REQUEST FOR PROPOSALS
PILOT INNOVATION FUND II and WOMEN’S EMPOWERMENT FUND
(RFP 13-5)

BACKGROUND

The Global Alliance for Clean Cookstoves is a public-private partnership with a mission to save lives, improve livelihoods, empower women, and protect the environment by creating a thriving global market for clean cookstoves and fuels, with a goal of enabling 100 million households to adopt clean and efficient cooking technologies by 2020.

Based on the input of over 350 leading experts and practitioners from across the globe, the Alliance has identified a market-based approach as the most sustainable way to achieve universal adoption of clean cooking solutions in *Igniting Change: A Strategy for Universal Adoption of Clean Cookstoves and Fuels*. Coordinated and published by the Alliance, the report outlines a three-pronged strategy for creating a strong market for clean cooking solutions including:

- *Enhance demand* by understanding and motivating potential users, developing cleaner and more efficient technologies, and providing consumer finance;
- *Strengthen supply* by attracting more finance and investment, helping enterprises to access carbon finance, enhancing market intelligence; and creating inclusive value-chains and innovative distribution models to reach remote consumers;
- *Foster an enabling environment* by engaging national and local stakeholders, building the evidence base for the benefits of clean cookstoves and fuels, promoting international standards and rigorous testing protocols; and enhancing monitoring and evaluation.

Increasing investment is one of the six value propositions identified in the Alliance’s ten-year strategic business plan. Funding and financing tools need to target clean cookstoves and fuels enterprises at different stages of development. Financing needs and challenges will also vary along the industry supply chain. The diagram shows the financial products the Alliance has designed to enable enterprises at different stages of development to grow and leverage further investment.

Additionally, it is clear that women play a critical role in wide-scale adoption of clean cooking solutions, and that addressing gender issues increases the effectiveness of clean cooking enterprises and programs. The Alliance is committed to increasing resources for its partners to better address gender issues throughout
their work along the value chain. As such, the Women’s Empowerment Fund (WEF) is being introduced alongside the Pilot Innovation Fund (PIF) to provide grant resources to partners who are interested in innovating around gender and empowerment interventions within their business models.

**Challenge**

While decades of cookstove implementation experience and hundreds of organizations active in the sector are a strong foundation to build on, the clean cookstove and fuel market is relatively immature and fragmented. Innovations are needed across the value chain – from product design to technology improvement to consumer finance. However, few government and philanthropic funders take risks on unproven innovations and investors do not often fund research and development without a ready-made market for the innovation. Grant investments are needed to develop better technologies and business models that are appropriate for the local context and improve the fragmented value chains in many markets. These types of grant investments help move the sector forward through supporting proof of concept for potentially game changing ideas and sharing lessons learned from both successful and failed innovations.

Women play a crucial role in the widespread adoption and use of clean cooking solutions because of their central responsibility for cooking and managing household energy. As consumers and users, women are a critical component of the sector’s effort to reach scale, and they must be fully integrated into the process of designing solutions. Women can catalyze the market as clean cooking entrepreneurs and leverage their existing networks to promote the adoption of these new technologies and use their firsthand experiences in promoting solutions. Their involvement in the sector can spur wide-scale distribution and delivery of quality after-sales services that will contribute to the creation of a thriving global market.

However, gender-sensitive approaches are not always applied in the sector because of a lack of understanding, practical tools, and financing to effectively mainstream gender throughout business models.

**Solutions**

**Pilot Innovation Fund (PIF)**

In 2012, the Alliance released the PIF to finance the proof of concept of innovative approaches along the value chain in order to strengthen supply and enhance demand for clean cookstoves and fuels. The Alliance provides seed capital to pilot these innovations and recipients are required to document lessons learned and share results in order to advance awareness of scalable solutions in the sector.

