

**OPEN WINDOW: AGRIBUSINESS WINDOW**  
**16<sup>th</sup> July, 2019 – 30<sup>th</sup> August, 2019**

**CONCEPT NOTE GUIDELINES**

**A. The Application Process**

The Concept Note is the first part of the application process to the Malawi Innovation Challenge Fund. The process of receiving an award from the MICF is presented below:



As the first part of the competition process, applicants are requested to download the concept note application form from the MICF website ([www.micf.mw](http://www.micf.mw)) and submit them to the MICF Fund Managers by the deadline stated on the concept note form. The MICF fund managers subsequently review the concept notes to ensure they are completed correctly and fulfil the eligibility criteria before submitting them to an independent evaluation panel for their review.

If your organisation is successful during this initial assessment, you will be invited by MICF to the second stage to develop and submit a full proposal. This will be a much more detailed document which amongst other things will highlight in much greater detail: what you will do in terms of activities and proposed timings; how it will address the challenges set; how will it impact on poorer segments of Malawi society; and a detailed financing plan to understand how costs will be shared between your consortium and MICF.

As part of the process to support the Investment Panel in their selection of grantees, the MICF fund manager will visit each applicant to carry out basic due diligence assessments. The proposals submitted by your organisation and the MICF Fund Manager's due diligence reports will be presented to the investment panel for their final selection.

**B. Eligibility of Bidders**

Bids must be led by private sector firms including: a private for-profit company, joint ventures, partnership, cooperative, sole trader, etc. 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 management team

Applicants must meet all of the following criteria for your application to be considered:

- The total Grant funds requested must be at least US\$ 200,000 and no more than US\$ 600,000.
- Applicant (including 3rd parties such as co-investors or banks and other lenders) provides matching funds of at least 50% of the total cost of the business idea i.e. at least as much as the funds requested from the MICF.
- The funding request is for a specific, new and innovative business idea/project that addresses one of the two challenges set. 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
- Applicants must demonstrate that the project could not go ahead without MICF funding or that, if it would go ahead anyway, it would be at a much reduced pace or scale.
- An organization may partner with other organizations, including NGOs and Community organizations. However it is a condition that the lead applicant and implementer of the business idea must always be a commercial organization/business.
- The idea must be implemented in Malawi either by private sector organisations registered in Malawi or externally registered businesses investing in Malawi.
- A consortium may be formed, but the lead applicant is responsible for the project/ idea and must warrant that the permission of the other members has been obtained.

### **C. The Challenge**

The Agribusiness window of the Malawi Innovation Challenge Fund will award grants to firms to introduce new initiatives that could:

- 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.

#### **D. Submitting Your Concept Notes**

As the first stage of the competition is judged solely on the content of the form, it is critical that applications are submitted within the deadline set. The deadline for submission of Concept Notes (either electronic or physical form) for the Malawi Innovation Challenge Fund Fifth Round **is on Friday the 30<sup>th</sup> of August 2019, at 5.00pm Malawi Time.**

Stage 1 Concept Notes should be delivered either electronically to:

[info@micf.mw](mailto:info@micf.mw)

Or alternatively submitted in physical form to:

Malawi Innovation Challenge Fund  
11 Jacaranda Avenue, Mandala Road  
P.O. Box 2873 Blantyre, Malawi

Applicants that fail to meet the concept note deadline will not be assessed by the Investment Panel and will be excluded from the competition.

It is highly recommended that you discuss your planned submission with the MICF fund managers well before finalising the Concept Note and well in advance of the submission deadline to ensure that the ideas are presented correctly and are complete.

Please note that the MICF managers are not the grant decision-makers and cannot provide any assessment as to whether the concept will result in a grant.

All enquiries should be directed to either the e-mail address: [info@micf.mw](mailto:info@micf.mw) or alternatively please contact the MICF office in Blantyre: +265 1872961 / 872830

## ***Completing Your Concept Notes***

### **1. Project Title:**

This should state your chosen name for the proposed Project.

### **2. Lead Enterprise:**

This should give the name of your organisation and the type of organisation leading the application (e.g. for profit company, partnership, joint venture, sole trader, etc.)

### **3. Lead Contact Person Responsible for this Submission:**

This section should provide the name, address, phone and e-mail of the person leading the application.

### **4. Partner Organisations (if any)**

This section should provide the name(s) and type(s) of partner organisations. Partner organisations are those that have some responsibility for the project's implementation. These could be made of other commercial organisations, NGOs, Research or teaching institutes or civil society organisations.

### **5. How does this address the challenge we have set?**

What we are looking for in this section is a brief explanation as to how your proposed Project addresses the challenge set for the Agribusiness Window. *[Refer to Section- C above for the challenge]*

### **6. Objectives of your business idea**

In this section we are looking for a very brief summary of the following:

- Explain why you would want to implement this idea
- If implemented how would you determine that it is successful?

The funding request must be for a specific, new and innovative business idea that a) link poor producers to markets, where the raw material will be used for value addition for exports or import substitution; b) 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 c) Support renewable energy production and/or conservation of the environment through the recycling of agriculture by-products in a sustainable manner.

### **7. What is innovative about your Project?**

Supporting innovation is central to the MICF.

You will need to consider some of the following questions:

- What elements of your idea are innovative?

- Does it represent the implementation of an existing idea into a new operational setting such as in rural or semi-urban areas etc.?

### **8. Activities and Approach of the Project:**

This section should briefly summarise the project by answering the following questions:

- Where did the Project idea come from?
- What major activities would be required for you to implement the proposed Project?
- How does the proposed Project fit in with your existing business activities?
- If you have partner organisations, what are their role(s) in implementing the proposed Project?
- What are the primary risks of the project and how will they be mitigated?

### **9. Expected Impact and Outcomes:**

This section should briefly summarise the project by answering the following questions:

- How will the project impact on the poor in terms of jobs, incomes, or new opportunities for the poor? Please justify your numbers
- How will it be sustained commercially?
- How will you go about monitoring the progress of the Project?
- What does success look like?
- How will the projects that aim to bring about mechanization within agriculture, increase farm productivity and efficiency?
- How will projects that are related to renewable energy and recycling have a positive impact on the environment?

### **10. Why Are You Seeking MICF Support For Your Project?**

MICF aims to enable new risky approaches to be tested that would not normally be financed through commercial financing routes. This section should answer the following questions:

- Would the project idea take place at all without MICF financing?
- Why have you not been able to raise the required financing from other sources?
- Would the project take place on a different scale or address a different group without MICF financing?

### **11. Estimated Project Budget:**

While clearly only preliminary estimates will be possible here, this section should break down the cost-sharing arrangements between partners and show the funds requested from the MICF. The applicants should wherever possible only provide broad categories (such as cost for management, monitoring and evaluation, equipment and inputs, product development, etc.) and use the basic format provided.

For the purposes of calculating the grant amount applied for, you are advised to use the rate of 1 USD (One US Dollar) = MWK 770 (Seven Hundred and Seventy Kwacha) and specify the exchange rate used.