



## *Promoting Nutritious Food Systems in the Pacific*

# CALL FOR PROPOSALS / APPLICATIONS

## Innovation Grant Facility (IGF) for Pacific Agro-SMEs

### Guidelines for Applicants

*The innovation grant facility is designed to help Pacific agro-based SMEs to speed-up the way they access and use knowledge to conceive and develop new and improved products, processes and services that can increase their earnings, create more jobs and build more resilient societies.*

#### 1. Background

In 2016, the Technical Centre for Agricultural and Rural Cooperation (CTA) and the International Fund for Agricultural Development (IFAD) launched a four-year project on “Leveraging the Development of Local Food Crops and Fisheries Value Chains for Improved Nutrition and Sustainable Food Systems in the Pacific Islands” which is being implemented in partnership with the Pacific Islands Private Sector Organisation (PIPSO). The project targets **seven** Pacific Island States: Fiji, Kiribati, Marshall Islands, Samoa, Solomon Islands, Tonga, and Vanuatu”.

The overall project goal is to; “*strengthen the capacity of the Pacific Island Governments, Farmer and Private Sector Organizations, and Sub-Regional institutions to develop strategies and programmes, as well as mobilize financing, that can increase poor rural people’s access to nutritious and healthy food*”.

Within this framework, the partners are launching a call for proposals for an **Innovation Grant Facility (IGF)** which is open to **agro-based** small and medium enterprises (**SMEs**) in the **seven** target countries. The total IGF budget is **USD 400,000**, and this will be made available to support at least **twenty (20)** grant awards.

***The objective of the IGF is to provide Pacific Islands SMEs with access to grant funding, that they can use to overcome bottlenecks and/or take advantage of opportunities to grow their business.***

***Maximum amount per grant award is Euro 17,000 (≈ USD 20,000).***

## 2. Eligible Applicants

The Innovation Grant Facility is open to agro-based SMEs that are contributing, directly or indirectly, to the sustainable development of the **agriculture and fishery sector** with a **focus on** upgrading nutritionally, culturally, and environmentally sensitive local food crops and fishery value chains.

The agro-based SME (hereafter called 'The Applicant') must meet the following criteria:

- The Applicant is **registered in Fiji, Kiribati, Marshall Islands, Samoa, Solomon Islands, Tonga, and Vanuatu**.
- The Applicant is a **legal entity** and fully or majority **owned** by citizens of any of the **seven** target countries (e.g. sole proprietorship, or limited liability or public company with maximum 20% government share).
- The Applicant employs a minimum of **three full time equivalent staff members** and/or has a minimum annual sales **turnover of Euro 17,000 (≈ USD 20,000)**.
- The Applicant must be able to **contribute at least 20%** of the total project budget (**cash or in-kind<sup>1</sup>**).

***Priority will be given to SMEs who can demonstrate that the grant will be used to directly or indirectly benefit smallholder farmers, rural farming communities and disadvantaged groups, youth and women.***

## 3. IGF Supported Activities

The Applicant can use the IGF to fund a range of services, alone or in combination, for example as per the following:

- Design projects (e.g. new packaging, production layout for improving process flow)
- Feasibility studies (e.g. to assess technology options)
- Development of marketing plans or new/updated business plans
- Research and product development (e.g. to expand product range)
- Training of employees (e.g. to introduce a new technology or meet certification requirements)
- Laboratory testing and technical support to meet quality/ food safety standards and/or certification of facility and/or product(s)
- Mentoring support (e.g. peer to peer, business to business)
- Small equipment purchase not exceeding Euro 2,500 ≈ USD 2,940.

***The IGF will permit Pacific Island SMEs to access knowledge, technologies or expertise and build staff capacity to 'take the next steps to grow their agri-business' - improve product quality, expand product offerings, enhance process efficiency, increase market share or competitiveness.***

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<sup>1</sup> An indirect contribution that can be evaluated, verified and certified by an auditor in the accounts of the beneficiary (e.g. salary paid to staff, allocation of the cost of the part of the office used by the action, logbook in a vehicle, etc.).

#### 4. Use of Innovation Grant Funding

The **maximum** IGF amount that will be made available per qualifying SME is Euro 17,000 (≈ USD 20,000). This is to cover 80% of the total budget for approved activities (inclusive of fees for service providers, logistics costs, equipment, etc.). The balance (20%) is the Applicant's own contribution to the project.

The successful SME will be required to sign a grant contract agreement which will include a cash advance payment of 70% to the SME. The balance (30%) will be paid after the approved activities have been completed and on receipt of original supporting documents including signed completion certificate(s) for service provider(s) and a short (2-page) article on experiences, lessons learned and achievements.

**N.B.** The IGF award cannot be used to acquire land, property or other real estate, large capital expenditure items (e.g. equipment costing more than Euro 2,500 ≈ USD 2,940) or registering or buying patents.

**N.B.** Ownership of any intellectual property or profits generated through this funding facility will reside with the SME.

**N.B.** All service providers will be required to sign confidentiality agreements with the SMEs.

**N.B.** Grant beneficiaries will be invited to provide a one-page impact statement based of the IGF six months to one year afterwards.

