



## Tourism Sector Recovery Window

### Eligibility Criteria

Firms (including hotel and accommodation providers, tour operators, and eco-tourism providers) wishing to apply to the Tourism Sector Recovery 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.
- 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. 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.
- All applicants must provide audited accounts for the last two financial years for the business and a tax clearance certificate provided by the Malawi Revenue Authority. This needs to be submitted with a letter of intention to bid
- The business must have achieved through its audited accounts a minimum turnover of US\$200,000.
- The total grant funds requested must be between US\$200,000 and US\$ 300,000.
- Projects applying to the MICF Tourism Recovery Window are expected to:
  - *re-orientate exiting product offers to a new market segment such as domestic and / or regional tourist markets rather than international markets. This could also be combined with the use digital technologies to create new value-added user experiences or integrate specialist SME suppliers into the product offer or*
  - *improve the quality and range of the product offer, particularly focusing on skills development to support better guest experiences or*
  - *Improve integration of their offer with local communities and businesses to strengthen and deepen supply chains that integrate into the new service offerings and / or support sustainable use of natural resources, long-term conservation, and measures to protect/promote biodiversity that also benefit host communities.*
- All business projects must be inclusive in nature. They will need to demonstrate their ability to deliver significant benefits in terms of improved incomes or job creation / retention to



supporting businesses and communities, rather than solely benefitting the participating companies / organisations of a particular project.

- The business project must demonstrate a clear approach to continuing services and preserving the businesses supply chain including employment during and post COVID-19 as well as quantify the socio-economic impact the support will have on the company's employees and communities they work in.
- **The funding request must be for a specific, new business idea.** 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 funds **of at least 30% 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.