







# Inducing Behavior Change and Overcoming Financing Barriers

### The "Earn While You Cook" Approach







Renewable Energy for Rural Areas (RERA)

Programme, Nepal

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### **RERA Overview**



### Partnership:

- RERA is a bilateral technical support programme by the Government of Nepal (GoN) and the German Federal Ministry for Economic Cooperation and Development (BMZ)
- RERA is jointly implemented by the Alterantive Energy Promotion Centre (AEPC), Government of Nepal, and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH.

### Objective:

 To improve the energy situation for rural households with no, or limited access to modern energy services, with a geographical focus on Province 1 and 7











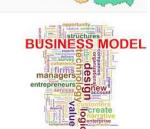
### **RERA Approach**



### **4 Components:**

 Facilitating the Transformation the AEPC – Federal Agency for Decentralized RE

- 2. Capacitating Provincial and Local Governments to provide energy services
- 3. Developing Sustainable Markets
  - Sustainable business models for energy services and products
  - Improve access to finance
- 4. Empowering Women and Disadvantage Groups
  - safeguard that women and disadvantaged groups are equally benefitting from RETs













### "Earn While you Cook (EYC)" - Approach

### **Developed by**

Sujatha Srinivasan, Founder of Carbon Natives
Initiative (TM) – promoter of EYC-Approach

### **Technology:** TLUD – gasifier stove

- Produces charcoal while cooking
- 2 years warranty on combustion parts, and lifetime of 7 years

### Income generation through cooking:

- HH sell charcoal produced while cooking
- A value chain is created around charcoal and vendors purchase charcoal













### "Earn While you Cook" – Approach (2)

### **Innovative Carbon Financing at 2 stages:**

- Reduction of fuel-use (standard approach for improved cookstoves)
- 2. "Green Charcoal":
  - Conventional charcoal requires an average 6 kg of wood to produce 1 kg of charcoal
  - TLUD produces charcoal as a by-product when cooking, so no additional wood is needed (20% of wood is converted into charcoal)
  - Thus 1kg of TLUD charcoal saves 6 kg of wood corresponding to approx. 7 kg of CO2











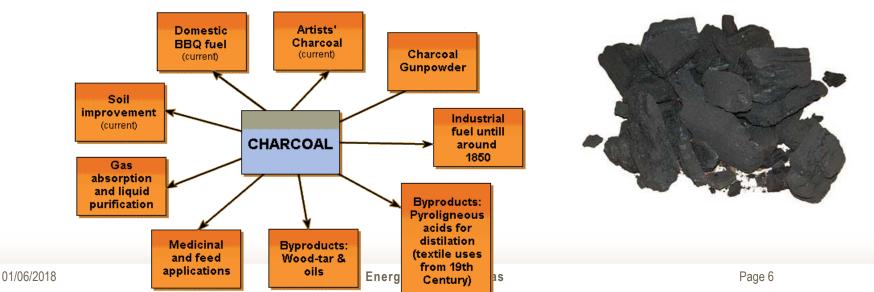
### "Earn While you Cook" – Approach (3)

### The Charcoal Value Chain - 2 Approaches:

- 1. Selling charcoal to existing off-takers
  - Industrial consumers (e.g. foundries, tea-plantation) or commercial consumers (e.g. restaurants, fertilizer)

52 known uses of Charcoal

- 2. Building entrepreneurship around charcoal processing
- Best prices of charcoal for value added products











### Benefits (1)

### 1. Access to finance and affordability issue is solved:

Break even for HH for investment in stove within 6-15 months (depending on financing/incentive structure of the individual project)

Credit finance easily possible because the stove generates income to repay the loan

### 2. Behavior change challenge solved

- Introduction of stove and approach is accompanied with training of cooks
- Income from cooking is key-motivator to change behavior









### Benefits (2)

## 3. Women empowerment and reduction of drudgery

- Women become charcoal entrepreneurs
- Women save about 10 hrs per week (less collection of wood and faster cooking with TLUD)



- Use of wood-fuel is reduced by 50%
- 5. Health improvement
- TLUD stove emits 40% less emissions and soot
- 6. Creation of Microenterprises for charcoal processing
- new economic activity in rural areas













