CLEAN COOKING ALLIANCE

Working Group Meeting 5

Responsible Carbon Finance for Clean Cooking Initiative

18th Sept 2024

Overview of Today's Agenda

[1] For WG information

[2] Pause for any comments

Agenda item	Mins
1. Welcome • Overview of progress to date (CoC Approach)[1, 2]	0:00 - 0:10
2. The Code of Conduct v3.0 • Overview of updates[1] • Presenting updated actions under Integrity, Fairness, Transparency and Sustainability[1] • General reflections[2]	0:10 – 1:10
3. Closing • Next steps[1]	1:10 – 1:15

Overview of CoC Approach update

Ronan Ferguson

We are driving towards three key products

CoC Approach

Outlines a facility for recognizing the achievements of Project Developers in meeting the Principles, and an accountability process.

Code of Conduct

Outlines the actions to be taken by project developers to fulfil the Principles. It needs to be pragmatic, yet ambitious.

Buyer's Guide

Helping buyers with a how-to guidance on procuring high quality clean cooking credits with confidence.

To have an approach for establishing a Code of Conduct, RCF should address these four questions:

1. Why should a project developer follow the Code of Conduct?
2. What should a project developer do to claim they are following the Code of Conduct?
3. How will claims made by project developers be audited?
4. What might continuous improvement look like?

Proposed Approach for the CoC Approach

Guiding Question for the CoC Approach:

1. Why should a project developer follow the Code of Conduct?
2. What should a project developer do to claim they are following the Code of Conduct?
3. How will claims made by project developers be audited?
4. What might continuous improvement look like?

RCF's proposed approach:

Project developers that are fully compliant with the CoC will:

1. Be seen as a market leader

- Developing responsible clean cooking carbon markets in a proactive manner

2. Benefit from positive 'spotlighting'

- CCA and other market building institutions will likely profile success stories online and at high profile events, such as COP.

3. Potential for premium pricing

- Helping to restore buyer confidence around the general integrity, fairness and transparency of clean cooking carbon credits may contribute to future premium pricing.

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Proposed Approach for the CoC Approach

Guiding Question for the CoC Approach:

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RCF's proposed approach:

a) Structure of the Code of Conduct

There is a hierarchy of actions, the most important ones are the Core Actions:

- Each Principle in the CoC will have its own Core Actions. Project Developers must meet all the "**Core Actions**" for all the Principles to be RCF compliant.
- Project Developers not meeting all the Core Actions can document their "**Development Actions**" to show progress towards attaining the Core Actions.

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Proposed Approach for the CoC Approach

Guiding Question for the CoC Approach:

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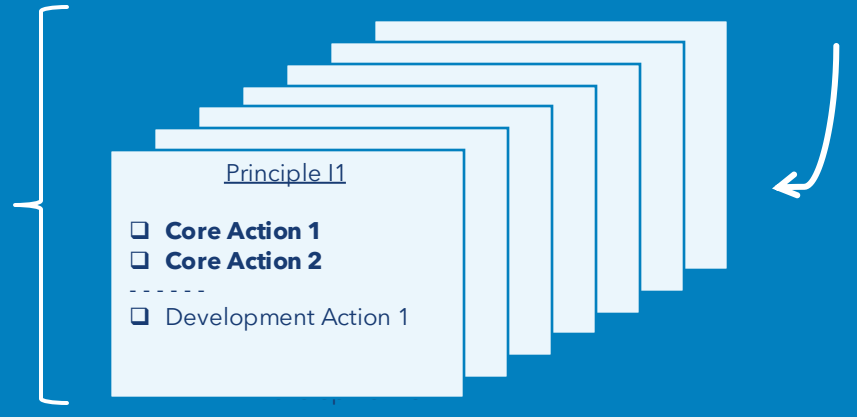
RCF's proposed approach:

b) Applying the Code of Conduct

All Core Actions must be fulfilled for a project developer to claim they meet a Principle. There are 16 Core Actions in V3 of the Code of Conduct, shown in the table below:

Theme:	Integrity			Fairness		Trans	Sustainability		
Principle:	I1	I2	I3	F1	F2	T1	S1	S2	S3
Core Actions:	2	2	2	4	1	2	0	3	0

Project developers should meet all the "**Core Actions**" for all the Principles to be RCF compliant.



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Proposed Approach for the CoC Approach

Guiding Question for the CoC Approach:

1. What should a project developer do to claim they are following the Code of Conduct?
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RCF's proposed approach:

c) Making a Claim

1. Prepare
Project developer initiates the process by completing the templates for the CoC.

2. Submit
Project developer uploads the templates (claims and supporting evidence) to the data portal.

The submittal is invisible at this stage.

3. Review
An auditor is assigned by CCA to review the evidence submitted and arranges any follow-up interviews with the project developer.

