



Impact Capital
for Development



REQUEST FOR APPLICATIONS

Inclusive Innovations for
market-based climate disaster
risk financing and insurance
(CDRFI) solutions in Sierra Leone

United Nations Capital Development Fund REQUEST FOR APPLICATION FOR

Inclusive Innovations for market-based climate disaster risk financing and insurance (CDRFI) solutions in Sierra Leone

SUMMARY

The United Nations Capital Development Fund (UNCDF) makes public and private finance work for the poor in the world's 46 least developed countries. Unique in the UN system, UNCDF, with its capital mandate and instruments, can deploy a spectrum of financing solutions (grants, loans, and guarantees) and technical assistance to businesses that positively impact achieving the Sustainable Development Goals¹. UNCDF offers “last mile” finance models that unlock public and private resources, especially at the domestic level, to reduce poverty and support local economic development.

UNCDF received funding from the European Union under the “Salone Access to Finance” programme to promote financial inclusion, access to finance and risk management for agri-businesses in Sierra Leone.

The core objective of this RFA is to improve the financial resilience of low-income communities, farmers, and small businesses against climate risks through suitable climate risk insurance solutions.

This RFA will engage institutional partners to design and implement inclusive climate and disaster risk finance and insurance (CDRFI) solutions in Sierra Leone. In particular, the focus is on providing CDRFI products to agricultural communities and small businesses to increase resilience. Activities will include customer research, product design, product deployment, and digital channels.

The activities will cover the following three areas:

- 1) Designing and implementing innovative climate and disaster risk financing and insurance (CDRFI) solutions for individuals, communities, and small businesses, especially micro and meso- level solutions.
- 2) Improving access to and use of CDRFI solutions, focusing on farmers and women, including building their knowledge and skills to manage climate risks.
- 3) Testing and launching digital solutions using frontier technologies that improve the design, delivery, and impact of CDRFI solutions.

Candidates should propose a project for a combination of areas as indicated above

UNCDF offers its support through performance-based grant agreements (PBAs) and technical assistance (TA) to de-risk initial investments and supplement existing efforts of

¹ <https://sdgs.un.org/goals>

implementing partners in designing and delivering inclusive insurance, especially climate risk transfer solutions. Selected applicants will sign a Performance-based grant Agreement (PBA²) with UNCDF. Please review the PBA template available on the RFA website.

Depending on the project's size and the applicant's implementation capacities, the financial grant up to USD 200,000 depending on the investment readiness level and outreach potential of the solutions proposed.

We expect to finance up to three solutions under this RFA for 24 months.

Applicants will be expected to fund at least 30 percent of the total project cost. The applicant co-finance may include in-kind and cash contributions towards technical resources, staff, and operational implementation expenses. Higher contributions are preferred.

Applicants may apply independently or in a consortium, provided that there is a clear lead applicant and an established partnership before submitting the application under this RFA.

For requests and queries, please send an email to uncdf.rfa@uncdf.org and copy Eric Sena Morttey at eric.sena.morttey@uncdf.org with the title "Queries: Inclusive Innovations for market-based CDRFI solutions in Sierra Leone."

Applications should be submitted via UNCDF's plug-and-play e-investment platform "Apply" at [https://apply.uncdf.org/prog/230815 inclusive innovations for market-based climate disaster risk financing and insurance solutions in sierra leone/](https://apply.uncdf.org/prog/230815_inclusive_innovations_for_market-based_climate_disaster_risk_financing_and_insurance_solutions_in_sierra_leone/) by the 10th of September with the title: "Company Name_RFA_2023-2025".

However, please visit UNCDF's Apply platform to check if the deadline has not been extended.

² A performance-based grant implies that the disbursement of funds under the grant agreement is contingent on the successful achievement of pre-determined milestones and disbursement conditions. A grant payment will be triggered when the agreed milestones and disbursement conditions are achieved. The grantee will be responsible for adhering to the quarterly reporting requirements of the Programme. This includes quantitative and qualitative reporting against the KPIs for the project. Supporting documentation is required for all results achieved. The grant partner will also have to provide a comprehensive and compliant financial report including all the financial transactions relating to grant. The grantee will need to keep supporting documents related to these transactions to justify all actual costs incurred. Reporting templates will be shared by UNCDF.

