

ICSEA

Improved Cook Stoves for East Africa Ltd

What is the ICSEA Programme of Activities (PoA)?

ICSEA Ltd is the 'Coordinating/Managing Entity' of the ICSEA PoA. It was created by the Uganda Carbon Bureau (UCB). A PoA is an efficient way of accessing the carbon market for suppliers of improved stoves:

- It's a carbon finance 'umbrella' structure that helps suppliers of improved domestic and institutional cook stoves to generate carbon credits. It's open access - anybody can apply to join
- It currently covers Kenya, Uganda, Rwanda, Burundi, South Africa and Lesotho. The ICSEA PoA was the world's first ever multi-country PoA, and the first to add countries – others are under consideration
- The managers of the PoA recognise that the stove users are the ones creating the certified emission reductions (CERs -carbon credits) by their switch to more efficient stoves – this was a game-changing stance pioneered by UCB, that has since been adopted by the global improved stove fraternity
- It's registered with the Clean Development Mechanism (CDM) and the Gold Standard, and members are now being accredited under the new Fairtrade Climate Standard (to which UCB's founder was one of the expert contributors) – this registration combination creates carbon credits of the highest quality
- It's the first PoA ever to add a fuel-switch methodology (AMS-I.E) to the usual energy efficiency methodology (AMS-II.G) – its members' households that use renewable biomass fuels (such as briquettes made from waste) will now earn carbon credits at a higher rate
- UCB and ICSEA Ltd staff are advisers to Fairtrade, the Gold Standard and the CDM because of their leadership in promoting improved cookstove technologies, alternative fuel sources, and their unparalleled knowledge in Africa of carbon standards, methodologies and markets
- For the past 9 years UCB has been a high profile participant at Carbon Expo in Europe (in recent years supported by the World Bank) showcasing innovative and fresh approaches to improved cookstoves, biogas, renewable energy and forestry

How does the ICSEA PoA work?

- In a user-friendly way, it helps improved cook stove projects to earn the maximum amount of carbon finance in the quickest and cheapest way, and provides practical support to its members
- All projects own 100% of their carbon credits
- Members pay a cost-reflective fee to join the PoA, and then an annual fee for the support, monitoring and verification services that they receive
- The ICSEA PoA is 'stove neutral' – and members are free to distribute whatever stoves they choose, as long as they meet the thermal efficiency requirement of the CDM – this is one of the unique features of the ICSEA PoA
- With the latest fuel-switch methodology addition, the PoA now supports improved stove users who switch to 'renewable biomass' fuels, such as pellets and briquettes made from waste, or wood from sustainable sources
- ICSEA Ltd is not a carbon trader, but can help projects to sell their carbon credits at premium prices
- A fair-trade ethos is another key feature of the PoA, and it's a 'road test' early user of the new Fairtrade Climate Standard

Energy saving projects such as improved cook stoves are part of the solution to reducing Greenhouse Gas emissions, thereby mitigating climate change. ICSEA members are supplying affordable energy-efficient cookstoves across the region, providing cleaner indoor air and a safer cooking environment. The manufacture, distribution and maintenance of the stoves boosts incomes and jobs, lowers the pressure on dwindling forestry resources, and reduces the use of non-renewable biomass that results in carbon dioxide emissions.

The advantages of the ICSEA PoA for those with cook stove projects

- The cost of accessing the carbon market via the ICSEA PoA is a fraction of the cost of developing a standalone cook stoves carbon project. ICSEA members pay a joining (inclusion) fee and annual fees
- It's much quicker for stove supplier organisations to access the carbon market via the ICSEA PoA, compared to being registered separately with the CDM or Gold Standard
- The PoA's managers know the carbon market rules, and take a huge burden off stove suppliers' staff
- An unlimited number of improved cook stoves projects can be included under the ICSEA PoA
- It's very easy to add future stove projects, even if they are not currently identified
- The negotiating strength of the PoA can get higher carbon credit prices for project owners who choose to join the PoA's grouped sales facility, but this is not mandatory
- The multi-country umbrella PoA will help strengthen the improved cook stoves market of Africa
- ICSEA has excellent contacts with financing groups who will consider funding members' projects

ICSEA provides organisations wanting to start an improved cook stove project with the following services:

- Training and briefings on carbon finance opportunities
- Preparation of all carbon documentation required for the successful inclusion of their projects
- Support with business plan development throughout their project's inclusion process
- Monitoring and verification services to earn carbon credits each year
- Facilitating sales of the credits (if needed) on a fair trade basis to maximise returns for projects
- Advice on project financing, including the use of carbon revenues to attract investors
- UCB has established an innovative Ignition Fund to provide de-risked funding to new members to support the payment of their initial Inclusion Fee. This has been sponsored by GIZ, the Global Alliance for Clean Cookstoves (GACC), the Gold Standard and Nexus Carbon for Development

Timeline

The PoA was registered in August 2012 using the fuel efficiency methodology AMS-II.G. A second fuel switch methodology AMS-I.E was finally added in June 2016 to support projects using renewable biomass fuels such as briquettes. Fairtrade will accredit eligible members to use its new Fairtrade Climate Standard. The PoA is fully operational and has achieved its first member's issuance and sale of carbon credits at a premium price.

It is currently processing the inclusion documents of over 20 separate stove supplier organisations in Rwanda, Kenya and Uganda. These are all iconic organisations with international partners. With the cost of creating the PoA having been fully sponsored, members now just contribute to its running costs.

ICSEA is a collaboration between the Uganda Carbon Bureau and other partners

Uganda Carbon Bureau

- Uganda's first specialist carbon company, and one of the most experienced carbon teams in Africa
- Involved with climate change information dissemination, project development and the establishment of a carbon neutral service
- Responsible for promoting and developing regional PoAs, and the development of ICSEA

East African Development Bank

- Has been invited to join the PoA

Key partners

- Generous support for UCB and ICSEA has been received from DFID, GIZ, GIZ-CIM, BMU, Belgian Technical Cooperation, International Trade Centre, Nordic Climate Facility, GACC, KfW, CARE Denmark and Nexus Carbon For Development.
- It is also consulted by many international groups involved in the improved cook stove space, and is a regular presenter at meetings in Uganda and beyond.
- It is currently advising Kampala City Council Authority on a *pro bono* basis about the use of improved stoves in its schools and the city's population, and the use of municipal waste to manufacture biomass briquettes.

International recognition

The ICSEA PoA was chosen by the prestigious 16,000 strong US Association of Energy Engineers (AEE) to receive the "2014 Innovative Energy Project of the Year" International Award. The award was presented at the World Energy Engineering Congress in Washington DC at a glittering awards ceremony.

Further Information

The Uganda Carbon Bureau is setting up other PoAs covering renewable energy and forestry, and in 2012 registered another pioneering regional PoA for domestic bio-gas covering several East African countries.

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