4. Result
The auditor determines the status and approves evidence to be publicly visible on the data portal.

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Proposed Approach for the CoC Approach

Guiding Question for the CoC Approach:

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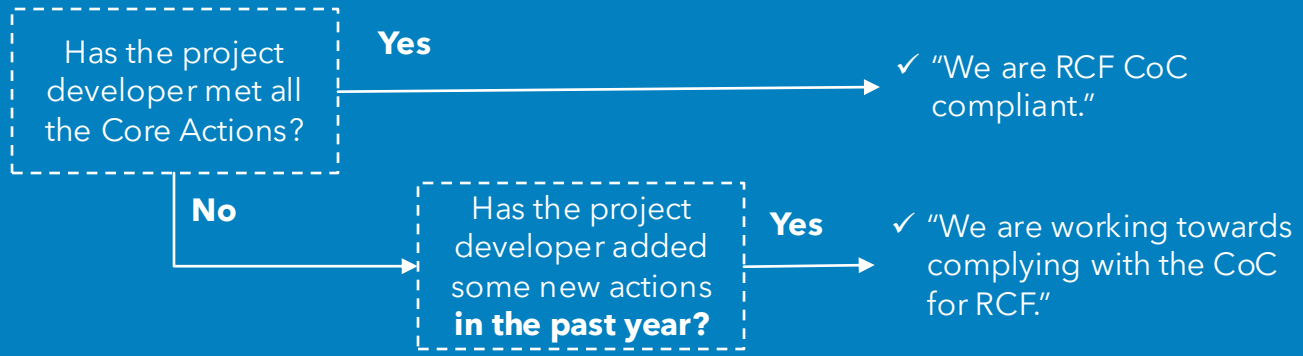
RCF's proposed approach:

d) Communicating the Result

The claims a project developer can make regarding their compliance status are given by the decision tree below:



It will not be possible for a project developer to "endorse" the Code of Conduct without submitting a claim.

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Proposed Approach for the CoC Approach

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RCF's proposed approach:

a) Vision

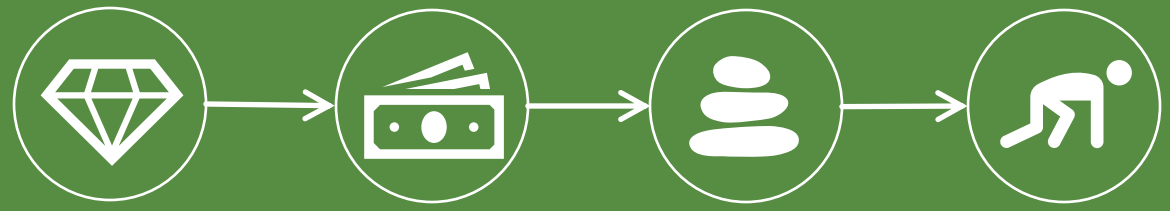
RCF seeks to move as quickly as possible towards a system that has:

- ✓ Audited assessments
- ✓ Mandatory evidencing
- ✓ Public disclosures

Hosted on a central data platform, e.g., Centigrade

Listing of Carbon Project Developers that are compliant with the RCF Code of Conduct, with links to audit reports and evidencing.

The main parameters RCF should prioritize in determining how to do this are:



1. **Enhanced Buyer's perceptions**
2. **Low Costs**
3. **Low Complexity**
4. **Speed to get underway**

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Pause for any comments

Proposed Approach for the CoC Approach

Guiding Question for the CoC Approach:

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RCF's proposed approach:

b) Who will do the audits?

Given the desire is to move towards an audited system as quickly as possible, utilizing an existing accreditation system will be needed. The VVBs have been identified as the option to pursue to start off with:

	CCA	VVB	Auditor (e.g. KPMG)
1. Buyers' perceptions *(A high score indicates something buyers are more likely to believe/ put faith in)*	3/10 Unlikely to be perceived as impartial	4/10 Might be perceived as part of the problem, or part of an old system that is complicit with historic over-crediting	10/10 This is very likely to be trusted by buyers and is likely to be the most familiar to them
2. Costs *(A high score means minimal additional costs incurred compared with the status quo)*	2/10 New staff or consultants would need to be hired and trained to take on the audit activities	9/10 I assume this can easily be absorbed within existing verification cycles. Can it?	1/10 This could be very expensive, and it is unclear whether the project developers will be able to, or willing to, foot the bill
3. Complexity (inputs needed) *(A high score means minimal new inputs needed to get the system operating)*	6/10 Reporting templates, training materials needs to be created	3/10 Reporting templates, training materials needs to be created. Enrolment of VVBs, and a performance monitoring system and VVB allocation system would need to be created	4/10 Reporting templates, training materials needs to be created. Auditor selection and a performance monitoring system would need to be created
4. Speed *(A high score means the system can start operating quickly)*	2/10 Funding would need to be sourced, then recruitment of staff or selection of third-party vendors would need to happen. This would likely slow down the development of reporting templates and training materials	3/10 Enrolment of VVBs, and a performance monitoring system and the VVB allocation system would take time to be co-created with industry	1/10 Reporting templates and processes might need to be ISEAL approved? Performance monitoring system and the auditor allocation system would take time to be co-created with industry and piloted
Scores	**13/40**	**19/40**	**16/40**

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RCF's proposed approach:

c) How will the audits be done?