1. Introduction

In partnership with the United Nations Development Programme (UNDP) and the United Nations University Institute of Environment and Human Security (UNU-EHS), UNCDF has established the Climate and Disaster Risk Finance and Insurance Programme (CDRFI, hereinafter referred to as the Programme), with the overall objective to improve the financial preparedness and resilience of governments and communities, specifically vulnerable segments of society and economic sectors towards climate change and natural hazards. The Programme also aims to reduce the gender equity gap and ensure vulnerable social groups have access to suitable disaster risk financing and insurance products.

The CDRFI Programme started in December 2020 and has since introduced market-based climate risk parametric microinsurance products in several countries in Pacific Island Countries, including Fiji, Tonga, and Vanuatu. Following the successful implementation in the Pacific region, the Programme is now leveraging its market-ecosystem approach and blended finance instruments to introduce climate risk insurance in several additional countries, including Sierra Leone.

The agriculture sector, including livestock and forestry, is a critical component of the economy of Sierra Leone³⁴⁵. It employs about two-thirds of the labor force and is more than 60 percent of GDP. The main farming system in Sierra Leone is subsistence farming. The system is still mainly rain-fed and characterized by low productivity.

Sierra Leone's agriculture is constantly threatened by climatic fluctuations such as droughts, floods and changing rainfall patterns – threats that are widely expected to increase due to climate change⁶. For instance, landslides are a significant risk in Sierra Leone⁷. On August 14, 2017, a devastating landslide and flooding disaster ripped through Sierra Leone's capital city, Freetown. 6000 people were affected; 1141 persons died or went missing, and 3000 people lost their homes. The most severe disaster occurred in the Regent and Lumley districts, with a massive 6 kilometers mudslide submerging and wiping out over 300 houses along the banks of Lumley Creek.

Similarly, torrential rains in the first and second weeks of September 2015 caused extensive damage in and around Freetown, Sierra Leone, largely due to rivers bursting their banks. The flooding caused widespread displacement and destruction, affecting over 20,000 people⁸⁹¹⁰¹¹. On 24 June 2017, a heavy downpour of rain flooded two towns of Largor Jasawabu in the Nongowa Chiefdom and Foindu Mameima in the Lower Bambara Chiefdom, near Kenema.

³ <https://www.trade.gov/country-commercial-guides/sierra-leone-agriculture-sector>

⁴ <https://www.fao.org/3/aq167e/aq167e.pdf>

⁵ <https://maf.gov.sl/>

⁶ <https://www.rvo.nl/sites/default/files/2018/07/sector-scan-the-agricultural-sector-in-sierra-leone.pdf>

⁷ <https://reliefweb.int/report/sierra-leone/preventable-disaster-landslides-and-flooding-disaster-freetown-sierra-leone>

⁸ <https://www.humanitariancoalition.ca/floods-in-sierra-leone>

⁹ <https://www.harpis-sl.website/index.php/hazard-profiles/sierra-leone-hazard-profile>

¹⁰ <https://reliefweb.int/disaster/fl-2019-000089-sle>

¹¹ <https://reliefweb.int/disaster/ff-2022-000309-sle>

Experienced composite insurers such as Aureol Insurance Company have been operational in Sierra Leone for 36 years. However, insurers do not currently have any specific products for agricultural or climate risks covering emerging threats such as flooding. Climate risk insurance is a complex product, but there are opportunities for the industry to innovate. For example, potentially bundling excessive rainfall insurance or flash-flood insurance with fire insurance, which is currently provided to MSMEs in Sierra Leone, including in urban areas.

Salon Access to Finance Programme

UNCDF is implementing the EU-funded Salon Access to Finance programme in Sierra Leone. The overall objective of contributing to sustainable and inclusive economic development and job creation in the agricultural sector. The Salon programme's overall target is to provide access to appropriate digital financial solutions and insurance to at least 500,000 low-income customers, including women, youth, and entrepreneurs in Sierra Leone.

UNCDF, under the EU Salon programme, uses a market systems development approach to promote Inclusive financial services, enabling regulations, Insurance services and digital financial services. The programming approach improves the capability of the system to “perform” more effectively and sustainably, recognizing the relationships, practices, and incentives of all market actors. It will leverage the existing UNCDF projects in Sierra Leone.

This call for applications caters to the insurance pillar of the Salon Access to Finance programme.

