

Eligibility Criteria for MICF Agribusiness Window

Firms wishing to apply to the Agribusiness Window of the Malawi Innovation Challenge Fund (MICF) will need to meet the following criteria:

- The lead organisation must be a private for-profit company. Only in exceptional cases will MICF consider new businesses (start-ups), where there is strong evidence that the new company has credible and experienced investors and a solid management team.
- The business idea must be implemented in Malawi; either by private sector organisations registered in Malawi or externally registered businesses investing in Malawi.
- The applicant company may collaborate with other organizations, including non-governmental organisations (NGOs) and community organisations, and farmers' organisations. However, it is a condition that the lead applicant and implementer of the business idea must always be a commercial company/business.
- All applicants must demonstrate their capacity to implement their proposed project, and will need to demonstrate sound financial performance and clear corporate governance.
- The total grant funds requested must be between US\$200,000 and US\$ 600,000.
- Projects applying to the MICF Agribusiness Window are expected to -
 - deliver new products, services, and business models that incorporate raw material produced by poor producers either in the processed or semi-processed form into their business activities to deliver value addition exports or import substitutes;
 - or Improve the potential for mechanization within agriculture either through the development of suitable products or the application of technology to increase farm productivity and efficiency;
 - or Support renewable energy production and/or conservation of the environment through the recycling of agriculture by-products in a sustainable manner.
- All business projects must be inclusive in nature. They will need to demonstrate their ability to deliver significant benefits to poor households in terms of improved incomes or job creation or by providing affordable products and services, rather than solely benefitting the participating companies / organisations of a particular project.
- Projects should also demonstrate how women and youth will be incorporated into the project either as producers, traders, or as consumers.
- The business project must show how it will deal with variability in climate and how it will adapt to this change. Furthermore, it must provide information on how it might affect the environment. If a negative environmental impact has been identified, information on how the project will mitigate this needs to be provided.

- The funding request must be for a specific, new and innovative business idea in the agribusiness sector. The MICF views innovation in its broadest sense including: i) a new approach, product, idea or service that has not been tested anywhere; ii) an approach, product, idea or service that is new to Malawi; or iii) an approach, product, idea or service that has not been applied to the sector in question in Malawi.
- The project promoters including the lead company, collaborating organisations and third parties such as co-investors or banks and other lenders must provide matching funds of at least 50% of the total cost of the business idea. Contributions can be made through a combination of in-kind and cash contributions and will be taken on a case by case basis dependent on the logic of the individual project proposed.
- The project must demonstrate that the activities that will be funded by the MICF will be additional to the company's existing activities and that the project would not go ahead without MICF funding. The MICF could also consider projects that if they would have gone ahead, it would be at a much-reduced pace or scale in the absence of the MICF support.