



**MECS**  
Modern Energy  
Cooking Services

# Supporting supply chains in Tanzania: Jiko Fanisi La Umeme Seed Fund

## Expression of Interest for Workshop Guidelines



Loughborough  
University



**ESMAP**  
Energy Sector Management  
Assistance Program

## Introduction

UKAid through the British High Commission of Dar es Salaam is commencing the eCooking Scale and Support Programme through Modern Energy Cooking Services (MECS).

The enabling environment in Tanzania, and particularly the Government of Tanzania's prioritisation of clean cooking, means that Tanzania is at a crucial time for setting a path forward towards modern energy cooking.

The primary objective of this programme is to support Tanzania to leverage expenditure and gains in electricity access to progress clean cooking through supporting eCooking. It encompasses a wide – range of activities including this Seed Fund for early-stage suppliers/distributors, which aims to develop the supply chain using results-based finance.

Previous MECS Seed Fund competitions (then called 'Challenge Funds') have provided research funding to stimulate innovations in modern energy cooking technology and systems and support the advancement of innovative clean energy cooking products, processes, and services in low-income countries that are appropriate and acceptable to users. Utilising this successful format, MECS are launching a new Seed Fund for Tanzanian entrepreneurs in eCooking.

**This Seed Fund is aimed at new or early-stage supply and distribution organisations of eCooking appliances.**

This new fund is funded by the Foreign and Commonwealth Development Office (FCDO) and delivered by Loughborough University under the MECS programme.

## Aim of the Seed Fund

The Seed Fund aims to foster a healthy eCooking supply chain by supporting new or early-stage companies to gain market traction in Tanzania distributing eCooking appliances.

## Seed Fund Overview

The Seed Fund seeks to support projects that will deliver a minimum of 500 energy efficient electric cooking appliances into homes or businesses.

Our research so far suggests that electric pressure cookers (EPCs) are the 'front running candidate' for eCooking uptake, but we will consider any efficient electrical cooking appliance. Combinations of more than one device are acceptable if a strong case is made.

Key aspects of the Seed Fund are:

- The Fund is open to any organisation registered to make sales in Tanzania.
- The funding will be for a duration of 10 months, February 2025 to December 2025.

- Total funding available per organisation is £58,000. This must include all taxes and costs.
- Multiple projects will be funded.

In order to support new entrants to the market, there is a phased approach to a call for applications. MECS will run a 1-day workshop to go over key aspects of an eCooking business plan which is required for the application.

The Seed Fund is open to any organisation registered to make sales in Tanzania, and we are particularly interested to support companies with a high proportion of women in management and operations, and companies who are new entrants to the market.

More detail is available in the following sections.

## Timings and Application Process

To encourage new organisations/entrepreneurs to this market, we plan to run a phased approach to the call for applications with support for developing a viable business plan. This support will take the form of a 1-day workshop, which will cover the following aspects:

- Business accounting and cash flow models for eCooking business models
- Attracting customers
- Financial options for sales

Following the workshop, companies are invited to submit proposals.

The timetable for the application process is laid out below.

Date	Activity
10th October 2024	Launch requests for Expression of Interest for Seed Fund workshop
21 <sup>st</sup> October 2024	Seed Fund call goes live
23:55pm GMT 1st November 2024	Closing date for submission of Expression of Interest
11th November 2024	Notification of invitation to workshop
19 <sup>th</sup> November 2024	1 day workshop
2 <sup>nd</sup> December 2024 11:59pm GMT	Closing date for applications to call
11th December 2024	Announcement of winners for seed funding
6 <sup>th</sup> January 2025	Due Diligence to be submitted by successful organisations
10th January 2025	Contracting starts
10th February 2025	All projects begin for 10 months total (ending no later than 12 <sup>th</sup> December 2025)

## Expressions of Interest

The EoI to join the workshop should be sent to [mecs@lboro.ac.uk](mailto:mecs@lboro.ac.uk) by **1st November 2024 23:55 pm GMT**. Late applications will not be reviewed. **In the subject line of the email, write: 'Jiko Fanisi La Umeme: [Your Organisation Name]'**.