2. SCOPE OF WORK

This RFA will engage institutional partners to design and implement inclusive climate and disaster risk finance and insurance (CDRFI) solutions in Sierra Leone. In particular, the focus is on providing CDRFI products to agricultural communities and small businesses to increase resilience. Activities will include customer research, product design, product deployment, and digital channels.

The activities will cover the following three areas:

- 1) Designing and implementing innovative climate and disaster risk financing and insurance (CDRFI) solutions for individuals, communities, and small businesses, especially micro and meso- level solutions.
- 2) Improving access to and use of CDRFI solutions, focusing on farmers and women, including building their knowledge and skills to manage climate risks.
- 3) Testing and launching digital solutions using frontier technologies that improve the design, delivery, and impact of CDRFI solutions.

2.1 Areas of Intervention

For this request for applications (RFA), UNCDF invites applications from registered entities (public and private) that can offer innovative and scalable solutions addressing one or more of the following challenges.

Areas of intervention		Objectives for solutions
1	Designing and implementing innovative climate and disaster risk financing and insurance (CDRFI) solutions for individuals, communities, and small businesses, especially micro- and meso- level solutions.	<p>Challenge</p> <ul style="list-style-type: none"> • Agricultural communities and small businesses need access to suitable climate risk finance and insurance solutions to manage financial losses and recover from climate-induced disasters. • In particular, no suitable parametric insurance is available to farmers at the micro- and meso- level. <p>Objectives</p> <ul style="list-style-type: none"> • To support the identification, development, and pilot testing of CDRFI solutions to improve the financial preparedness and resilience of individuals, households, communities, small businesses, organizations, and governments against climate risk and natural hazards. • To introduce micro-level (e.g., households and farmers) and meso-level (e.g., aggregators, cooperatives, financial institutions) CDRFI solutions. • To develop products and services for economic sectors with a broad economic base, such as agriculture and MSMEs. • To encourage public and private sector partnerships to deliver meso-level solutions like agriculture insurance portfolio coverage. • To encourage a wide range of CDRFI solutions covering a wide range of issues, such as blended or hybrid parametric insurance covering one or more perils or insurance covering the food supply chain.
2	Improving access to and use of CDRFI solutions with a particular focus on smallholder farmers and women, including building their knowledge and skills to manage climate risks.	<p>Challenge</p> <ul style="list-style-type: none"> • Select vulnerable sections (such as smallholder farmers and women) lack the knowledge and skills to protect themselves and their livelihoods from the adverse impacts of climate risk. • In general, the inability or lack of skills to use financial planning for risk management (including climate risk) exacerbates their vulnerability. • Currently, there are no suitable easily accessible

		<p>channels for parametric insurance for these groups, which further hamper their ability to use risk-transfer financial tools.</p> <p>Objectives</p> <ul style="list-style-type: none"> • To increase the access to and adoption of CDRFI solutions, especially insurance, as a tool to manage the risk of financial losses; thereby increasing people’s chances of recovery and participation in the economic processes. • To design and test market-based incentives tailored to protect women, farmers, and small businesses from the economic losses related to natural disasters. • To improve women’s and farmers’ knowledge and skills to meaningfully access and use appropriate climate risk financing tools. This will include the creation and delivery of financial and insurance literacy materials designed to suit the specific needs of the target segments in a way that promotes the adoption of financial tools to strengthen their resilience. • To support innovations in the distribution models, such as using digital channels and employing women as distributors to improve the access and usage of innovative and inclusive CDRFI products and services.
3	<p>Testing and launching digital solutions using frontier technologies that improve the design, delivery, and impact of CDRFI solutions</p>	<p>Challenge</p> <ul style="list-style-type: none"> • The lack of physical and financial infrastructure, especially outside of Freetown, hinders farmers and small business’s ability to access suitable financial and non-financial services. • The recent adoption of mobile phone and digital payments present opportunities to leverage digital tools to increase the access of suitable CDRFI solutions to communities in rural areas while allowing service providers to lower the transaction cost for serving ‘hard to access’ clients. <p>Objective</p> <ul style="list-style-type: none"> • To leverage digital and frontier technologies to improve the impact of CDRFI solutions. • To support a wide range of digital solutions, including client onboarding platforms, Insurtech platforms, and digital payments. • To explore the feasibility of using frontier technologies such as machine learning and artificial intelligence (AI) that can emulate human tasks in loss and