Independence: Audits will be done on a rolling bases, by auditors that have been pre-approved by CCA. CCA will assign an auditor to review a case.

Costs: Any additional costs (e.g. for the audits) would need to be covered by the project developer.

Timing: Project developers would receive an annual operational audit (i.e., not a financial one), where project developers fill out a set of templates and make the supporting evidence available.

Templates: Auditors will review the templates containing the supporting evidence submitted; checking the reporting is complete and that the underpinning evidence matches what is reported in the templates.

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RCF's proposed approach:

a) Timings

The Code of Conduct will evolve over time. It is expected that the CoC will be updated every two years.

V1.0	→	**V3.0**
Principle I1		Principle I1
❑ Core Action 1		❑ Core Action 1
❑ Core Action 2		
- - - - - -		- - - - - -
❑ Developmental Action 1		❑ Developmental Action 1
❑ Developmental Action 2		❑ Developmental Action 2
		❑ Developmental Action 3

As such, project developers will need to keep up with how the CoC evolves, to ensure their continued compliance.

V1.0	→	**V3.0**
Principle I1		Principle I1
x Core Action 1		✓ Core Action 1
✓ Core Action 2		
- - - - - -		- - - - - -
x Developmental Action 1		x Developmental Action 1
x Developmental Action 2		x Developmental Action 2

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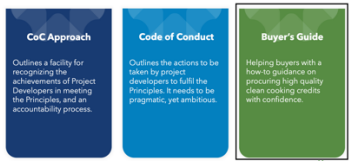
Progress Update: Buyer's Guide



A Table of Contents with 16 sections has been divided up with different lead authors and support authors. Drafts are due in by the end of this month.

Responsible Corporate Buyer's Guide to Cookstove Credits

Annex I: Draft Annotated Table of Contents

A draft annotated table of contents has been developed based on similar guides from other sectors.

1. **A Message from the Publisher (2 pages)** - **CCA**
   - Acknowledgements: Recognition of Contributors and Partners
   - Introduction: Origin and objectives of the guide
   - Importance of Sustainable Cookstoves in Climate Action
   - How cookstoves can reduce carbon emissions and improve health
   - Role of cookstoves in achieving global climate goals
   - Overview of the Publication's Structure
2. **Key Terms and Acronyms (2 pages)** - **CCA**
   - Definitions of essential terms related to cookstove credits
   - Explanation of acronyms used throughout the guide
3. **Executive Summary: The Business Case for Cookstove Credits (2 pages)** - **CCA**
   - Financial, environmental, and social benefits of investing in cookstove credits
   - Aligning cookstove investments with corporate sustainability goals
   - Long-term impact and return on investment
4. **Introduction: The Role of Cookstove Credits in Reaching Global Net-Zero Emissions and SDGs (4 pages)** – **Gold Standard (L)**
   - Contribution to global net-zero targets
   - Explanation of emission reductions and benefits of improved cookstoves
   - Integration with corporate sustainability goals
   - Case studies and examples of successful projects
   - Future prospects and challenges
5. **Strategies for integrating cookstove credits into a broader carbon credit portfolio (6 pages)** – **ENI (?)**
   - Concept of a carbon credit portfolio
   - Benefits of a balanced portfolio
   - Strategies for integrating cookstove credits into a broader carbon credit portfolio (case studies)
   - Tools and resources for portfolio management
6. **Investing in and Buying in Cookstove Projects (10 pages)** – **Spark + (L) + Fair Climate Fund (S) + CIX (S)**
   - Different stages of cookstove project development – **Fair Climate Fund**
   - Routes to investing – **Spark +**
     i. Key considerations and best practices
     ii. Financial structures and investment models
     iii. Risk assessment and mitigation strategies

Buyer's Guide: under development

Gold Standard · VERRA · eni · FAIR CLIMATE FUND · SPARK+ AFRICA INVESTING IN MODERN COOKING · KOKO · CLIMATE IMPACT PARTNERS · CLEAN COOKING ALLIANCE · VCMI · Climate Impact X

…on track for launch at COP29

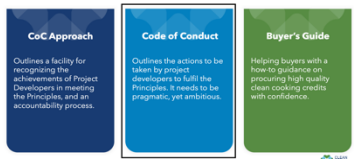
The Code of Conduct V3.0

Hilda Galt

Sanggeet Mithra Manirajah

For WG information

Code of Conduct: What it is, Who it's for, and How it will be used



What is the Code of Conduct?

The Code of Conduct is **a set of actions** that carbon project developers are expected to take to **demonstrate fulfillment** of the Principles for Delivering Responsible Carbon Finance.