**Women’s Empowerment Fund (WEF)**

This year, the Alliance is introducing the WEF alongside the PIF to encourage partners to test innovative approaches that empower women and address gender issues that can later be scaled if proven effective. Capacity building services will be provided alongside the WEF grant to ensure that awardees are able to effectively design gender-informed projects, monitor and measure impact, and scale up if successful during the pilot phase. Using the Alliance’s recently released resource guide, *Scaling Adoption of Clean Cooking Solutions through Women’s Empowerment* as a foundation, partners can apply to WEF to test and implement the best practices highlighted in the guide at each stage of the value chain.
The purpose of this Request for Proposals (RFP) is to solicit proposals from organizations that are seeking direct grant investment to pilot innovations in the clean cooking sector. Applicants may apply to both the PIF and WEF.

OVERVIEW OF RFP 13-5: PILOT INNOVATION FUND AND WOMEN’S EMPOWERMENT FUND

This RFP is part of the Alliance’s strategy to strengthen supply and enhance demand in the cookstove and fuels sector by funding innovations across the value chain. The Alliance seeks to identify and fund innovative technologies and approaches with the potential to scale and significantly contribute to the Alliance’s goal of reaching 100 million households by 2020. This year the Alliance is introducing the WEF to provide pilot grants to fund innovative approaches to addressing gender issues and/or women’s empowerment.

Objective: The activities supported in this RFP will drive disruptive change to business as usual through the development of new, innovative ideas that contribute to the development a thriving global market for clean cooking solutions. The Alliance will provide seed capital to finance and pilot these innovations, and recipients are be required to document lessons learned and share results, regardless of success or failure, to advance awareness of scalable solutions in the sector.

Eligibility: This RFP is open to entrepreneurial entities working in the clean cooking sector or those whose approaches could integrate cookstoves and fuels, as well as organizations working with entrepreneurial entities to support innovation. Applicants should demonstrate how grant proceeds will enable them to develop and pilot an innovation that can ultimately be scaled.

Applicants must be a Partner of the Global Alliance for Clean Cookstoves to be considered under this RFP. If applicants are not currently a Partner, they may register to become one prior to submitting their applications. Instructions on how to become a Partner are available here: http://community.cleancookstoves.org/become-a-partner.

All qualified individuals and organizations, regardless of location, are encouraged to apply. Although the Alliance has stated a preference for partners operating in Alliance focus countries, applications from those operating in other countries are also encouraged to apply. The Alliance will select the best applications regardless of location; the preference for Alliance focus countries is only weighted if the Alliance needs to make a final selection between applications of equal quality.

Given the multiple barriers in the value chain, the Alliance encourages collaborative partnerships that can simultaneously address multiple barriers. The Alliance will work closely with selected projects to refine the work plan and potentially identify additional relevant partners.

Awards: Under RFP 13-5, the Pilot Innovation Fund will award grants to 3-6 entities for a 6-month period, up to $75,000 each. The Women’s Empowerment Fund will award grants to 2-3 entities for a 6-month period, up to $75,000 each. Applicants can apply to both the PIF and WEF.

Grant Period: Applicants must propose a timeline to meet clear objectives and performance milestones that can be reached within a 6 month period. Reporting requirements will extend through a total 12 month period.

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1 Entrepreneurial entities may be for-profit or non-profit, but should be directly involved in revenue generation through market activities in the clean cooking sector.
2 Alliance focus countries during Phase 1 are: China, Bangladesh, Kenya, Uganda, Ghana, Nigeria, India and Guatemala
http://www.cleancookstoves.org/our-work/priorities/enable-markets.html
Please read all instructions carefully. Incomplete or late applications will not be accepted. The deadline for submission of full proposals is December 1, 2013 11:59 pm EST.

**SPECIFIC AREAS FOR POTENTIAL SUPPORT**

**PILOT INNOVATION FUND**

Entrepreneurs and other stakeholders developing new technologies, product designs, business models, marketing and distribution approaches that have yet to be tested, are encouraged to apply to the Pilot Innovation Fund II. Applicants must detail how their innovative technology and/or approach is scalable and addresses existing challenges in the clean cooking sector. Eligible areas of support include:

1. **Product Design**: Support for improving cookstove design or fuel production to achieve greater consumer adoption and lower product cost (including through increasing the efficiency of production and manufacturing) while maintaining performance and quality. Funding can also be used for the market testing of an innovative, existing product design that has yet to be tested in a specific market.

