

## UNITED NATIONS CAPITAL DEVELOPMENT FUND (UNCDF) REQUEST FOR APPLICATIONS

**Innovative digital solutions to mitigate the Impact of COVID-19 on livelihoods,  
businesses and service delivery systems in Uganda**

**UPDATED NEW DATE FOR SUBMISSIONS**

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### 1. INTRODUCTION TO THIS REQUEST FOR APPLICATIONS (RFA)

The United Nations has rolled out a coordinated effort in response to the COVID-19 pandemic and its aftermath impact. UNCDF is supporting LDCs in need, through its core mandate and by leveraging a range of technical expertise and investment instruments, to reduce and limit the economic and social hardships for poor communities. For more information about UNCDF's action towards [COVID-19 click here](#).

Within the COVID-19 context and the outlook on its impact on lives, livelihoods and economic systems, UNCDF is looking forward to support solutions - by private sector actors in Uganda - that the leverage power of digital technologies to solve challenges brought about or exacerbated by the COVID-19 pandemic. The solutions have to be oriented towards livelihoods, businesses or service delivery systems that impact key sectors of Agriculture, Health, Education, and with a strong focus on vulnerable segments including Farmers, MSME's, Women, Youths, Refugees.

UNCDF is therefore looking for entities legally established in Uganda that can propose innovative and scalable digital solutions that can contribute towards mitigating the Impact of COVID-19 on livelihoods, businesses and service delivery systems in Uganda. Proposed solutions shall be in one of the two areas of intervention

Area 1: Solutions that leverage drone technology to address community livelihoods and service delivery challenges;

Area 2: Innovative e-learning solutions for delivering curricula to students;

UNCDF's support will be geared towards enabling the emerging solutions to be piloted and / or scaled in the **regions of Acholi, Lango, West Nile and Kiryandongo**. The solutions must be innovative and sustainable to allow for continuity beyond the support provided by UNCDF and its implementing partners.

UNCDF will provide a grant and technical assistance to one applicant per area. The successful partner will sign a Performance-Based Agreement (PBA) with UNCDF.

Applicants may apply separately for the two different areas. Only one applicant per area will be selected.

UNCDF grant / technical assistance contribution may range from 50,000 USD up to 150,000 USD per applicant. In the proposal, the applicant shall quote its costs for the operations and management of the project including providing full time resources that would engage with UNCDF in supporting the project implementation. Applicants should provide a budget indicating how the proposed approach will deliver high quality results.

## ***Timeline and Contacts***

### **NEW DEADLINE FOR SUBMISSIONS**

Applications about this RFA should be submitted via email at [uncdf.rfa@uncdf.org](mailto:uncdf.rfa@uncdf.org) no later than the **16th of June 2020 23:59 pm EAT**. For further details on the timeline, refer to the table below.

Queries to this RFA can be submitted via email at [uncdf.rfa@uncdf.org](mailto:uncdf.rfa@uncdf.org) no later than the **12th of June 2020**. A document of Frequently Asked Questions (FAQ's) will be shared on this page.

**Applicants should include in the subject line of the email: “Innovative digital solutions to mitigate the Impact of COVID-19 on livelihoods, businesses and service delivery systems in Uganda”**

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**Applications must follow the submission format as outlined in Annex 1 to 4 of this RFA.**

**The overall duration of UNCDF support for the successful applicants will be up to three (3) years, maximum 31 December 2022.**

## 2. ORGANIZATION CONTEXT AND BACKGROUND INFORMATION

UNCDF is the UN's capital investment agency for the 47 world's least developed countries. It creates new opportunities for poor people and their communities by increasing access to microfinance and investment capital. UNCDF focuses on Africa and the poorest countries of Asia and the Pacific, with a special commitment to countries emerging from conflict or crisis. It provides seed capital – grants and loans – and technical support to help microfinance institutions reach more poor households and small businesses, and local governments finance the capital investments – water systems, feeder roads, schools, irrigation schemes – that will improve poor peoples' lives.