The Code of Conduct is organized according to **Principles.** Each principle is elaborated by:

- **Core Actions:** Actions required to be undertaken by carbon project developers to claim meeting the Principle.
- **Development Actions:** Actions that can be used to demonstrate progress towards fulfilling a Principle for companies that are not yet able to achieve the Core Actions.

Who is the Code of Conduct for?

The Code of Conduct has two audiences:

- **Carbon project developers:** outlining the actions needed to meet each Principle.
- **Carbon credit buyers:** guiding what to look for when financing projects.

The Code of Conduct applies to organizations that:

- **Are operating, plan to operate, or have aspirations to operate** one or more clean/improved cooking project(s) certified by an independent carbon standard

How will the Code of Conduct be used by project developers?

To comply with the Principles for Delivering Responsible Carbon Finance, a project developer **must fulfil all the Core Actions specified under each Principle.**

Signing the Code of Conduct will be:

- **Subject to regular review:** It is expected that project developers will revisit the Code of Conduct on an annual basis, as they work to continuously improve their systems, operations and business practices.
- **The point at which evidence of compliance should be available:** The actions outlined in the Code of Conduct are intended to apply to project developers from the date of endorsing the Code of Conduct, onwards.

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The Code of Conduct (CoC) has come a long way

July 2024

CoC v1.0

August 2024

CoC v2.0

To develop CoC v2.0, the RCF team:

- ✓ Conducted four meetings with the WG, covering:
  - Integrity
  - Fairness
  - Transparency
  - Sustainability
- ✓ Collected written feedback from WG members & experts through the collaborative draft
- ✓ Held 1:1 follow-ups with WG members, and Buyers.

September 2024

CoC v3.0

To develop CoC v3.0, the RCF team:

- ✓ Presented CoC v2.0 to the Advisory Council, highlighting the main issues and rationale for edits from v1.0 -> v2.0, covering:
  - Integrity
  - Fairness
  - Transparency
  - Sustainability
- ✓ Held 1:1 follow-ups with AC members, including Buyers.

Changes to the Code of Conduct

July 2024

CoC v1.0

August 2024

CoC v2.0

Changes included:

- Glossary added
- Included table-style reporting for I1 and I2
- Removed Core Actions for S1

For all Principles:

- Updated Core Actions following feedback from WG
- Referred to 'project developer' as key actor throughout
- Included reference to CCP-Eligible carbon standard in the applicability criterion of the Code of Conduct
- Extra actions removed