2. **Product Performance**: Support for improving technology performance against the ISO IWA tiers for emissions, indoor emissions, efficiency, and safety. This includes:
   - Research, development, and design to improve performance of existing products, particularly locally made stoves that already have good penetration in markets;
   - Development of new technologies that achieve tiers of performance that have been defined by the Alliance as clean (emissions Tier 3 and higher, indoor emissions Tier 3 and higher) and efficient (efficiency Tier 2 and higher).

Supporting innovations in fuels that burn cleanly and efficiently and that have efficient production processes, as well as innovations in cookstoves and fuels that achieve significant reductions in black carbon and short-lived climate pollutants (SLCPs).

3. **Marketing & Distribution**: Development of an innovative marketing strategy or distribution approach that addresses barriers in the value chain, increases scale and/or sustainability or an innovative financing mechanism that increases the accessibility to consumers of clean cooking solutions. This applies to existing clean cooking businesses evaluating new markets or customer segments, as well as businesses that are new to the clean cooking sector interested in expanding their portfolio to include clean cookstoves and fuels.

4. **Business Models that Create Local Livelihoods**: Support for market testing of innovative business models or application of best practices for creating local livelihoods through innovative approaches. Funding can also be used for the market testing of innovative changes to a current business model to create local livelihoods.

**WOMEN’S EMPOWERMENT FUND**

The clean cooking sector has never been better-positioned to prioritize and put into action targeted efforts that focus on women’s empowerment and gender. This fund allows partners to pilot approaches that tap into the substantial opportunity to strengthen women’s involvement in the clean cooking sector – not only to increase women’s empowerment opportunities, but to increase their own adoption rates and impacts.

The WEF will provide resources to partners who would like to apply best practices outlined in *Scaling Adoption of Clean Cooking Solutions through Women’s Empowerment, A Resource Guide* to their business models and test different approaches to better addressing gender within their work.

Applicants to the WEF are not limited to applying the best practices in the *Resource Guide*, but should consider the principles and best practices highlighted in the guide as they develop their proposals.
Preparation materials: To prepare for this RFP, the Alliance suggests reviewing the following materials and resources:

1. Alliance Market Assessments
2. Business Model Generation Canvas
3. Webinar on past Pilot Innovation Fund projects
4. ISO International Workshop Agreement
5. IDEO’s Human-Centered Design Toolkit
6. Scaling Adoption of Clean Cooking Solutions through Women’s Empowerment: A Resource Guide
7. Frequently Asked Questions about Black Carbon and SLCPs
8. General Business Plan Outline

APPLICATION PROCESS AND DEADLINES

An application form is provided on the following website: http://investment.cleancookstoves.org. Only applications submitted on the website will be accepted. If you are experiencing technical problems, please describe the nature of the problem in an email addressed to investment@cleancookstoves.org before the application deadline. The website will ask you to create a username and password and a detailed profile. Applicants who have created a user ID for the Spark Fund will be able to use the same user ID to apply to the Pilot Innovation Fund and the Women’s Empowerment Fund.

Below is a list of information that enterprises will be required to provide in order to apply to RFP 13-5:

1. Background Information:
   a. official business name and mailing address of applicant entity (if an enterprise has a “doing business as” name please include as well);
   b. applicant legal structure and registration number;
   c. name, title, and contact information (email and telephone) for primary and secondary contacts;
   d. proposal title;
   e. total proposal funding and amount requested from the alliance (in USD and local currency).

2. Current Operations - Describe your business model, product or service features, scale and scope of current operations, including key information and metrics such number of clients, market segmentation, geography, market share, etc.

3. Proposed Innovation
   a. Description: What is the innovation? Why is it needed? The Alliance encourages applicants to demonstrate that they have fully researched the market potential for the innovation, cases where the innovation has been used in other markets, and the particular market need that the innovation will address.
   b. Scalability: How will the innovation scale to help the Alliance reach its goal of ‘100 by 2020’? Include growth projections (e.g. sales, revenue) and rationale.
   c. Lessons learned: What will you learn if the innovation succeeds? What will you learn if the innovation fails? What will you do next?
4. **Future Growth Plans** - Although the grant will not fund the scale up of the innovation, applicants must articulate plans for commercialization of successful pilot projects. Include a timeline for growth activities, project breakeven and investments needed to reach scale. For proposals focused on design and performance improvements, applicants must identify manufacturing and implementation partners to evaluate whether product can be manufactured at scale in a cost effective manner.