### "Earn While you Cook" – Successes from India (1)

Location: Sundarbarns, West Bengal, India

**Scale:** 25,000 cookstoves = 25,000 HH reached

### Financial model:

Cost of stove: EUR 36 (INR2800)



- Charcoal produced per HH: 20 kg/month = Income of EUR 2.5/month
- Payback = 15 months (without grant or carbon financing)
- Price of stove is mostly reduced due to carbon financing, or grant support (e.g. WB: the stove is subsidized by 75%)

Largest dissemination of gasifier in the world

First Cookstoveresidue buyback system First model where women earn while the cook







### **Micro-enterprises**























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### "Earn While you Cook" – Impacts in India

	Impact per HH	Impact for 25,000 HHs
Wood saved	208 kg/month or 2.5t/year (50% less than traditional stove)	5,200t/month or 62,500t/year
CO2 reduced	4.3t/year (incl. Green Charcoal)	107,500t/year
Charcoal produced	20kg/month	500t/month
Income	EUR 2.5 / month	EUR 62,500 / month
Entrepreneurship created	30 microenterprises per 1000 stoves	700 microenterprises
Time saved	40 hrs / month	1 million hrs / month



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### Implementing "Earn while you cook" in Nepal

### RERA cooperated with Jeevan Bikas Samaj (JBS):



- JBS is a Cooperative and Micro Finance Institution in East of Nepal
- 190,000 Of HHs are member of cooperative
- JBS reaches about 874,000 People (about 4.6 persons per HH in Nepal)

### JBS will implement a pilot of 500 stoves/HH:

- Avajoka Cookstove has been tested by Renewable Energy Testing Station having thermal efficiency of 34.06 % and the import tax has been waived
- JBS will import stove and provides loans to its members for purchase of TLUD No subsidies
- Stove will cost about USD 60 (NPR 6,500) for HH
- Ticket-size of loan: USD 60 (NPR 6,500) 18 % interest rate
- Break-even in 16 months / repayment of loan in 12 months









Impact	Per Household	Per 500 Households
Fuelwood saved per month	120 kg	60 tons
CO <sub>2</sub> reduction per month (without Green Charcoal)	200 kg	100 tons
Charcoal generated per month	15 kg	7.5 tons
Income per HH per month (NPR 20 per kg)	USD 3.7 (NPR 400)	USD 1855 (NPR 200,000)















## **Thank You!**

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### **Additional Slides**

### 52 uses of Biochar

### **Animal Farming** Soil conditioner **Building sector Decontamination** 17. Soil additive for 12.Insulation 1. Silage agent 7. Carbon fertilizer soil remediation 2.Feed Additive/ 13.Air 8. Compost 18. Soil substrate decontamination **Supplement** 14.Decontaminatio 3.Litter additive 9. Substitute for 19. A barrier n of earth peat in potting soil preventing pesticides 4. Slurry foundations getting into surface **Treatment** 10. Plant water 15. Humidity 5. Manure protection regulation composting 11. Compensatory 20. Treating pond and 16.. Protection 6. Water treatment fertilizer for trace lake water against in fish farming element electromagnetic radiation **Biogas production Waste water Waste water Drinking water** 21. Biomass 23. Active carbon 25. Soil substrate 27. Micro filters additive filter for organic plant beds 22. Biogas slurry 24. Pre rising 28. Macro filters in Rural developing 26. Composting treatment additive 8 reas

countries

toilet

### Other uses

Exhaust filters (29. Controlling emissions, 30. Room air filters)

Industrial materials(31. Carbon fibres, 32. plastics)

Electronics (33. Semiconductors, 34. batteries)

Metallurgy(35. Metal reduction)

Cosmetics (36. Soaps, 37. Skin cream, 38. therapeutic bath additives)

Paint and coloring (39. Food colorants, 40. Industrial paints)

Energy production (41. Pellets, 42. Substitute for lignite)

Medicines (43. detoxification, 44. carrier for active pharmaceutical ingredients)

### **Textiles**

45. Fabric additive for functional underwear

46. Thermal insulation for functional clothing

47. Deodorant for shoe soles

### Wellness

48. Filling for mattresses

49. Filling for pillows

50. Shield against electromagnetic radiation

Biodiversity

51. Microbe

52. Earth worm

Source: http://www.ithaka-journal.net/55-anwendungen-von-pflanzenkohle?lang=en