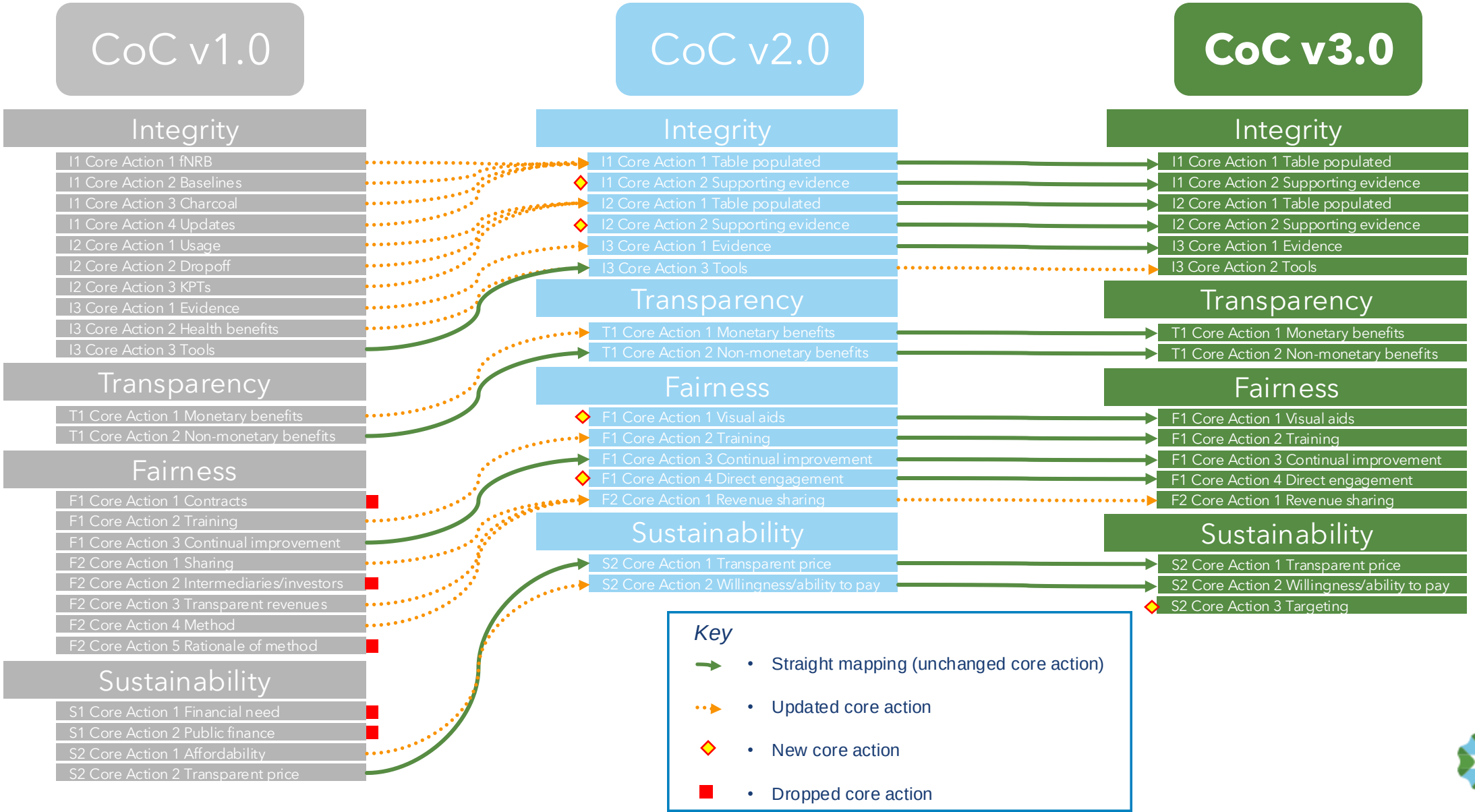
September 2024

CoC v3.0

Changes included:

- Updated Core Actions following feedback from AC
- Adjusted contents of the reporting table for the Integrity Principles
- Expanded out eligible carbon standards beyond those that are CCP-eligible

Mapping changes to the Core Actions



Integrity: Project claims should be evidence-based, case specific, and substantiated.

I1 Baselines are realistic, up-to-date, and geography-specific. Any assumptions made are transparent and substantiated.

I2 Fuel consumption or stove usage are accurately monitored. Any assumptions made are transparent and substantiated.

I3 Only sustainable development benefits that are substantiated and can be evidenced are claimed.

I1: Baselines are realistic, up-to-date, and geography-specific. Any assumptions made are transparent and substantiated.

Core Action 1

Carbon project data is populated annually in Table 1 below. This applies to all registered projects owned or operated by the project developer.

Core Action 2

The completed table and supporting evidence for each cell of Table 1 is made publicly available.

Table 1:	**Summary**		**Project ID**		
Reporting element	**Portion of total issuances meeting this condition**	**Portion of expected issuances meeting this condition**	**Crediting Period 1 (year-year)**	**Crediting Period 2 (year-year)**	**Crediting Period 3 (year-year)**
Reporting element A	… %	… %	(…tCO_2e in expected or actual issuances meeting this condition)	(…tCO_2e in expected or actual issuances meeting this condition)	(…tCO_2e in expected or actual issuances meeting this condition)
Reporting element B					

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I1. Baseline reporting elements

a

The project applies a carbon program (i.e. standard) that is approved by the Integrity Council for the Voluntary Carbon Market or the International Carbon Reduction and Offset Alliance, or is approved for use in a compliance scheme.

Comments from the Advisory Council:

The reporting elements are already very detailed. What is the added value of listing a filter for methodologies?

Why pick a specific label (ICVCM) and not allow others?

I1. Baseline reporting elements

a

The project applies a carbon program (i.e. standard) that is approved by the Integrity Council for the Voluntary Carbon Market6 or the International Carbon Reduction and Offset Alliance, or is approved for use in a compliance scheme.

b

The fraction of non-renewable biomass (fNRB) value applied is (*align with the UNFCCC outcome)*

c

Kitchen Performance Tests are used to establish the quantity of baseline fuel(s) consumed.
OR
A default of 0.5 tons/capita/year of fuelwood and 0.1 tons/capita/year of charcoal in baseline fuel use is applied.
OR
Stove Use Monitor (SUM) measurements combined with specific fuel consumption ratios from Controlled Cooking Tests of the baseline stoves are used to establish the quantity of baseline fuel consumed.

Comments from the Working Group and Advisory Council:

"I don't believe surveys should be used at all to capture baseline fuel consumption."

"I don't think surveys should be used to determine baseline fuel consumption. They are subjective and prone to overestimation."

"KPTs should be done by an independent third party, not by the project developer."

"Having KPTs carried out by independent third-party entities will be expensive. How about them being done by trained team members?"