		<p>damage assessments that have the potential to reduce turnaround time, reduce expensive field assessments and can possibly reduce basis risks, benefiting the insured and the insurer.</p>
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Types of Solutions We Are Looking to Support

- a. Potential applicants shall demonstrate that they have the capacity, skills and expertise to provide capabilities in developing, testing, launching and expanding innovative and inclusive climate risk finance and insurance solutions to the low-to-moderate income communities, farmers, and small businesses in Sierra Leone.
- b. Providers can propose one or more financial solutions that provide financial resilience against losses from natural hazards such as cyclones, droughts, rain (for example, parametric insurance), and other natural hazards affecting households and farmers.
- c. The solutions should be offered at the micro (households, businesses) and meso (aggregators, institutions) levels and must demonstrate how they cater to the needs of women.
- d. Solutions that cover priority sectors, i.e., clients in agriculture, MSMEs, fisheries, and retail, will be preferred.
- e. Solutions that adopt innovative approaches, such as frontier and digital technologies, are particularly encouraged to apply.
- f. Both new products and improvements to existing products are welcomed as long as they help to expand the adoption among the target groups through improved use cases, customer value and experience.

Below are some examples of the type of innovations we have in mind. It is only an indicative list. Applicants are encouraged to propose their own solutions.

- **Inclusive insurance products** that cater to offering protection against a variety of risks, especially those related to climate change and natural hazards that affect the lives, livelihoods and assets of individuals, households and businesses.
- **Digital platforms and tools** that will improve the customer experience and increase access to information or services, such as digital insurance.
- **Hybrid financial products** combine insurance with other financial products, such as savings, pensions, and payments offered through digital interfaces. Similarly, hybrid or bundled insurance (e.g., cyclone and health) products are also welcomed.
- **Business Solutions** that provide services to insurance companies in the efficient management, delivery, and expansion of their CDRFI products.
- **Distribution model** that tests and deploys innovative ways of delivering disaster-risk financial products. For example, digital distribution and aggregator models, such as partnerships with agri-agencies, cooperatives, financial institutions, and business aggregators with large captive members base.

These examples are not exhaustive. We are keen to understand what potential applicants have in mind even outside these examples, as long as your scale, commercial viability, and impact objectives are aligned with the Programme objectives. We encourage applicants to think big, think commercial, and think of priority segments while focusing on implementation.

2.2 How UNCDF works with partners

UNCDF takes a tailored approach to engagement with partners, working together to identify business and customer needs and helping to design, pilot and scale the solutions. Some examples of how we work with partners include:

- **Customer and product research:** Sharing market research and knowledge to deepen partners' understanding of customers' behaviors, needs, constraints and aspirations. This also includes providing transaction data analysis and training to the business teams.
- **Product design:** Providing human-centered design expertise to better understand the customer journey - physical and financial – for better product design and use-case development tailored to the needs of low-income customers and their families. The efforts may also involve analyzing the transaction data from a customer lens.
- **Provisioning:** Providing technical assistance to help design, pilot, deploy, and scale solutions. Technical assistance is provided by subject matter experts, ranging from risk modeling, digital business models, digital transformation and growth strategies.
- **Partnerships:** Facilitating strategic partnerships with stakeholders – including technology partners, aggregators, payment hubs, mobile network operators, financial institutions, and non-bank financial institutions – to enable partners to reach mass-market customers and grow sustainably.
- **Policy and Advocacy:** Convening efforts to support an enabling environment and build policy and advocacy capacity for human-centered products and services to be piloted and potentially scaled.

In the RFA, applicants may identify and suggest areas where technical support from UNCDF and its network of expertise is sought. UNCDF may offer technical assistance to complement its financing.

2.3 Expected results

According to the projects and solutions presented, applicants must include a complete list of results, outcome indicators and targets for monitoring the achievement of different results in the proposal. Specific indicators would be finalized based on the nature of the project and would form part of the Performance-based Agreement to be signed between the selected institution and UNCDF.

Deliverables would be derived from key project milestones mutually agreed upon between UNCDF and the selected applicant in accordance with the identified milestones, outcomes and targets of the KPIs during the due diligence and negotiation phase. For illustration, milestones can include market research conducted, a finalized go-to-market strategy, an insurance product launched, and a certain number of people covered, among others.

