner.                                     |

<sup>12</sup> ISO 19867-3:2018- Clean cookstoves and clean cooking solutions – Harmonized laboratory test protocols – Part 3: Voluntary performance targets for cookstoves based on laboratory testing

<sup>13</sup> The indicated prices are estimated based on a quick price assessment conducted in July 2023 in Addis Ababa, Ethiopia.

Table 2. Indicative table for technologies that can be improved with innovative ideas or sold using innovative business or pricing schemes

This is not an exhaustive list.





| Type of Technology  | Price Range <sup>13</sup><br>(€) | Description  |
|---|----------------------------------|--|
| <p>Electric Pressure Cookers (EPCs)</p>  | 180 - 300                        | EPCs cooks faster with less energy than other e-cooking technologies with a greater degree of control by users. They are similar in appearance to rice and multi-cookers, incorporating prominent locking mechanism to trap steam and pressure release controls.   |
| <p>Electric Water Kettles</p>            | 75 - 150                         | Electric water kettles are versatile appliances that could be used for coffee and tea preparation, including for boiling water for cooking purpose. They quickly heat water and consumes less energy.  |
| <p>Infrared Cookers</p>                | 70 - 140                         | An infrared cooker, also known as a radiant cooker, is a device that cooks food using infrared radiation. The cooking process is done by heating the water molecules in the food, which transfers the heat to the other molecules in the food.   |
| <p>Induction Cookers</p>               | 100 - 200                        | Induction cookers employ the use of electromagnetic waves to directly heat cooking pots. They appear similar to electric hotplates and provide specific, digital temperature controls to the users. They do also require the use of cooking pots that are (i) flat-bottomed pots(ii) magnetic pots made from steel, but not aluminium. |
| <p>Electric Air Fryers</p>             | 250 - 350                        | An air fryer is a countertop cooking appliance that combines a heating element and a powerful fan to circulate hot air, similar to a convection oven. Air fryers produce foods that are crispy outside and moist and tender inside without actual frying.  |
| <p>Forced-fan Gasifier Cookstove</p>   | 70 - 100                         | Forced-fan gasifier stove uses pellet as a feedstock. The stove is smokeless and cook food faster with less energy than other biomass cookstove technologies with a greater degree of control by users.  |

Table 2. Indicative table for technologies that can be improved with innovative ideas or sold using innovative business or pricing schemes

This is not an exhaustive list.

| Type of Technology   | Price Range <sup>13</sup><br>(€) | Description  |
|--|----------------------------------|--|
| <p>Ethanol Stove</p>  | 80 - 160                         | Ethanol stove uses ethanol as fuel for cooking. The stove is smokeless and cook food faster with less energy than other biomass cookstove technologies with a greater degree of control by users. These stoves are available in the market as single or double burner. |

## 7.ICF Application

### 7.1 Application Process

The ICF call for application will be published and hosted on GIZ EnDev HQ website (Calls – EnDev). The applicants will be able to access and upload application to the respective website from Ethiopia. This call will be communicated externally through national advertising agencies (e.g. Social Media (EnDev Website, facebook and LinkedIn), newspaper, radio, networking platforms of Associations and alliances etc. wherever possible). The applicants will send the soft copy of their application through GIZ procurement email that will be included in the announcement.

The ICF will be conducted upto 3 rounds during the project period (Until September 2025) as mentioned above. These rounds may not be running one after the other finishes. The innovation challenge fund assesses applications on a competitive basis. The application process for the ICF will consist of two stages:

1. **Submission of concept notes (Stage One):** Applicants will be required to submit a brief concept note outlining their project idea, how it is innovative, and its alignment with the objectives and thematic areas of the ICF. Interested applicants will have upto 3 weeks to submit the concept note. GIZ will organize an ICF orientation webinar for all interested applicants which will be held possibly on the third day after the ICF is launched and will be communicated with the call for application, The evaluation result will be announced in 1-2 weeks after application is closed and based on an initial screening, shortlisted applicants will be invited to submit full proposals.

Applicants are required to submit a concept note (Annexed) of maximum two pages in line with the template provided. All submitted concept notes which meet the application requirements will be reviewed by a Selection Panel based on the criteria. The selected applicants will be notified and invited to participate in the next stage of the competition.

2. **Submission of full proposals (Stage Two):** Shortlisted applicants will be asked to provide a comprehensive project proposal that includes detailed information on the project's objectives, activities, budget, monitoring and evaluation plan, and sustainability strategy. 3 weeks will be given for applicants for submission of full proposal after shortlist announcement is done and interviews of pitch will be conducted for shortlisted applicants. Evaluation and request for on-shelf documents will be done in 1-2 weeks after proposals are submitted from applicants. And results of final evaluation and announcements of winners will be done after 1 week, after collection of onshelf documents.

Applicants who will be invited to participate in the proposal stage will submit a full proposal in a standard format (max. 10 pages). The format will be made available (Annexed). It includes a description of the business case, the expected impact, an operational plan, learning plan and full estimated budget. In preparation of the proposal, applicants are encouraged to contact the GIZ HTCC team in country to inquire how (stronger) connections between the HTCC project and their innovation can be created.