I1. Baseline reporting elements

a

The project applies a carbon program (i.e. standard) that is approved by the Integrity Council for the Voluntary Carbon Market6 or the International Carbon Reduction and Offset Alliance, or is approved for use in a compliance scheme.

b

The fraction of non-renewable biomass (fNRB) value applied is (*align with the UNFCCC outcome)*

c

Kitchen Performance Tests are used to establish the quantity of baseline fuel(s) consumed.
OR
A default of 0.5 tons/capita/year of fuelwood and 0.1 tons/capita/year of charcoal in baseline fuel use is applied.
OR
Stove Use Monitor (SUM) measurements combined with specific fuel consumption ratios from Controlled Cooking Tests of the baseline stoves are used to establish the quantity of baseline fuel consumed.

d

If charcoal is used in the baseline, the project uses the emissions factor for charcoal to calculate the baseline emissions.
OR If a wood-to-charcoal conversion factor is used, the value applied is not higher than 6.0 kg of fuelwood (wet basis) per kg of charcoal (dry basis).

e

Baselines are updated at least every five years.

f

For baseline parameters that require assumptions, project documentation evidences that the parameter is based on the best available data and errs on the on the side of caution to ensure that baseline emissions are not overestimated.

g

Where sampling is used (e.g. for KPTs or SUMs) a robust sampling approach that is statistically significant is applied following the CDM's latest *Guidelines for sampling and surveys for CDM project activities and programmes of activities*.

I2: Fuel consumption or stove usage are accurately monitored. Any assumptions made are transparent and substantiated.

Core Action 1

Carbon project data is populated annually in Table 1 below. This applies to all registered projects owned or operated by the project developer.

Core Action 2

The completed table and supporting evidence for each cell of Table 1 is made publicly available.

Table 1:	**Summary**		**Project ID**		
Reporting element	**Portion of total issuances meeting this condition**	**Portion of expected issuances meeting this condition**	**Crediting Period 1 (year-year)**	**Crediting Period 2 (year-year)**	**Crediting Period 3 (year-year)**
Reporting element A	… %	… %	(…tCO_2e in expected or actual issuances meeting this condition)	(…tCO_2e in expected or actual issuances meeting this condition)	(…tCO_2e in expected or actual issuances meeting this condition)
Reporting element B					

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I2. Fuel consumption/stove usage reporting elements

Stove quality:

a

The project uses fuel/stove combinations that:

- Adhere to WHO's definition of "clean" - namely that they rate as ISO Tier 4 or above for particulate matter (PM2.5) emissions and Tier 5 for carbon monoxide emissions when tested using the ISO 19867-1 laboratory protocol. OR
- Have been tested following the ISO Tiers of Performance based on the ISO 19867-1 laboratory protocol. Test outcomes are submitted to the Clean Cooking Catalogue.

Comments from the Advisory Council:

"How to ensure that health benefits are delivered?"

"We must ensure that stoves delivered are used. Poor quality devices will not be used"

I2. Fuel consumption/stove usage reporting elements

For non-metered projects:

a Usage rate (i.e. how much a cook uses the project technology within a year) is determined via Stove Use Monitors.

b Drop-off rates (i.e. the portion of technologies that drop out of the project altogether due to no longer being used) are established via surveys conducted in person that must be combined with visual checks to confirm the project technology is used.

c Kitchen Performance Tests are used to establish the quantity of fuel(s) consumed during the project.

d For project parameters that require assumptions, project documentation evidences that the parameter is based on the best available data and errs on the on the side of caution to ensure that project emissions are not underestimated.

e Where sampling is used (e.g. for KPTs or SUMs) a robust sampling approach that is statistically sound is applied following the CDM's latest *Guidelines for sampling and surveys for CDM project activities and programmes of activities*.

For metered projects

f If the methodology applied does not account for emissions reductions based on the thermal energy output of the project device (and thereby only credit displaced fuel), then Kitchen Performance Tests are used to establish the quantity of fuel(s) consumed during the project.

I3: Only sustainable development benefits that are substantiated and can be evidenced are claimed.

Core Action 1

Evidence is provided to **substantiate any sustainable development benefits** claimed (e.g. to evidence that employment is generated such as employment contracts). Evidence must be provided in line with the requirements of the tools stated in Core Action 2. Where information is commercially sensitive, all evidence used to support the claim must be available upon request by a buyer or other third party (e.g., a verifier).

Core Action 2

Peer-reviewed tools are used to substantiate sustainable development claims and outline the rationale and evidence to support the claim (e.g. the latest versions of the Gold Standard's SDG Impact Tool, Verra's Sustainable Development Verified Impact Standard, or W+ Standard). For stoves that meet WHO's definition of clean, health benefits are only claimed when it is demonstrated that stove stacking occurs at a level low enough to yield health benefits (i.e. <3 hours per week). For all other technologies, a peer-reviewed method is used to measure and demonstrate health benefits.

Comments from the Advisory Council:

"It is not appropriate to call out one carbon standard in the list of tools that can be used to claim health benefits."

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Pause for any comments

Any general reflections that you wish to share?

I1 (baselines) and I2 (project performance)

Core Action 1	Carbon project data is populated annually in [Table 1/2]. This applies to all registered projects owned or operated by the project developer.
Core Action 2	The completed table and supporting evidence for each cell of [Table 1/2] is made publicly available.

