

STOVE COMMERCIALIZATION GIZ Stove Colloquium

7 June 2011

Nairobi, Kenya

PARADIGM KENYA, L3C

Innovating sustainable social,
environmental & economic impact.



PK: PROJECT TYPE

Paradigm Kenya project type:

- Type: Large scale, voluntary Gold Standard project
- Scope: 400,000 stoves over 10 years
- Progress: 25,000+ stoves over last 7 months
- Stage: completing validation; passed DOE approval. Expect registration August 2011

PK: PARTNERS

Paradigm Kenya partners:

- NGO Partners: World Vision, Food for the Hungry, Compassion International, World Food Program
- Carbon Development and Sales Partners: Impact Carbon, Blue Source
- Product Partners: Envirofit, Fine Engineering, Chujo Ceramics



PK: TECHNOLOGY PROVISION

Paradigm Kenya offers a range of products conducive with standard consumer based business practice. Product suite approach provides a range of prices and features allowing the consumer to select the best product for their household:

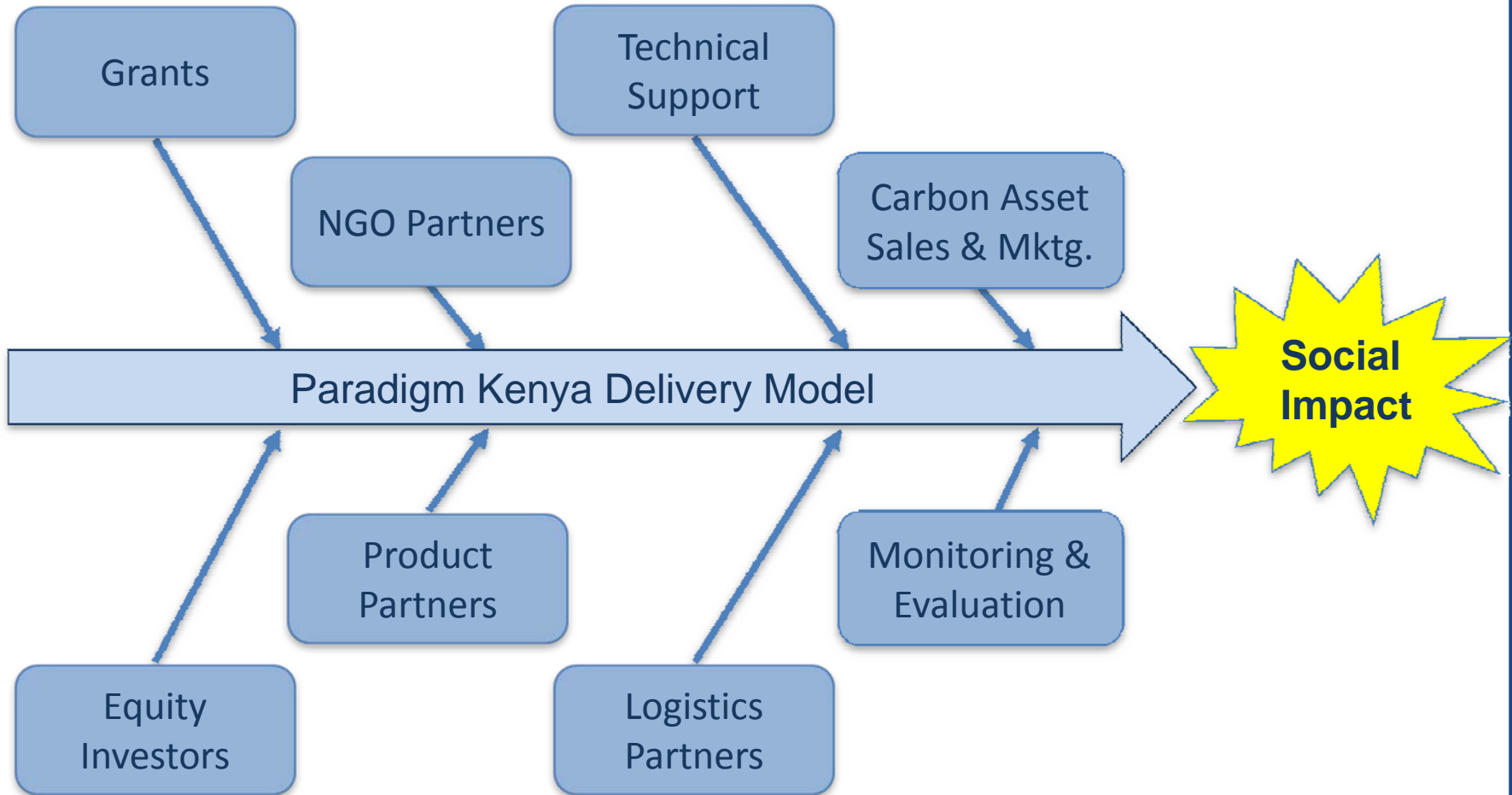
Currently:

- G3300 – Envirofit imported portable efficient wood stove
- Jikopoa – locally manufactured portable efficient wood stove
- RETAP - Institutional efficient wood stoves

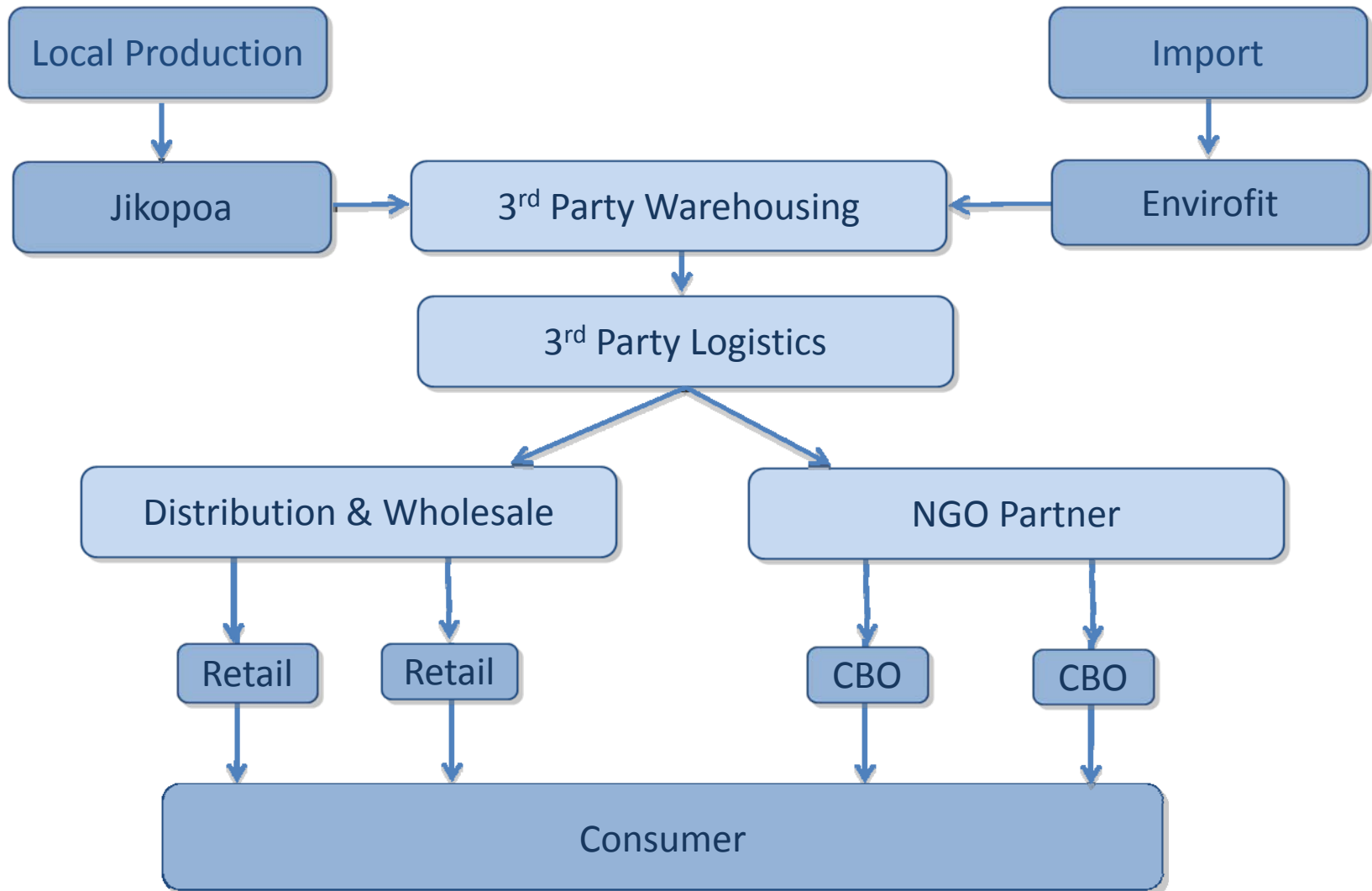
In the queue:

- M5000 – Envirofit low cost, locally assembled efficient wood stove
- CH2200 – Envirofit efficient charcoal stove
- Charcoal Jikopoa - Locally manufactured efficient charcoal stove
- Chujio Ceramics water filtration product

PK: DELIVERY MODEL



PK: STOVE DISTRIBUTION STRATEGY



PK: BASELINE

Paradigm Kenya baseline establishment:

- Methodology: Kitchen Performance Test, field testing of baseline and stove performance
- ~200 KPT's September – October, 2010
- 200+ surveys on new stove users in April 2011
- Both conducted in 3 distinct geographical and livelihood areas – Marsabit, Meru and Nairobi
- Ongoing quarterly monitoring and evaluation with new and past users to identify any problems that arise with usage and to maintain high-quality feedback loops for the continued impact of the program

PK: MARKET APPROACH

Paradigm Kenya faces the market with a a subsidized, two tier, variable priced, open market perspective. While distinct in audience, these tiers insure broad stove penetration and the ability to reach across all income strata.

Tier 1 - Commercial

- Market defined pricing
- Retail vendor network
- Supported by direct sales people

Tier 2 – NGO

- Subsidized pricing strategy
- Sold via CBO's
- Supported by NGO's

PK: MONITORING & EVALUATION

All testing is performed in partnership with 3rd parties and implementation partners.

Ongoing Monitoring & Evaluation:

- Stove Performance – Engineering Department performing ongoing water boiling tests at manufacturing facility
- Quarterly monitoring of new project households and existing customers
- Annual follow up surveys of existing users
- Biennial field testing to assess any changes to baseline and to reassess performance of aging stoves
- Warranty system informs ongoing monitoring and allows for real-time response to any stove usage or performance issues

PARADIGM KENYA CARBON REVENUE

Paradigm Kenya will utilize potential carbon revenues to contribute to stakeholder returns, reduced time to scale and ongoing project costs including:

- Ongoing product subsidy
- COGs increases
- Marketing costs
- M & E
- Training
- Market Development

PARADIGM KENYA SUSTAINABILITY

Long term sustainability is enhanced by supporting the program with common business practices such as:

- Product warranties
- Customer support mechanisms
- Regular customer surveys
- User and vendor training
- Manufacturing partner consultation
- Product repair/replacement process:
 - Vendor training
 - Consumer returns to local vendor or uses support line
 - Vendor confirms warranty repair or replacement
 - Product returned to manufacturer

PARADIGM KENYA PARTNER CRITERIA

Paradigm Kenya seeks to create a world class supply chain by pursuing a variety of best in class partnerships. Current partners include NGO's, CBO's, micro-finance institutions, commercial distributors and retailers among others. Paradigm Kenya is seeking additional technologies for both the household and institutional consumer as well as partners in other East African countries, including:

- Rwanda
- Ethiopia
- Burundi
- Tanzania
- Mozambique

THANK YOU!

Thank You!

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