Recently, UNCDF has formulated its strategy '**Leaving no one behind in the digital era**' based on over a decade of experience in digital finance in Africa, Asia and the Pacific. UNCDF recognizes that reaching the full potential of digital financial inclusion in support of the Sustainable Development Goals aligns with the vision of promoting digital economies that leave no one behind. The vision of UNCDF is to empower millions of people by 2024 to use services daily that leverage innovation and technology and contribute to the Sustainable Development Goals. UNCDF will apply a market development approach and continuously seek to address underlying market dysfunction. For further detail on UNCDF strategy, refer to; <https://www.uncdf.org/article/4931/global-strategy-leaving-no-one-behind-in-the-digital-era>

**The current RFA is framed under “Inclusive Innovation” one of the four identified work streams of UNCDF strategy.** The set of activities under this work stream is designed to achieve the outcome: “Support local entrepreneurs and MSME to build inclusive services for the local digital economy making sure that the value offered by digital services improve the livelihoods of those living within the market and is not spirited away to global platform providers.”

Inclusive innovation can be accelerated and will deliver the right services to empower vulnerable people if an open, affordable, quality and accessible digital ecosystem is in place.

## 3. SCOPE OF WORK

By this RFA, UNCDF is looking for entities legally established in Uganda that can propose innovative and scalable solutions that can address the following focus areas with the aim of empowering the target customers/ beneficiaries;

Area 1: Solutions that leverage drone technology to address community livelihoods and service delivery challenges.

Area 2: Innovative e-learning solutions for delivering curricula to students.

Under this RFA, UNCDF will be selecting one applicant for each area that will present a proposal that aims to test and scale-up innovative products, services and business models that empower the target customers (farmers, MSME's, women, youths and refugees).

**Applicants will have to demonstrate that the solutions proposed are already tested and a minimum viable product (MVP) is ready for deployment.**

UNCDF support shall be used exclusively to pilot and / or scale the solutions in the regions of **Kiryandongo, West Nile, Acholi and Lango.**

**Area 1: Solutions that leverage drone technology to address community livelihoods and service delivery challenges.**

Drone technology is already proving, in several countries now, to have strong use cases across various socio-economic sectors. Specifically, for the last mile where access to and delivery of basic services is a challenge, drone technology has the potential to offer new solutions. Some strong use cases in health include deliveries medical supplies, disease surveillance and control (e.g. spraying). In agriculture, some use cases include land mapping, crop health surveillance and control, farm data collection, etc.

The need for such solutions, while not being new, has been heightened by the current COVID-19 situation, thus calling for quicker action to get them to market.

Applicants should aim to demonstrate in their proposals, the proposed use case and the gains and efficiencies that will be achieved by using this new solution

**Area 2: Innovative e-learning solutions for delivering curricula to students.**

E-learning as an option to the classic learning channels is not a new quest. The COVID-19 situation has however, come to underscore the need to have robust e-learning solutions / channels that are accessible to all.

UNCDF is looking for inclusive digital solutions that can allow students especially those in rural and underserved communities to access education digitally. Solutions should demonstrate a good understanding of the challenges of delivery to rural settings with limited digital infrastructure and to any specificities, e.g. gender that may impact on access and usage of the solution.

**3.1. Expected Results**

In accordance with the projects and solutions presented, the applicants shall provide in the proposal a comprehensive list of outputs, KPIs and targets to monitor the attainment of the different outcomes.

The list below is a preliminary suggestion for KPIs that shall be monitored and reported in the technical proposal.

**For Area 1:**

- Type / number of use cases (services) rolled out
- Number of beneficiaries / customers reached, disaggregated by gender
- Number of users trained on the new solution, disaggregated by gender

**For Area 2**

- Number of schools using the e-learning solution
- Number of students using the e-learning solution, disaggregated by gender
- Number of teachers using the e-learning solution, disaggregated by gender
- Number of users trained on the new solution, disaggregated by gender

### **3.2 How UNCDF works with partners**

UNCDF takes a tailored approach to the engagement with each partner, working with the partner throughout the engagement to identify business and customer needs and help adapt and scale the solution along the way. Some examples of ways in which UNCDF works with partners include:

- Providing technical assistance to help design the piloting, deployment and scaling of digital solutions for maximum impact. Technical assistance is provided by digital experts who are experienced in product design, business model development and go-to-market strategies in some of the most challenging markets in Africa and Asia.
- Providing human centered design (HCD) insights based on customer profiles that can be incorporated into products and services to amplify impact. UNCDF helps partners to analyze and make sense of their customer data, identify and understand relevant use cases, and design products and services that leverage HCD principles and behavioral science.
- Facilitating strategic partnerships with stakeholders, including public, private and development sector partners. UNCDF is uniquely positioned to be a neutral broker of partnerships and has a record of building strong relationships with private and public organizations.