I3 (SDG claims)

Core Action 1	Evidence is provided to substantiate any sustainable development benefits claimed.
Core Action 2	Peer-reviewed tools are used to substantiate sustainable development claims

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Transparency: Non-commercially sensitive information on clean and improved cooking carbon markets should be accessible.

T1 The monetary and/or non-monetary benefits reaching the project and technology/fuel users are transparent within a given transaction.

	Monetary	Non-monetary
Direct	Upfront subsidy on stove or fuel Direct payments e.g. for use or into a community fund	Free stove Availability of functioning appliances through maintenance and repair services offered Training provided to stove users
Indirect	User cost savings from recurrent clean fuel usage or reduced biomass usage Cost savings from reduced hospital visits	User time savings from reduced fuel gathering or increased cooking efficiency Increased income security from reduced fuel purchases

Pause for any comments

T1: The monetary and/or non-monetary benefits reaching the project and technology/fuel users are transparent within a given transaction.

Core Action 1

The **monetary value of direct benefits reaching end users and local communities** is available to all actors within a given transaction (e.g. technology/fuel end users, intermediaries, investors and carbon credit buyers).
This is applicable to all transactions.

Monetary
Upfront subsidy on stove or fuel
Direct payments e.g. for use or into a community fund

Core Action 2

The **cost of providing direct non-monetary benefits to end users and local communities** is available to all actors within a given transaction (e.g. technology/fuel end users, intermediaries, investors and carbon credit buyers). This is applicable to all transactions.

Non-monetary
Free stove
Availability of functioning appliances through maintenance and repair services offered
Training provided to stove users

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Fairness: Carbon projects solicit informed consent from users and share revenue fairly along clean and improved cooking value chains.

F1 Informed consent precedes each user's participation in a carbon project.

F2 Carbon revenues are shared by all stakeholders in a way that is proportionate to the risk they assume and the value they create.

Pause for any comments

F1. Informed consent precedes each user's participation in a carbon project

Core Action 1

Visual aids are used to support explanations of the key concepts and terms of the agreement, as well as its context. These are provided in the **local language**.

Core Action 2

Customers are **directly engaged with at sale** to ensure they are sufficiently informed (i.e. sales are not undertaken through third parties that are independent from the project such as kiosks or retail stores).

Customer engagement includes:

- Ensuring that they thoroughly read and/or understand any legal agreement transferring the rights to carbon credits before signing it.
- Confirming that they understand what they are agreeing to, and that they can withdraw their consent.
- Ensuring customers are aware of the available alternatives if they choose not to transfer their rights to carbon credits.
- Ensuring that consent is freely given without deception, intimidation, or coercion.

Core Action 3

Regular training is provided to customer-facing staff to ensure that any end user's consent is well-informed (i.e., they have a complete understanding of the consequences of their participation in a carbon project) and given voluntarily without coercion, intimidation, or deception. This includes providing training on common questions and how to answer them correctly.

Core Action 4

Procedures are in place to ensure **continual improvement,** such as annual reviews with the customer-facing teams to reflect on any changes that are needed to standardized contracts or how these are communicated to customers.

CLEAN COOKING ALLIANCE

Pause for any comments

F2: Carbon revenues are shared by all stakeholders in a way that is proportionate to the risk they assume and the value they create.

Core Action 1

Project developers must **disclose the subsidy amount** – and the **cost of providing any other direct monetary/non-monetary benefits** (Table 3) – **where these are funded by carbon finance** to all actors involved in a given transaction.

- If subsidies on the retail price of technologies are provided, then this must be expressed as a percentage (price sold/retail value).
- When communicating this to technology/fuel end users it is made clear that reduced prices are directly connected to carbon finance and are not the prices to be expected in the commercial market.

Comment from the Advisory Council:

"It would be good for projects to report on the value that they leave in the host country via payments of taxes or fees payable on their operations and any carbon credit revenues generated"

Should a Core Action be added? E.g. 'Project developers report on the amount of funding provided to the project's host country in the form of taxes or fees paid on carbon revenues or operations'?

Pros:

- Data can demonstrate the 'added value' in terms of financial benefit to host countries of hosting these projects.
- Can help to mitigate against sudden tax changes by governments operating on the misunderstanding that carbon credits are a cash cow.
- Could help to identify rogue actors.
- Is in keeping with the Extractive Industries for Transparency Initiative.

Cons:

- This risks getting into commercially sensitive information.

CLEAN COOKING ALLIANCE

Sustainability: Carbon markets complement other forms of funding and do no long-term harm to local clean and improved cooking markets.

S1 Carbon finance, official development assistance and philanthropic capital are complementary.

S2 The positive effects of carbon finance on clean and improved cooking markets are promoted, while excessive market distortions are avoided.

S3 National policies facilitate the development of clean and improved cooking carbon markets.