The EoI should consist of the following information:

- Name and contact details including location (address and city).
- Company or organisation details, including address. If you are a registered company, please submit your letter of incorporation.
- Experience in eCooking appliance distribution, or clean cooking appliance distribution thus far, or experience in distribution of electrical goods.
- If you have had any experience of eCooking appliance(s), please list what appliance.
- Please list the eCooking appliances you want to start distributing.
- Please write what you hope to gain from attending the workshop.

The workshop topics will directly cover some of the most important aspects that will be required for any application.

The workshop will include information on:

- How to develop a business plan, including a cash flow model, which shows the margin on the product and all related costs.
- How to plan for purchasing the appliances whether this is directly from the manufacturer or from within Tanzania, and associated plan on how the quality of appliance will be assured.
- The importance of considering how customers will be attracted to buy the product – how customer interest will be created, how the product will be advertised.
- The financial mechanisms you plan to use (which should also be reflected in the business plan/cash flow model). This could involve extending credit to customers, PAYGO cooking, subsidies, or other mechanisms. Note that this funding does not have to go to reducing the price for the customer but addressing the affordability barrier is a key part of a successful business model.

Organisations can apply for up to £58,000.

## Preliminary Information for Successful Awardees

Successful awardees will commence projects by February 2025. The following shows the breakdown and terms for disbursement of funds:

- 40% funding on contract signing.
- 30% funding by May 2025 depending on submission of confirmed order of goods and initial payment.
- 10% on proof of delivery of goods.
- 20% on final report due by December 2025.

Organisations will be asked to provide an order form from their supplier to show goods have been ordered. The second instalment of funding will not be released without this evidence. The date of anticipated receipt of goods in country must be noted in this submission.

In October 2025, MECS will commission a company to run a survey with a representative sample of all your eCooking appliance customers on topics covering acceptability, affordability, use etc., to

evaluate the impact. This survey will include gender aspects such as whether there has been a shift in household gender dynamics, as well as if cooks have experienced time savings and any co-benefits of alternative activities undertaken in freed up time. You therefore need to keep records of customers, including their phone numbers, so they are contactable for this survey.

## Eligibility and Success

Organisations (of any size) who can acquire (import, assemble, or manufacture) and distribute (e.g. sell for cash, sell on credit, PAYG, subsidised<sup>1</sup> etc.) efficient electrical cooking appliances are eligible.

Organisations that have a high proportion of women in management and operations will be more favourably viewed, in order to fulfil MECS' intention to support women-led organisations and organisations that support women in the workplace.

New organisations (those who have been registered in the last 2 years) will score higher than large long-established businesses, in order to support new entrants to the supply chain.

The Seed Fund is open to any organisations registered to make sales in Tanzania. Organisations where ownership/shareholding/management is Tanzanian based and integrated into the Tanzanian economy will score more highly.

Funding will be paid in GBP so any successful organisations must be able to accept GBP or have a bank account that is willing to undertake the conversion to Tanzanian Shillings.

Organisations can only be named on one application as either the lead or as a consortium member. A consortium member is defined as an organisation who is actively involved in the implementation of activities. If an organisation is listed as either the lead or as a consortium member on more than one application, then all of them will be rejected. Only suppliers of appliances and suppliers of specialist research capability can provide their services to multiple projects and be named in multiple applications.

Match funding (financial or in-kind) and demonstrating links to other funding programmes is desirable. The finance element of your application will be preferentially scored if this is secured.

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<sup>1</sup> Please note that we acknowledge 'free' distribution by the use of carbon finance and/or Results Based Financing is potentially possible, but such an approach has to be considered in the light of a breadth of learning over the last 30 years on household use of 'free' kit. A strongly subsidised approach needs to have a strong rationalisation as to why it is proposed.