5. **Project Plan and Timeline** – Applicants should submit a detailed project plan describing all activities funding via the grant, including a timeline and project milestones.

6. **Impact measurement plan** - Clearly define the outcome(s) of a successful pilot will be and what can be learned by the sector as a result of conducting the pilot. The plan should indicate how data will be collected to demonstrate the effectiveness of the innovation as compared to existing practices and clearly outline measurable performance criteria. All data must be sex disaggregated.

7. **Team resumes** - Name, title, education, training, and professional experience inclusive of major responsibilities and other credentials for each team member and for key subcontractors / subgrantees / consultants.

8. **Project Budget and Narrative** - All applicants will submit a detailed budget outlining the sources and uses of funds for project proceeds. The narrative budget justification should include descriptions of the specific roles, responsibilities, and compensation for all project team members and consultants, as well as detailed descriptions of proposed travel, supplies, and equipment to be purchased. Note that indirect cost estimates may not exceed 13%. In addition, sub-contract expenses should not be included in indirect cost calculations. The narrative should also demonstrate the ability to responsibly account for all expenditures and fulfill basic financial reporting requirements.

9. **Subcontracts** - Letters from each proposed consultant / subcontractor confirming their agreement to collaborate must be provided.

10. **Optional additional documents** - Applicants may provide supplementary materials as relevant. Electronic copies of supporting materials can be uploaded to the online application platform. Supporting materials could include:
    a) Business plan or **business model canvas** for innovation;
    b) Financial statements;
    c) Design documents and schematics;
    d) Market research or other supporting evidence for why innovation is needed;
    e) Stove or fuel testing results;
    f) Gender action plan, and
    g) Photos or videos of your business that demonstrates or showcases your value proposition.

**Submission of Proposals**
All applicants must submit their applications through the online platform:
[http://investment.cleancookstoves.org](http://investment.cleancookstoves.org)

The deadline for submission of full proposals is December 1, 2013 11:59 pm EST.
**EVALUATION PROCESS**

Applications will be scored by the Alliance’s technical and a panel of subject matter experts using the evaluation criteria below. Given the interdisciplinary, inter-sectoral nature of the Alliance and its goals, final funding decisions will be made on the basis of technical merit as well as the relevance of the innovation and ability to scale.