The following document must be attached to your proposal upon submission:

- 1) Renewed Business License
- 2) Tax clearance letter
- 3) Request a grant funding amount within the stipulated range of tickets
- 4) Annual Audit Reports of Previous Two Consecutive Years for VAT registered companies
- 5) Tax Identification Number (TIN) Certificate as required by law depending on the status of the enterprise
- 6) VAT Registration Certificate as required by law depending on the status of the enterprise
- 7) Consent letter for Product Warranty provision for already existing products (Thematic area B and C)

## 7.2 Proposal template

Follow the concept note for stage one (Annex 1) and proposal template for stage 2 stated in (annex 2) strictly

- **Proposal preparation guideline:** The proposal must be prepared as per the Proposal Template (Annex 1)
- **Language of the Proposal:** Proposal must be prepared and submitted in English language
- **Submission Deadline:** The deadline for submission is indicated in the call for proposal
- **Acknowledgement of Receipt:** The date and time of the submission of the application will be recorded and an acknowledgement of receipt will be sent to the applicants by email.

## 7.3 Considerations during application

- I. Applicants should submit their applications via email to [htcceth@giz.de](mailto:htcceth@giz.de) and/or delivered/submitted physically to the address below  
**Deutsche Gesellschaft für  
Internationale Zusammenarbeit (GIZ) GmbH  
Energising Development (EnDev)**

**P.O Box 12994,  
Yeka Sub-City, Gurd Sholla, CMC Road  
Behind Tele office, Addis Ababa, Ethiopia**

- II. In the email submission, please include the following information:  
Email Subject Title: “HTCC Ethiopia ICF Application: [Insert Company Name]  
[Insert name of ICF Application thematic area], [Insert Submission Date]”
- III. Within your email body, please include the following.
- Personal contact information of the applicants
  - Background and experience in clean cooking technologies.
  - the proposed innovation, technology, or solution.
  - explanation of how the proposed innovation aligns with any of the support pillars as listed in Section 4 above.
  - Anticipated impact and potential scalability of the innovation.
  - Resources and capabilities available to the applicant to develop and implement the technology.
- IV. Attached with your ICF application submission, please include.
- ICF Expression of Interest proposal
  - Other supporting documents attached as annexes, such as organogram, company registration forms, company registration certificates, etc.

NOTE: Kindly note that applications without this subject title risk not being received in time and may be rejected.

Application Timeline: Open - December 20, 2023 – January 27, 2024

## 8.BDS Support

ICF winning enterprises may be linked with Energy Enterprise Coach (EEC) so that they can request the one to one tailored support to further strengthen the idea they have proposed and their general business skills to run a scalable business in the sector.

## 9.Applicants Evaluation process

- A. All proposals received by HTCC Ethiopia team before deadline will go through a multi-level process of evaluation with regards to several criteria announced in the call: eligibility, selection/evaluation and award criteria. The evaluation of proposals will be carried out in the strictest confidence. And submitted applications will be reviewed by the evaluation committee that will include experts from GIZ, MoWE, ECCA, Ethiopian Women in Energy Association (Technical Expert) and Ethiopian Intellectual Property Authority (EIPA) based on the criteria. The evaluation committee may conduct reference check on the application/information provided.

All criteria and mandatory supporting documents are specified in the Call for proposals. Please read these criteria carefully. Proposals failing to meet the criteria will be excluded at the given stage of the evaluation process.

Once the proposal is submitted, the applicant is not expected to contact the HTCC Ethiopia team/the evaluation committee until the proposal evaluation is completed. Any evidence of influencing by the applicant on decision of evaluation committee will automatically result in disqualification of application.



- B. Due Diligence: A detailed due diligence will be conducted by an independent audit consultant under an existing GIZ framework contract as part of the evaluation process during which legal, financial, and commercial compliance aspects of the applicant will be assessed. This may involve site visits, interviews with management, staff, and review of a company’s financial and legal documentation where necessary. Shortlisted applicants will be required to participate in this process and provide the relevant information/documentation to the audit consultant to facilitate this due diligence process.
- C. Pitch Sessions: The panel of experts will have a pitch and interview with the shortlisted applicants after the evaluation of documents is finalized. The shortlisted participants will be invited for a pitch session in presence of the GIZ – HTCC Ethiopia team who will evaluate the project proposals as well as presentations based on predefined criteria, including technical feasibility, innovation potential, scalability, and sustainability.

## 10. Selection Criteria

The evaluation committee will use the evaluation Criteria set (Annex 5-Concept Note and Annex 6 – Full Proposal) to evaluate the application based on the mandatory as well as weighted set criteria which will then be added to find the concrete decision on each applicant. The ICF competition is expected to be highly competitive. A weak element in an otherwise good proposal may lead to a lower overall score, resulting in the proposal not being recommended for the funding.

