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# Over half a million Zambians to receive access to clean cooking solutions through first cohort of companies [financed by the Modern Cooking Facility for Africa]

The <u>Modern Cooking Facility for Africa (MCFA)</u> is today announcing its first cohort of investee companies in Zambia. The latest MCFA agreement has been signed with ENGIE Energy Access in Zambia to scale up access to its innovative biodigester technology to address the challenges of poverty, food insecurity and climate change facing farmers in peri-urban and rural areas in the country.

ENGIE Energy Access Zambia Limited has been operating in Zambia since 2017 with a focus on delivering off-grid solar home systems. With the EUR 1.2 million in results-based financing provided by MCFA, the company aims to engage in the clean cooking sector by selling some 2,400 biogas stoves together with biodigesters. The financial support provided will mobilise minimal additional co-financing, doubling the total available funding by the end of project implementation in 2027.

"By leveraging ENGIE Energy Access's extensive reach and Sistema.bio's adaptable product range, we aim to bring about substantial benefits and promote sustainable practices to off-grid communities in Zambia," said **Helen Zulu**, Interim Country Director of ENGIE Energy Access Zambia, at the event in Lusaka today.

ENGIE Energy Access Zambia will provide its customers with innovative biodigesters that enable farmers to convert waste into biogas and fertilizer through a PAYGO business model. The company has established a consortium with Sistema.bio, which manufactures high-quality biodigesters. The biogas kit includes a hybrid reactor, a stove, a burner and all the accessories necessary for farmers to begin utilising biogas within weeks of installation. Manure breaks down anaerobically, producing biogas that can be used for clean cooking and thermal processes to meet household needs. The output of the digester is a biofertilizer that can replace chemical alternatives. The project is expected to provide access to clean cooking solutions for some 12,000 Zambians by the end of 2027.

"We are really excited to continue our cooperation with ENGIE ENERGY ACCESS Zambia through MCFA to support the company to scale up its activities related to clean cooking and accelerating the development of a clean cooking market with advanced products in Zambia," comments **Kari Hämekoski**, Senior Programme Manager at Nefco.













The other two investees financed by MCFA in Zambia are <u>BURN</u> and <u>Emerging Cooking Solutions</u> (ECS). BURN is providing electric cookers in several Sub-Saharan African countries and ECS is a local Zambian company offering micro-gasification stoves together with its own SupaMoto pellets. Together, these companies will provide over 110,000 clean cooking services, which will provide access to clean cooking solutions for over 550,000 Zambians by the end of 2027.

Today's event in Lusaka celebrates the contracting of the first private companies in Zambia to support access to clean, modern and affordable cooking solutions, a new and innovative aspect of the European Union and Sweden's partnership with the Government of Zambia. The contributions of the European Union and Sweden to the Zambia programme amount to EUR 12.5 million and EUR 6.7 million respectively.

"By supporting the Modern Cooking Facility for Africa, we prepare the ground for the future scaleup and provision of clean cooking solutions for thousands of Zambians. The benefits are many – from improving health outcomes, especially for women, to reducing pollution and saving forests," said H.E. **Karolina Stasiak**, Ambassador of the European Union to Zambia and COMESA.

Team Europe is making a substantial impact in Zambia through the Global Gateway initiative, focusing on sustainable infrastructure to bolster the nation's economic growth and environmental sustainability, particularly in the clean energy sector.

"MCFA is an innovative results-based financing programme exclusively financing higher-tier clean cooking solutions. It is very positive to see that the first companies contracted are already having a huge impact when it comes to supporting a green and just energy transition in Zambia as well as demonstrating the business case for other Sub-Saharan African countries," commented **Johan Hallenborg**, Sweden's Ambassador to Zambia.

The <u>Modern Cooking Facility for Africa (MCFA)</u> supports access to and scale-up of higher-tier clean cooking solutions. The second funding round, which will provide up to EUR 16 million in funding, is accepting applications from companies working with clean cooking solutions in Zambia and six other Sub-Saharan African countries until 31 January 2024.

ENGIE was selected via a competitive application process under the Zambian country programme through the first funding round. The selection process included a two-stage third-party evaluation of applications by independent experts and a detailed due diligence process carried out by Danish Energy Management A/S in consortium with LFS Advisory.

### Further information about the ongoing Call for Proposals – closing 31 January 2024

Visit www.moderncooking.africa/apply and register for the online system to apply for funding.

### Further information about the other MCFA companies in Zambia

- BURN
- Emerging Cooking Solutions













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## **About ENGIE Energy Access Zambia**

ENGIE Energy Access is one of the leading providers of Pay-As-You-Go ('PAYGO') and mini-grids solutions in Africa. The company develops innovative, off-grid solar solutions for homes, public services and businesses, enabling customers and distribution partners access to clean, affordable energy. The PAYGO solar home systems are financed through affordable instalments and the minigrids foster economic development by enabling electrical productive use and facilitating business opportunities for entrepreneurs in rural communities. With over 1,700 employees, operations in nine countries across Africa, in Benin, Côte d'Ivoire, Kenya, Mozambique, Nigeria, Rwanda, Tanzania, Uganda and Zambia, almost 2.5 million customers and more than 12 million lives impacted so far, ENGIE Energy Access aims to impact 20 million lives across Africa by 2025. Read more on engie-energyaccess.com

### **About MCFA**

The Modern Cooking Facility for Africa is a multi-donor facility established and managed by Nefco — the Nordic Green Bank — with the aim to support the development of new markets for the clean cooking sector and accelerate access to high-technology, modern and affordable cooking equipment for consumers in Sub-Saharan Africa, combining results-based financing with catalytic grant financing for companies active in the clean cooking market to grow and scale up their businesses in the programme countries.

The overall aim of the MCFA programme is to provide access to clean cooking solutions for up to 4 million Africans. The current EUR 61.5 million MCFA programme was announced in November 2021 and is funded by Sweden, Norway and the European Union. It forms part of the Global Gateway initiative, a new European strategy to boost smart and clean projects that combine public and private financing. Read more on <a href="https://www.moderncooking.africa">www.moderncooking.africa</a>













# **About Nefco**

<u>Nefco – the Nordic Green Bank</u> – is an international financial institution based in Helsinki, Finland, owned by the five Nordic countries, focusing on environmental and climate investments for concrete actions to accelerate the green transition. Nefco also manages external funds in the climate and energy space. It is accredited by the European Union and the Green Climate Fund and is the Facility Manager for the <u>Beyond the Grid Fund for Africa</u>, a EUR 126 million multi-donor results-based financing facility funded by Denmark, Germany, Norway, Sweden and USAID. Read more on <u>www.nefco.int</u>

Photo: A smallholder farmer in a rural village receiving biogas for cooking and biofertilizer for cultivation from a biodigester – Sistema.bio