**Evaluation Criteria**

| Strength of Mission and Impact | • Compelling impact-oriented mission, with a commitment to financially sustainable solutions. | 10% |
| • Dedicated to improving technology quality based on independent testing and reporting of results. | |
| • High potential to deliver large-scale health, social and/or environmental benefits. | |
| • Demonstrates commitment to product/service quality. | |
| • Demonstrates a commitment to creating or improving local livelihoods and mainstreaming gender throughout the pilot. | |
| Financial Sustainability | • Demonstrated ability to manage the accounts and financial reporting requirements of the grant. | 10% |
| • Strong case for long term financial sustainability of the pilot if successful. | |
| • Scale up of innovation will not rely entirely on grants or subsidies to operate in future. | |
| Business Model and Potential For Scale | • Demonstration that the innovation is unique to the sector or defined market. | 30% |
| • Research demonstrating potential for market demand and some willingness to pay for the product/service. | |
| • Product/service differentiated from competition. | |
| • Scalable business model and strategy. Resources are available to match the projected scale of operations. | |
| • Pilot has key partner(s) along the value chain, and links to national networks. | |
| Strength of Team | • Pilot team includes innovative partnerships across the clean cooking value chain | 15% |
| • Includes input from entities that will eventually scale the innovation | |
| • Pilot team has appropriate diversity in terms of background, areas of expertise and gender. | |
| Strength of Proposal | • Proposal is clear, complete and demonstrates how the enterprise will contribute to the objective of Pilot Fund including helping the Alliance achieve the ‘100 by 2020’ goal. | 35% |
| • Timeline and budget are reasonable, and demonstrate team has built in contingency plans for potential delays and cost overruns. | |
| • Proposal has a clear definition of a successful outcome of the pilot and includes measurable performance criteria. Proposal indicates what can be learned by the sector as a result of conducting the pilot. | |
| • Proposals focused on design improvement clearly demonstrate a need for re-design of a high performing cookstove and/or fuel in targeted market. Proposal also demonstrates a deep understanding of the target market and consumer preferences or has a team in place that can conduct focus group and product research. Design proposals should also include testing and interim testing as a part of the process. | |
| • Proposals focused on performance improvements in cookstoves and fuels include relevant expertise in design and consumer adoption. These proposals should demonstrate a technical foundation to that is innovative and is likely to succeed. Performance proposals should also include testing and interim testing as a part of the process. | |
| • Proposals focused on innovative marketing and distribution techniques should have a well-researched target market, marketing plan and evaluation criteria. Proposal should also demonstrate a deep understanding of consumer preferences or have a team in place that can conduct focus groups and/or continued market research to learn from pilot activities. | |
| • Proposals focused on innovative and inclusive business models are well thought out and include the value proposition, distribution channels, customer segments, cost structure, enterprise revenue streams, etc. Enterprises follow best practices outlined in the Scaling Adoption of Clean Cooking Solutions through Women’s Empowerment: A Resource Guide | |
CONTRACTING INFORMATION

Grants / Contracts Agreement: The mechanism of funding may take the form of a grant or a contract, depending on the scope of the proposal and/or the nature of proposed deliverables. Agreements will be made between the Grantee/Contractor and the United Nations Foundation, the fiduciary host of the Global Alliance for Clean Cookstoves. Prior to the grant award being made, the peer review panel or the Alliance may request modifications in project scope, scale, and/or budget to ensure maximum responsiveness to the sector’s needs.

Reporting Requirements: Recipients under RFP 13-5 will be required to submit quarterly reports on activities and progress including quarterly budget statements. The Alliance will provide a general reporting template required of all recipients and customize reporting for each recipient according to the proposal goals and milestones. In addition, recipients will be required to report on basic social and environmental impact indicators. All data reported will be sex disaggregated. All recipients under RFP 13-5 Pilot Innovation Fund II and Women’s Empowerment Fund will also be required to complete the Alliance’s annual Results Reporting questionnaire. Recipients will also be required to share results of the Pilot through panels, webinars, case studies and other media at the Alliance’s request. Furthermore, the Alliance, on behalf of the United Nations Foundation will monitor and conduct assessments of operations under the grant/contract, which may include a visit from Alliance personnel or designee to observe projects and programs and to review financial and other records and materials connected with activities supported by the grant/contract. Although funds will be disbursed for use over 6 months, the grant/contract term is 12 months. In addition the Alliance requires a final report within 30 days from the end of the funding term that describes in narrative fashion what was achieved with the funds, a line item comparison of budgeted versus actual expenses as they relate specifically to the grant/contract, a statement certifying that all funds were expended for the purposes of the grant/contract and an explanation of any variance from the proposal budget submitted with the original proposal.

Communication of Results: The Alliance is committed to ensuring that results will inform the sector, as well as advance the adoption of cleaner, more efficient cooking technologies. The Alliance will work with funded enterprises to ensure that progress and results are widely disseminated, and profiled at technical meetings as relevant. All materials, reports, and results of Alliance grants or contracts will be available for dissemination to the public, i.e. through the Alliance website, newsletters, and webinars. In addition to preparing Alliance reports, enterprises are encouraged to publish in open-access, peer-reviewed literature. The Alliance has the right to publicize the nature and results of all funded proposals. The Alliance commits to making results of funded proposals publically available in a timely and transparent process, while ensuring intellectual property rights, trade secrets and financial position of enterprises remain confidential as requested. The Alliance reserves the right to share the executive summary and contact information of each applicant with interested investors and stakeholders.