No actions for project developers are included for S1 and S3

Comments from the Working Group:

"It is the responsibility of financiers to ensure complementarity when structuring financial agreements."

S1 Carbon finance, official development assistance and philanthropic capital are complementary.

S2 The positive effects of carbon finance on clean and improved cooking markets are promoted, while excessive market distortions are avoided.

S3 National policies facilitate the development of clean and improved cooking carbon markets.

"It is dependent upon policy makers to ensure that the development of clean and improved cooking carbon markets are fostered."

Pause for any comments

S2: The positive effects of carbon finance on clean and improved cooking markets are promoted, while excessive market distortions are avoided.

Core Action 1

The **price at which technologies are offered to customers** is transparent (e.g., project developers list this on their website or in publicly available carbon project documentation). Projects operating in multiple markets with dynamic costs may provide price ranges for the different products offered.

Core Action 2

If a project developer offers technologies/fuels at no cost to the user, evidence is provided (e.g., independent market research/studies) **demonstrating that the local willingness and ability to pay for clean or improved cooking solutions is non-existent**, i.e., that there is no local clean cooking market to distort; or that it is **too small to sustain a viable business model**.

Core Action 3

If a project developer offers technologies/fuel at a subsidized cost, evidence is provided that the **subsidy amount and delivery modality are targeted**, and the rationale for the chosen approach is documented.

[1] For example, through following the ' Guidelines for the design of responsible subsidies in off-grid solar and clean cooking'

Comment from the Advisory Council:

"I get the intent on not undercutting the local economy, is there an element of working with local suppliers to develop those supply chains that would be supported under CA2?"

Should a Core Action be added on working with local suppliers and/or distributors?

CLEAN COOKING ALLIANCE

Closing & AOB

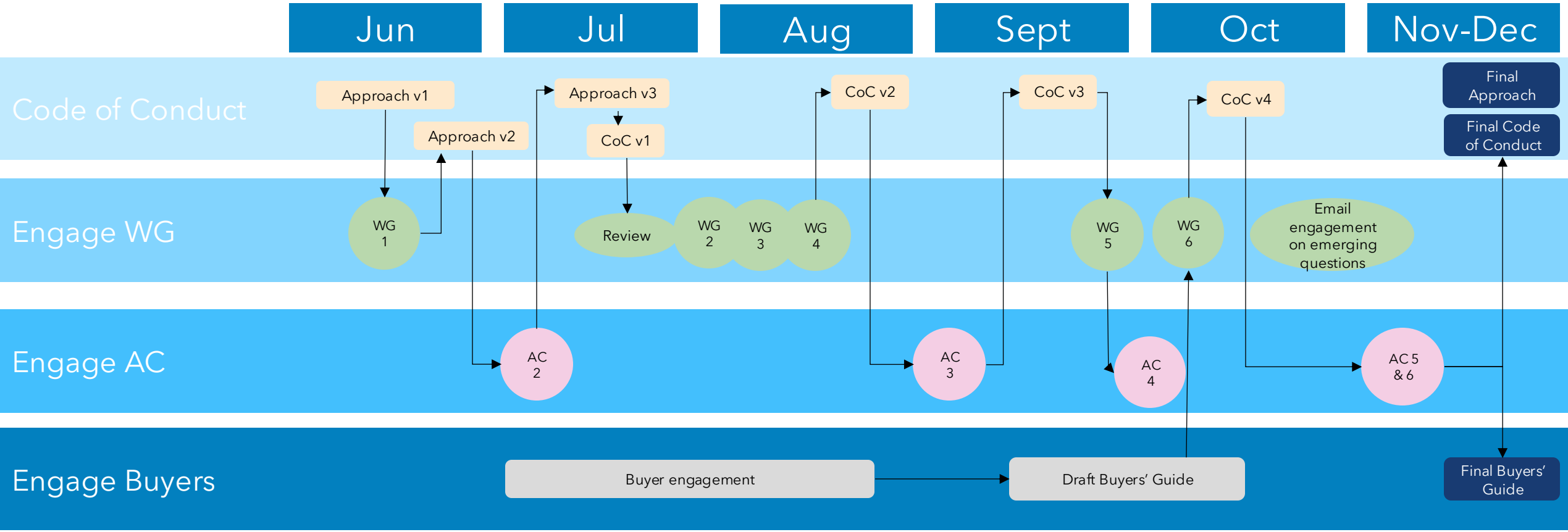
Ronan Ferguson

Next Steps

Next Steps:

- Please provide your written comments on the CoC v.3 by **COB Wednesday 25th September**
- Please share feedback on the updated CoC Approach by **COB Monday 23rd September**
- After WG comments are also received on the Buyers' Guide, the CoC will be updated
- October-November: email engagement on emerging questions regarding CoC
- CoC v.4 will be shared with WG members by **6 December**

Next meetings:

1. 23rd October 2024: 6th meeting of the Working Group, Buyers' Guide Consultation

Timeline for 2024