All applications must include targets on the indicators in the table below. The targets must be disaggregated for the selected target groups.

Indicators	Disaggregation	Current	Target
Number of new products piloted	N/A		
Number of customers covered by CDRFI products	Total: Women:		
Number of customers who are farmers and/or involved in the agriculture sector registered for CDRFI products	Total: Women:		
Number of individuals with access to CDRFI literacy and trained	Total: Women:		
Individuals satisfaction with the trainings			

Please note that during the negotiations process of the Performance based- Agreement, applicants shall be required to integrate the monitoring framework with additional KPIs.

3. ELIGIBILITY FOR APPLICATION AND EVALUATION CRITERIA

Only applications that meet the eligibility requirements and minimum criteria for the submission will be scored.

3.1 Eligibility requirements

Entity registration

- The applicant (the lead applicant) must be a registered entity such as a licensed financial institution, insurance company, money transfer operator, payment service provider, agent aggregator, mobile network operator, technology provider, Insurtech company, Fintech company, cooperative, credit union.
- For national solutions, service providers are encouraged to partner with relevant public sector agencies, e.g., national development banks and line ministries.

Relevant operation licenses (when applicable)

- The lead applicant must be licensed to provide insurance, microfinance, remittance services/saving solutions, loans, and digital services. Where the applicant is not a financial service provider, a relevant business or equivalent license from a statutory authority is to be furnished.

Country of operation

- The applicant must have at least two years of operations in Sierra Leone. The applicant may be registered elsewhere but must have business operations in Sierra Leone.

Consortiums (when applicable)

- The lead applicant and their financial service provider partner must be registered entities with at least two years of operations. They must have statutory accounts and audited financial statements for at least one operating year. This requirement is in addition to the in-country operational requirement mentioned above.
- Joint applications between market players are encouraged if the proposed solution expands delivery networks and promotes rural and/or other last-mile access to developing, piloting, launching, and expanding innovative and inclusive insurance products and services to the target segments.
- Applications from consortiums of organizations must show proof of partnership at the time of submitting their application under this RFA.

Solutions to be supported

- Applicants must have an existing solution having tested a proof of concept that is either already in the market or ready to be launched.
- For new solutions, we expect that a minimum viable product is available.

Project funding

- Applicants must contribute at least 30 percent of the total project cost, which may include technical infrastructure, human and business resources, and operations.

Exclusionary criteria:

- Applicants shall not have been the subject of bankruptcy, liquidation, judicial settlement, safeguarding, cessation of activity or any other similar situation resulting from a similar procedure.
- Applicants and any of their staff or members of their board of directors shall not be included in the United Nations financial sanctions lists, particularly in the fight against the financing of terrorism and against attacks on international peace and security¹²; and
- Applicants must not be involved in any of the following activities¹³
 - Manufacture, sale or distribution of controversial weapons or their components, including cluster bombs, anti-personnel mines, biological or chemical weapons or nuclear weapons.
 - Manufacture, sale or distribution of armaments and/or weapons or their components, including military supplies and equipment.
 - Replica weapons marketed to children.
 - Manufacture, sale or distribution of tobacco or tobacco products.
 - Involvement in the manufacture, sale and distribution of pornography.
 - Manufacture, sale or distribution of substances subject to international bans or phase-outs, and wildlife or products regulated under the CITES.
 - Gambling, including casinos, betting etc. (excluding lotteries with charitable objectives).
 - Violation of human rights or complicity in human rights violations.
 - Use or toleration of forced or compulsory labor.
 - Use or toleration of child labor.
- Applicants shall have fulfilled all the obligations relating to the payment of social security contributions or obligations relating to the payment of taxes per legal provisions in force in the country of incorporation.

UNCDF will conduct due diligence on selected applicants. Applicants must have documents ready for confirmation that they meet the eligibility criteria, including the certificate of compliance with the tax authorities and any other documentary evidence that UNCDF might request besides the application form.

¹² See UN Security Council Sanction Regimes:

<https://www.un.org/securitycouncil/sanctions/information>

¹³ See UNDP Policy on Due Diligence and Partnerships with the Private Sector (2013): https://popp.undp.org/UNDP_POPP_DOCUMENT_LIBRARY/Public/BERA_Partnerships_UNDP%20private%20sector%20due%20diligence%20policy%202013_FINAL.pdf

3.2 Evaluation criteria

The Evaluation Committee will score the applications according to the below evaluation criteria.