Applicants may identify and suggest areas where the technical support from UNCDF and its network of experts is sought.

## **4. AGREEMENT PARAMETERS**

### **4.1 Outputs and deliverables**

The engagement under this RFA would be for use by the entire economy aiming at developing an inclusive digital economy in Uganda. Thus, the applicant would work closely with UNCDF team in Uganda in the design and implementation of the project.

### **4.2 Duration**

The partner is expected to sign a Technical Assistance Agreement and/or Performance Based Agreement with UNCDF. Applicants not familiar with UNCDF agreements are encouraged to request a sample from [uncdf.rfa@uncdf.org](mailto:uncdf.rfa@uncdf.org) prior to submission of application.

Expected date for the full completion of the project is December 31, 2022.

### **4.3 Agreement size**

UNCDF will provide technical assistance support and/or grants and/or mentorship services to the applicants selected under this RFA.

UNCDF contributions may vary from 50,000 USD to 150,000 USD per partner. Applicants should provide budgets indicating how they would contribute to produce high quality expected results with their technical approach.

The grant amount contribution by UNCDF will be assigned by UNCDF based on the scale of the project (value for money) and level of innovation of the project (additionality).

Please note, that UNCDF reserves the right to conduct its own analysis and assessment of the proposed budget and technological readiness of the proposed solution / project.

The grant will be assigned in accordance to compliance of the solution to the assessment criteria listed in section 5.4. The size of the grant will be assessed by UNCDF based on the documentary evidence, prior performance and due diligence that will be conducted during the evaluation process of the applicant in line with the assessment criteria as listed in section 5.4. UNCDF's due diligence outcome might infer on the assigned budget to the selected applicant.

#### **4.4 Language**

The application form, deliverables, as well as any and all related correspondence exchanged by the organization and UNCDF, shall be written in English.

## **5 APPLICATION REQUIREMENTS**

### **5.1 Eligibility requirements of the Applicant(s) and/or the leading applicant of the consortia:**

- Applicant shall be incorporated and registered according to the rules of Uganda;
- Applicant(s) should be operating in Uganda for at least 1 year;
- Applicant(s) should have audited financial statements for at least the last 1 year;
- Not to be in a state of repair or to have been the subject of bankruptcy, liquidation, judicial settlement, safeguarding, cessation of activity or any other similar situation resulting from a similar procedure;
- The application shall pilot and / or scale the proposed solution in the regions of Acholi, Lango, West Nile and Kiryandongo.
- Applicants may apply separately for Area 1 or Area 2.
- Not to 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 security;
- To have fulfilled obligations relating to the payment of social security contributions or obligations relating to the payment of taxes according to the legal provisions in Uganda;
- The applicant must not be involved in any of the following activities
  - 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 labour
- Use or toleration of child labour
- In addition, neither the principal entity nor the legal entities that are members of the consortium will be able to: (i) submit another individual bid; (ii) or as a principal or member of another consortium / partnership submitting another submission; The solution proposed by the applicant is ready to go to market or require minimum effort to be ready to roll out;
- Submit a complete Commitment Application (Annex 1 to Annex 4)

## 5.2 Eligible Costs

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

General criteria for eligibility of costs under UNCDF funding include as follows.

- Eligible costs must be incurred by the applicant during the project i.e. after the signature of the Grant Agreement until the end of the Grant period.
- Eligible costs must be indicated in the estimated overall budget of the action attached to the Grant 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 and according to the usual cost accounting practices of the applicant;
- 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 as studies, technical assistance and other advisory services under the programme carried out by international and national consultants. Professional and consultancy services are services rendered by persons who possess 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 the consultants' expertise, primary organizational affiliation, normal daily fee, and number of days of expected service. Consultants' travel costs, including subsistence, are to be shown as travel expenditure. The applicant may be required to justify the daily fee.
- Workshops: Costs of workshop venue, food and beverages, publication material.
- Training: expenditure related to the training ( financial education, digital education, soft skills) of project final beneficiaries are eligible. If applicable, this will include all related expenditure such as the cost of the venue, participant travel, etc. Training for the employees of the institution applying for the grant is also eligible as long as it is demonstrated that it is directly linked to the project output.
- Investment cost directly attributable to the project, relating to research and innovation.



- Communication activities are eligible as long as they are no more than 10% of UNCDF funds.
- Personnel and staff costs are eligible as long as they are no more than 25% of UNCDF Funds and staff is directly involved and contributing to the project outcome.

