

ECOWAS Bioethanol for Clean Cooking Workshop

Training Workshop of the Standards Alliance
on Bioethanol for Clean Cooking

March 17th - March 18th, 2022

Jad Wakileh

U.S. Grains Council

MEA Ethanol Consultant

JWakileh@grains.org



**U.S. GRAINS
COUNCIL**

A world map with several colorful location pins (red, yellow, blue) placed across various continents, primarily in North America, Europe, and Asia, indicating global reach or export markets.

About the U.S. Grains Council

The U.S. Grains Council develops export markets for U.S. barley, corn, sorghum and related products including distiller's dried grains with solubles (DDGS) and ethanol. With full-time presence in 13 key markets and representatives in an additional 15 locations, the Council operates programs in more than 50 countries and the European Union. The Council believes exports are vital to global economic development and to U.S. agriculture's profitability.

Europe, Middle East, Africa Team

A Network of Influence & Innovation

The U.S. Grains Council's MEA Office actively works with countries interested in developing or expanding ethanol policies and use.

The Council's MEA office actively operates programs in more than 20 countries as well as Europe.

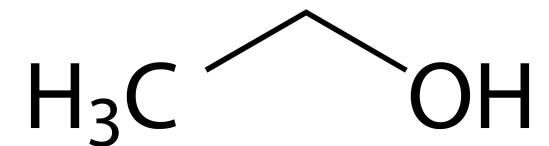
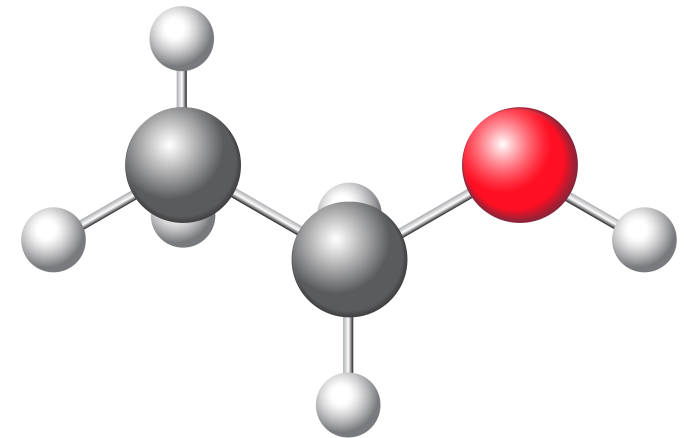


Introduction to Ethanol and Ethanol for the Cookstove Market

Introduction to Fuel Ethanol

- Ethanol is a **biodegradable, high-octane** motor fuel which is produced from **starch or sugar** with typical feedstocks:
 - Corn (maize), wheat;
 - Cassava;
 - Sugar cane, sugar beets, sorghum
- Whether improving **air quality, extending the current fuel supply, creating domestic energy production or arresting global warming**, ethanol is a successful answer to all these complex problems.

Ethanol



Africa's Ethanol for the Cookstove Market Background

- In Africa, the rising middle-class households' expenditures will increase which will increase current expenditure for the cookstove market.
- Today, **40% of the world relies on simple cookstoves** of open flames to cook their food creating a market of **20 billion USD** in Africa's top 40 cities.
- The use of ethanol for the cookstove market in the Africa and the ECOWAS region will **diversify energy access and will provide clean energy access.**

Ethanol for the cookstove market drives significant commercial, social & environmental benefits

- Ethanol cooking can disrupt this market at scale, driving significant **commercial, social & environmental benefits.**
 - **Affordable:** 40% cheaper than charcoal on average
 - **Accessible:** sold in small refill volumes
 - **Modern:** upgrades to quality of life vs. dirty fuels
 - **Clean:** burns cleanly with low particulate emissions
 - **Safe:** no risk of explosion when handled responsibly

Impact of Tax and Duties

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Low tariffs are essential to ensuring consistent, steady supplies of fuel ethanol for the cookstove market

- **Low tariffs** on ethanol for the cookstove market promotes the use of ethanol over other alternatives such as (charcoal, kerosene, ...)
- Today in Togo, **current tariff rates for denatured alcohol** of any strength is bound to the below:
 - Bound rate of 80%;
 - Other duties of 7%;
 - Statistics Tax of 3%;
 - Toll tax on maritime freight of 200 FCFA/ton indivisible;
 - AND Customs stamp on liquidated duty of 4%.
- A successful bioethanol cookstove program needs to be supported with fiscal incentives/penalties as well as support the industry in making the necessary changes to deploy bioethanol cookstoves.

Trade Implications

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The future for energy demand will continue to increase particularly in Africa

- Global demand for energy will continue to rise, and the **use of ethanol for the cookstove market will mitigate the increased use and burning of fossil fuels.**
- Rising middle class households in ECOWAS region and Africa in general over the next decade will sharply **boost bio-cookstoves ownership and ethanol consumption.**

Open markets are essential to ensuring consistent, steady supplies of fuel ethanol for the cookstove market

- **Allowing ethanol from overseas** allows for greater diversification of supply, greater market competition and potentially lower prices for end users.
 - The positive role of trade; imports can help support the cookstove market if domestic production lags or does not exist.
- **Highlight the benefits to society** that result from the increased use of the bioethanol cookstoves
 - GHG emissions reductions, air quality improvements, and energy diversification.
 - Also, rural economic development for those countries with competitively priced feedstock such as (Nigeria, Sierra Leone, Senegal, and Ghana).

Key Considerations in Policy and Standards

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Create awareness among governments; to create better policies and create awareness to the public

- The most important thing is to **create awareness among governments**; to create better policies and create awareness to the public.
 - Today, the biggest hindrance is **awareness by the public**.
- Need to work to create **enhanced market awareness and understanding** of ethanol and ethanol use for the cookstove market.
 - And most importantly creating a policy environment and regulatory change for a policy that favors the use of clean fuels over other resources.

Collation Building; to share experiences and industry best practices

Key considerations include:

- Adopting a unique standardization for ethanol for the cookstove market across the ECOWAS region.
 - To enable consistent monitoring.
- Building alliances and collations
 - To share experiences and industry best practices.
- Develop a consistent system for monitoring specifications.
 - To ensure consistent quality across the bioethanol space.

Thank You!



QUESTIONS!

Jad Wakileh
U.S. Grains Council
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www.grains.org