Only applications that score at least 70 out of 100 will be considered successful and move to the due-diligence stage.

	Criteria	Score
1	<p>Organizational capacity and commitment to implement</p> <p>The applicant has a track record of successfully deploying and growing RFA-relevant activities in Sierra Leone demonstrated through business growth and profitability matrix.</p> <p>Applicant and the project team have relevant expertise and demonstrate the ability to implement towards project goals.</p>	15
2	<p>Team</p> <p>Current resources (e.g., HR, financial, infrastructure, technology, brand recognition, geographical footprint) demonstrate the ability to implement the project.</p>	15
3	<p>Customer knowledge & the project plan</p> <ul style="list-style-type: none"> • Demonstrates in-depth understanding of the customer to be served. • Explain how the workplan is realistic, that the project strategy covers risk management, quality control, reporting and other project management good practices. • The implementation plan can be implemented within the proposed project timeframe. 	15
4	<p>Additionality</p> <p>UNCDF funding to the applicant will create:</p> <ul style="list-style-type: none"> - Financially additionality: If the applicant cannot obtain funding from local or international private capital markets with similar terms or quantities without official support. - Non-financial value: Value that the private sector is not currently offering and which will lead to better outcomes e.g. by providing or catalyzing knowledge and expertise, promoting social or environmental standards or fostering good corporate governance. - Impact: Faster, larger or better development impacts than the applicant would be able to achieve working alone. 	20
5	<p>Gender mainstreaming</p> <p>Explain if and how the project has foreseen a gender focus in the proposed intervention, to have women both external (users) and internal (staff) benefited equally as men.</p>	10
6	<p>Scalability and financial viability</p>	15

	The business model has the potential to scale and become financially viable over time. The project has the potential to generate an investment pipeline for UNCDF.	
7	Result Measurement The applicant has provided coherent measurement plan and data management plans.	10
Maximum score		100

UNCDF will also assess the value for money of the submissions using the following formula:

Amount of grant requested (A)

Number of total beneficiaries (B)

Value for money A / B

3.3 Eligible costs

The criteria for eligible expenditure determine whether a cost qualifies for funding under UNCDF rules and procedures.

The general criteria for eligibility of costs under UNCDF funding include the following.

- Eligible costs must be incurred by the applicant during the project (after the signature of the Performance-based Agreement and up to the end of the Grant period).
- Eligible costs should be indicated in the estimated overall budget of the action attached to the Performance-based Agreement.
- Costs must be identifiable and verifiable, in particular being recorded in the accounting records of the applicant and determined according to the applicable accounting standards of the country where the lead applicant is established.
- Costs must comply with the requirements of applicable tax and social legislation.
- Costs must be reasonable, justified and comply with the principle of sound financial management, in particular regarding economy and efficiency.
- Consultancy costs – under studies, technical assistance and other advisory services under the programme carried out by international and national consultants – are eligible as follows. Professional and consultancy services are services rendered by people with a special skill, and who are not officers or employees of the organization applying for the grant. Consulting services must be justified, with information provided on their expertise, primary organizational affiliation, normal daily fee, and number of days of expected service. Consultants' travel costs, including for subsistence, are to be shown as travel expenditure. The applicant may be required to justify the daily fee.
- Workshop costs are eligible, for the workshop venue, food and beverages, and publication material.
- Training expenditure (financial education, digital education, soft skills) for the project's final beneficiaries is eligible. If applicable, this will include all related expenditure, such as the cost of the venue, participant travel, and so on. Training for the employees of the institution applying for the grant is also eligible as long as it has been demonstrated that it will link directly to the project output.
- Investment costs directly attributable to the project, relating to research and innovation, are allowable.

3.4 Ineligible costs

The following costs are ineligible and not accepted:

- Returns on capital and dividends paid by a beneficiary;
- Debt and debt service charges;
- Provisions for losses or debts;
- Interest owed;
- Costs declared by the applicant in the framework of another action receiving a grant financed from another donor;
- Indirect costs, also called overheads.

4.0 AGREEMENT PARAMETERS

Applicants shall give evidence that their solutions are aligned to the following parameters.

4.1 Applicants

Eligible candidates can apply alone or as the lead applicant in a consortium of firms as long as they comply with the eligibility requirements outlined in section 3.1. In the case of a consortium of entities applying to the RFA, the lead applicant shall comply with the eligibility requirements.