### **5.3 Ineligible costs**

The following costs are ineligible and not accepted:

- return 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 are not eligible.

### **5.4 Structure of the Application:**

- Applications must follow the submission format as outlined in [Section 6.1 “Application structure”](#).
- Only applications that follow the formats and include all the necessary documentation will be accepted.

### **5.5 Evaluation of the Application**

UNCDF will provide a grant and sign a Performance-Based Agreement with the selected candidate to manage the entire project and complete it in accordance with the scope of work described in the following sections.

An Evaluation Committee will score the applications according to the following criteria. Only applications that score at least 70 out of 100 will be considered successful and move to the due diligence stage.

Only the top-one application for each of the two area of intervention will be selected for the signature of a performance-based agreement.



Assessment Criteria		Points Obtainable
1	<b>Solution readiness:</b> The applicant has already a solution tailored to the needs of under-served segments (e.g. youth, women, migrants, refugees, smallholder farmers and MSMEs) . The applicant is ready to go to market or requires minimum effort to become ready to roll out	0-15
2	<b>Applicant's capacity and track record.</b> The applicant demonstrates a good track record of developing and taking innovative digital solutions to the market. Namely, the current resources (HR, financials, infrastructure, technology, brand recognition, geographical footprint, etc.) of the applicant demonstrates ability to roll-out the solution in the selected geography with the target segments.	0-15
3	<b>Business model:</b> The applicant has a viable and realistic business model for the deployment and rollout of the solution. The applicant is able to demonstrate to what extent the solution can be scaled in terms of customers and there is evidence of business development and plans for growth.	0-15
3	<b>Market traction and scale:</b> The level to which the solution has been rolled out on the market, results achieved so far. The	0-10
4	Development Impact: (i) Level of contribution of the solution towards alleviating the key challenges in the relevant sectors (agriculture, health, education,) (ii)contributing to the Sustainable Development Goals.; (iii) number of users to be reached.	0-15
6	<b>Partnerships</b> The applicant has demonstrated partnerships with key stakeholders relevant for the success of the solution on the market. The applicant has a thorough understanding of the key stakeholders and partnerships needed to ensure success of the solution on the market.	0-10
7	<b>Innovation and Additionality</b> The applicant has to demonstrate the level of innovation and uniqueness in the product and approach proposed as well as its ability to improve upon the speed, security, affordability, accessibility, ease of use, intuitiveness of the solution. The applicant is able to propose new features/modules to the solution in order to serve the needs of the target market	0-10
8	<b>Scalability</b> the proposed solution has potential to be scalable across geography , market segments. The applicant is able to demonstrate that the solution can be delivered/ adapted to address the problem directly and quickly.	0-10
Total		100

## 6 APPLICATION REQUIREMENTS AND PROCESS

### 6.1 Application Structure

The applicant must submit a complete application form according to the formats as outlined in **Annex 1 to Annex 4** of this RFA.

The 4 Annexes include:

1. Submission Form
2. Application Form
3. Budget
4. Sample of the Intellectual Property Clauses Applicants will have to abide by when signing a PBA

The applicant shall **supplement** the submission with:

5. Certificate of incorporation of the applicant;
6. Audited financial statements for the last three years of operation.

If the applicant was incorporated after 2018, audited financial statements, shall be required at least for one year. If the audited financial statements for 2019, are not yet available, management accounts will be accepted.

All submissions must be completed in English. Only applications that follow the submission forms and include all the necessary documentation will be considered.

### 6.2 Selection process

- **Step 1: Eligibility screening** – eligibility will be assessed by UNCDF review team members according to the eligibility criteria.
- **Step 2: Evaluation of eligible applications by the Evaluation Committee** – Programme's Evaluation Committee will evaluate the applications based on the criteria set out in Section 4.
- **Step 3: Due diligence** – due diligence on the applications and their applicants will be conducted by the Evaluation Committee for all the applicants 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: Approval of the selected applications by the Investment Committee** – applications selected by the Evaluation Committee 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.



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- **Step 6: Notification of applications** - all applicants will be notified of the status of their applications after final approval from UNCDF Board / Investment Committee .
- **Step 7: Pre-Grant negotiation and Performance-based Agreement** – this is the agreement of the results chain, including on indicators, for the proposed application, agreement of the milestones that will trigger Grant disbursements and agreement of amount of the Grant that will be released on achievement of each milestone.