

Request for Expressions of Interest (EoI) from CDM Project Developers and CDM PoA Coordinating/Managing Entities to Participate in the Ugandan Improved Institutional Cook Stoves (IICS) Facility

1.0 Background

The United Nations Development Program (UNDP), with funding support from the NAMA Facility, is structuring the Improved Institutional Cook Stoves (IICS) Facility in Uganda. Improved Institutional Cook Stoves (IICS) are more efficient than the traditional stoves (sigiri and/or three stone stoves) and shall replace them. This results in saving of wood fuel and charcoal and thus in a reduction of greenhouse gas emissions.

The Facility will be a Revolving Fund of EUR 13,500,000 administered by the Uganda Energy Credit Capitalisation Company (UECCC) in which funding will be provided to Participating Financial Institutions (PFIs)

- to on-lend to Schools for purchase of Improved Institutional Cook Stoves (IICS)
- as working capital to IICS manufactures
- to purchase and retire Certified Emission Reductions (CERs) of CDM projects/Programme of Activities (PoAs) providing services to schools in the purchase, installation and maintenance of IICS.

The Facility will as act as CER off-taker for a period of 5 years and up to 400 schools will be supported by the CDM/PoA component of the Facility.

2.0 Detailed Criteria

Registered and New Projects

Project proponents need to demonstrate that the CDM project or the PoA in question is facing a risk of discontinuation of the emission reduction activity due to lack of revenues from sales of CERs.

Only projects or PoA CPAs with no Emission Reduction Purchase Agreement (ERPA) operational for the offered CER vintages as of 1 September 2018 will be considered eligible. The proponent must provide adequate information demonstrating that there is no ERPA in force as of 1 September 2018 which covers the CERs offered. In case of buyer non-compliance with ERPA terms or termination of such ERPA before this date, the proponent must provide proof of termination demonstrating that the conditions of the termination are uncontested and undisputed by all parties to any such agreement.

Eligible vintages include emissions reductions generated from 1 September 2018 through the end of 2023. All contracted CERs shall be delivered by 31 December 2024 at the latest. There is no option to extend the ERPA beyond 2023.

UECCC will pay for the CERs after they have been voluntarily cancelled at the UNFCCC registry and resulting proof has been provided. All costs related to monitoring, verification, certification, and issuance, as well as any share of proceeds needed to cover the costs of adaptation shall be borne by the seller.

The projects must be environmentally and socially sound and gender sensitive. The UNDP Climate Action Impact tool has to be used to assess this and ensuring the promotion of sustainable projects with a positive sustainable development impact.

The technical and institutional competence and integrity of the project owner to manage and operate the project, as well as the economic and financial viability of the project operation must be demonstrated. The projects must comply with all current guidelines, modalities and procedures adopted by the parties to the UNFCCC and the Kyoto Protocol.

Price benchmarks

The CER price per tonne CO_{2eq} is set at a floor price of EUR 5.50. However, for public schools in remote sub-regions of the country, and activities that demonstrate economic vulnerability or particularly high sustainable development impacts a bonus payment of up to EUR 3.00 per tonne CO_{2eq} will be considered.

4.0 Application Process

CDM projects/PoAs that satisfy the criteria above and are interested in the Facility are requested to submit a duly completed Expression of Interest Application Form (*Annex 1*) to: tenders.kampala@undp.org

Deadline for submission of the EoI is **26th June 2018 16:00 Hours**

UECCC may request clarifications and additional information. Each EoI will be subject to an individual assessment of its overall attractiveness taking into account factors including but not limited to target regions/target schools, reputational aspects and gender benefits. Project Due Diligence will include a site visit. UECCC reserves the right to reject any project.