As a general guidance, both the concept notes and the full proposals will be evaluated based on the following criteria:

| Selection Criterion   | %Value     |
|---|------------|
| <b>1. Degree of innovation:</b> How new, original and creative the proposal is and whether it is set-up to test and assess the innovation. Along with innovation approach, innovative products and processes that are focused on environmentally friendly technologies, energy saving and using alternative energy sources will be prioritised.   | <b>30%</b> |
| <b>2. Impact, scalability and Sustainability:</b> The impact created should serve the HTCC project and feed into the project’s expected results, which specifically is Scaling-up existing, and fostering new, higher tier cooking products using a tailored approach through the Innovation Challenge Fund.<br><br>In a wider sense, this also covers the potential to accelerate impact towards achieving SDG7, increasing the number of beneficiaries, feasibility and potential to become financially viable and scalable without further grants. | <b>35%</b> |
| <b>3. Alignment with HTCC Sector:</b> The extent to which the proposed innovative solution aligns with the activities in country and the broader HTCC activities. Consult the Note on the Thematic Focus to ensure alignment with HTCC.   | <b>10%</b> |

|   |            |
|---|------------|
| <b>4. Organizational Profile:</b> The organization and the team’s experience with the area of innovation, roles and responsibilities and (time) commitment. Innovative and sustainable partnerships that add value. | <b>10%</b> |
| <b>5. Gender and LNOB+:</b> innovative business and distribution models that include women and reach of base of pyramid households or marginalized communities  | <b>15%</b> |

## 11. Disqualifying criteria

Potential applicants are not eligible to a grant from the “HTCC - Innovation Challenge fund” if:

- they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation, arising from a similar procedure provided for in the national legislation;
- they have been convicted of an offence concerning professional conduct by a judgment which has the force of res judicata (i.e., against which no appeal is possible);
- they are guilty of serious professional misconduct proven by any means;
- they have not fulfilled obligations relating to the payment of debts to the consolidated state budget;
- they have been the subject of a judgment which has the force of res judicata for fraud, corruption, involvement in a criminal organization or any other illegal activity detrimental to the national financial interests;
- they have been declared to be in serious breach of contract for failure to comply with their contractual obligations in connection with a procurement procedure or other grant award procedure financed by the national budget;
- are subject to a conflict of interests; the conflict of interests represents any circumstances that may affect the assessment or implementation process, in an objective and impartial manner. Such circumstances may result from economic interests, political or national preferences or family connections; are guilty of misrepresentation in supplying the information required by the “HTCC - Innovation Challenge fund” team as a condition of participation in the call for proposals or fail to supply this information;
- have attempted to obtain confidential information or influence the assessment bodies during the assessment process of current or previous calls for proposals;
- any entity that has been found to have misused GIZ, SNV or other donor or public funds in the past;

## 12. ICF Contracting, Monitoring and Evaluation

### 12.1 Contracting procedure

The procedure to be followed for the selection of winning enterprises for the Innovation Challenge Fund includes public outreach and announcement, First stage screening of applicants, request the shortlisted enterprises to apply for the second round, select the final 10 - 20 winners and checking technical and financial due diligence, contracting, and monitoring.

## 12.2 Monitoring and Evaluation

Successful applicants will be required to submit 3 months regular progress reports on their projects, including updates on activities, outputs, outcomes, and lessons learned. Additionally, depending on the budget GIZ may conduct a brief assessment to see operationalization of their businesses as well as the acceptance of the technology/business model/Pricing scheme by consumers they have reached if any. A final evaluation will be conducted at the end of each project to assess its overall performance against the stated objectives and selection criteria.

## 13. Cross cutting issues

The learning, knowledge and documentation aspects of ICF were also categorized as below

- **Gender:** The “HTCC - Innovation Challenge fund” supports gender equality improvements in employment rate, increased number of women entrepreneurs, women founded start-ups and gender diversity in the team. In the evaluation process additional value will be given to women founded start-ups, women-owned businesses and gender diverse teams. Women led business ventures are therefore especially encouraged to apply. The innovation in technology and business development approach to target more female consumers are also encouraged.
- **Environmental and climate issues** will be taken into account in the selection process, and projects. Therefore, innovative start-ups providing potential solutions to such issues are highly encouraged to apply.
- **Documentation of learnings** focuses on documentation of the achievements that comes from the innovation challenge fund recipients, like documentation on baseline report done and best practice report which may be collected at the end of the project. The outcome of the learning, knowledge and documentation efforts are expected to encourage collaboration and networking within sector and non-sector actors to promote the HTCC market.

The HTCC Ethiopia will organize a workshop to share the learnings from the ICF intervention.

## 14. Annex

- Annex 1 - Application guideline - HTCC ETH Innovation Challenge Fund
  - Annex 2 - Application Template Concept Note - Stage one -HTCC ETH Innovation Challenge Fund
  - Annex 3 - Budget Template - HTCC ETH Innovation Challenge Fund
  - Annex 4 - Evaluation Criteria - Stage One - HTCC ETH Innovation Challenge Fund
  - Annex 5 - Frequently Asked Questions - HTCC ETH Innovation Challenge Fund
  - Annex 6 - Brief Flyer - HTCC ETH Innovation Challenge Fund
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