#### 5. Operationalising the Innovation Grant Facility

The IGF will operate as described below:

##### A. Applicants

- 1) All applicants will be required to complete and submit the official IGF Application Form using the templates available on [www.cta.int/en/working-with-us/call-for-proposals](http://www.cta.int/en/working-with-us/call-for-proposals) within the stated deadline.
- 2) The applicant will be required to include their preferred service provider(s); consultant(s) and /or organization(s) in the application form.
- 3) Applications will be evaluated based on the established administrative and technical criteria.
- 4) All activities are to be completed within 12 months.

##### B. Service Providers

- 1) The service provider(s) should have the necessary expertise. A proven track record including working with SMEs and smallholder farmers, youth and women is an advantage.
- 2) The service providers must be registered in the IGF database at [www.surveymonkey.com/r/igf-sp](http://www.surveymonkey.com/r/igf-sp)
- 3) Service providers will be required to sign confidentiality agreements with the SMEs once the grant is awarded

***The IGF provides an official application form and a service provider database. The SME should use the official templates and their preferred service provider(s) should register in the IGF database.***

## 6. Submission of IGF Applications

Eligible Pacific agro-based SMEs are required to submit the grant application using the **official** templates and required supporting documents as well as one copy of each document in **one** envelope labelled “**CONFIDENTIAL – Application to the Innovation Grant Facility**” and containing two sealed envelopes, labelled as follows: (i) **Envelope A - Administrative Documents** and (ii) **Envelope B - Technical Documents** (see below).

### (i) Envelope A - Administrative Documents (originals and copies)

- a) **Grant Application Form** (Annex 1)
- b) Signed **declaration** (Annex 2)
- c) Company **registration** certificate
- d) **Proof** of nationality of the owner(s) (e.g. scan copy of passport page)
- e) **Certified bank statement** for 2017 (01 January to 31 December, 2017) or **recent bank certificate** regarding the financial situation of the Applicant (dated less than 90 days prior the submission date)

### (ii) Envelope B - Technical Documents (originals and copies)

- a) **Technical Proposal** (Annex 3) detailing:
  - (i) The **challenge/** opportunity for growing the business
  - (ii) The **innovation that the IGF will be used for**
  - (iii) The **implementation plan**
  - (iv) The **expected impact** – short-, medium-, and long-term
  - (v) The **budget** summary
  - (vi) The **service providers**
- b) **Detailed Budget** form (Annex 4 )
- c) **Service Providers** form (Annex 5)

**Mailing Address** - The double sealed envelope should be addressed and mailed by express or registered mail or hand delivered to **PIPSO**, Level 1 Korobasaga House, 31 Gorrie Street, Suva, **Fiji** by **25 April 2018 at 16:00 (Fiji Time)**

**Electronic Copies** – A scanned copy of all documents should be sent to the **IGF email address** ([igfpacific@cta.int](mailto:igfpacific@cta.int)) by **25 April 2018 at 16:00 (Fiji Time)**

### **Deadline**

All documents should be received before the deadline.

Deadline for **receipt** of applications is **25 April 2018 at 16:00 (Fiji Time)**.

**Questions** – Any questions and requests for clarification regarding the IGF call should be submitted in writing to [igfpacific@cta.int](mailto:igfpacific@cta.int) up to 21 calendar days **before the deadline** for submission of proposals. A reply to all questions will be provided up to 11 calendar days prior to the deadline of 25 April 2018. The questions and answers will be posted online and made available for all other applicants.

## 7. Evaluation of the IGF Applications

Only applications received within the deadline in response to the IGF call for applications and submitted using the approved official IGF grant application form and templates will be considered.

Applications will be evaluated using a **two-step** process:

- a. **1<sup>st</sup> Stage: Conformance with administrative requirements** – All proposals will be screened to ensure compliance with the **administrative** requirements. Applications that do not meet the administrative requirements will be rejected.
- b. **2<sup>nd</sup> Stage** – An inter-disciplinary team of experts (3) drawn from the public and private sector from the Pacific Island States and supported by staff members of the co-financiers will undertake the technical evaluation of all **eligible** applications using the established evaluation score card (see below).

### *Evaluation Score Card*

Criteria	Weighting factor	Maximum score
Challenge	1	10
Innovation	3	30
Implementation Plan	1	10
Impact	3	30
Detailed Budget	1	10
Service Provider(s)	1	10
<b>Total</b>	<b>10</b>	<b>100</b>

**Minimum score required: 70 points.**

**Finalists** - A maximum of **25 - 30** qualifying SMEs will be selected from among those with the highest scores (>70), ranked from highest to lowest. The top 20 will be selected and the extra five to ten (nos. 21-30) will be placed on the list of reserves.

**N.B. 3<sup>rd</sup> Stage:** The partners **reserve the right** to include **a third stage in the evaluation process**. If deemed necessary, in-country representative(s) of the project partners will be requested to make a site visit to validate key data of **any** finalists prior to the final announcement of the top twenty (20) winners.

## 8. Award of Grants

The top **twenty** (20) successful SME applicants will be officially informed of their success in gaining the IGF award. Each will be required to sign a grant agreement contract with CTA to access the funding.

## 9. Conflicts

The partners are not liable for any payments due to any service provider. Payments to service providers are the sole responsibility of the SME grant beneficiary.

## **10. Monitoring, Evaluation and Advocacy**

The partners will monitor the implementation of the Grant award and evaluate the outputs, outcome and impact to derive lessons. This approach to funding innovation for agro-based Pacific SMEs to 'grow their business' is novel and the partners will use the lessons learned to lobby for additional resources to scale-up interventions in support of agro-based SME development.