The lead applicant will be responsible for the following:

- i. Submitting the application form on behalf of the consortium;
- ii. Ensuring that each partner is fully aware of the composition of the partnership and the contents of the Application Form;
- iii. Signing the Performance-based Agreement with UNCDF;
- iv. Fulfilling all obligations set out in the Performance-based Agreement;
- v. Ensuring the allocation and the fulfillment of the funds amongst the partner in the consortium in compliance with the Performance-based Agreement;
- vi. Ensuring the allocation and the fulfillment of the tasks amongst the partner in the consortium in compliance with the Performance-based Agreement.

4.2 Target segment

Smallholder farmers, retailers, women, micro and small enterprises, and other vulnerable segments in low-and moderate-income groups.

4.3 Geographical scope

Nationwide, Sierra Leone

4.4 Project duration

Projects are expected to have 24 months duration from the date of signing the Agreement. From the current RFA, the project is expected to end by 31 December 2025.

4.5 Language

The deliverables and any correspondence between the applicant organization and UNCDF must be in English.

4.6 Budget

UNCDF will provide a grant to the selected applicants that are technically compliant in accordance with the Evaluation Criteria as outlined in section 3.2 UNCDF contributions may be up to \$200,000.

Specific projects will be financed based on business needs. Depending on the solutions' maturity and the pilot's success, UNCDF may be able to continue its support for mobilizing investment capital (loan and guarantee) and further technical assistance.

Applications must describe how applicants will deploy the grant and if any technical assistance or mentorship services are being sought. UNCDF will provide additional technical assistance services through a separate budget line

5.0 APPLICATION REQUIREMENTS AND PROCESS

5.1 Structure of the application

- The applicant must submit a complete application form online.
- Please be sure to have prepared the following documents
 - Certificate of incorporation
 - Latest audited financial statements
 - Latest management accounts
 - Official document confirming that the candidate is in order related to tax and social security payments
 - Technical submission form (using UNCDF's template)
 - Budget and workplan (using UNCDF's template)
 - CV form (using UNCDF's template)
 - Product demo and/or a powerpoint deck that visually outlines the project (not mandatory but preferred).

All submissions must be completed in English.

Only applications that follow the Submission Formats and include all the necessary documentation will be considered.

5.2 Application deadline

All applications must be submitted by 23:59 hours (EST, the New York time zone) by the 10th of September 2023 using UNCDF's plug-and-play e-investment platform "Apply" at https://apply.uncdf.org/prog/230815_inclusive_innovations_for_market-based_climate_disaster_risk_financing_and_insurance_solutions_in_sierra_leone/ with the title: "Company Name_RFA_2023-2025".

5.3 Selection process:

Step 1: Eligibility screening: Eligibility will be assessed according to the eligibility requirements as outlined in section 3.1.

Step 2: Technical Evaluation: The technical Evaluation Committee will evaluate eligible applications based on the evaluation criteria set out in section 3.2.

Step 3: Due diligence: Due diligence on the applications and their applicants will be conducted on applications that receive the minimum qualifying score (70/100).

Step 4: Notification of applications: All applicants will be notified of the status of their applications.

Step 5: Pre-Grant negotiation and Performance-based Agreement. The selected applicants will finalize the scope of the grant and finalize budgets, indicators, targets, work plans, and disbursements of the Grant that will be released on achievement of each milestone.

Step 6: Approval of the selected applications by the Investment Committee Applications will be reviewed, discussed, and approved by the Investment Committee. Any further due diligence requirements, risk analysis, or milestone recommendations from the Investment Committee will be followed in later steps.

Step 7: Notification of applications: All applicants will be notified of the status of their applications after final approval from UNCDF board / Investment Committee.

5.4 Timeline

August 17, 2023	Application window opens
August 30, 2023	Deadline for inquiries
August 31 2023	Open information cum Q&A session (online) https://undp.zoom.us/j/82626157711?pwd=U0pkd1FIVlIxZnhINy9hZEVrYjk5Zz09
September 10, 2023	Application deadline



5.5 Real-time assistance from UNCDF

Applications and any questions about this RFA should be submitted to uncdf.rfa@uncdf.org cc to Mr. Eric Sena Morttey at eric.sena.morttey@uncdf.org.