



UN Capital Development Fund REQUEST FOR APPLICATIONS (RFA) FOR

Grants Request for Applications: Investments to quantifiably reduce wood energy consumption in the Democratic Republic of the Congo (DRC)

EXECUTIVE SUMMARY

The UN Capital Development Fund (UNCDF) makes public and private finance work for the poor in the world's 46 least developed countries. With its capital mandate and instruments, 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, through its partnership with UNDP for the Central African Forestry Initiative's Joint Program for the Sustainable Consumption and Partial Substitution of Wood Energy, currently has 12 investment partners through its Challenge Fund supporting business models promoting clean cooking solutions. **UNCDF in DRC is now seeking to expand its portfolio of investment partners who are working to address energy applications and financial services that will reduce or partially substitute wood energy consumption in the Democratic Republic of the Congo.** This expansion can include financial services or product innovations for clean cooking businesses, or wider energy applications that replace the use of wood energy with another more sustainable energy technology or fuel. **Please note that while UNCDF has the mandate to do loans and guarantees, a separate EOI process is being launched for companies who are requesting loans and guarantees for similar activities in the DRC.**

The "Investments to quantifiably reduce wood energy consumption in the Democratic Republic of the Congo (DRC)" Grants RfA will provide technical assistance and grants for the design, implementation, or scale up of solutions that will improve access and sustainable usage of energy solutions that will reduce wood energy consumption. The grants and technical assistance seek to incentivize private sector companies to offer tailored products and services that meet the needs of clients who are looking to reduce current levels of consumption of biomass wood energy via other solutions such as LPG or improved cooking solutions. This can include non-energy companies who are involved in distribution of energy products such as improved biomass cookstoves.

This RfA is open to private sector entities which may include but is not limited to:

- Financial services such as a digital finance (mobile money, payments) service that

can support reduction in upfront costs required to uptake clean cooking solutions for households, individual consumers, or SMEs

- MFIs looking to develop tailored lending products for existing clients to purchase LPG kits, who can consider applying in consortium with energy product manufacturer or distributors
- SACCOs looking to develop agent networks for clean cooking technology distribution or end user marketing and awareness raising
- Energy companies seeking to enhance sales, distribution and marketing of improved household or institutional cookstoves
- Technology providers that have solutions supporting the monitoring and tracking of wood energy reduction, investments, or carbon credits in the DRC
- Energy or other private sector companies looking to scale up a new clean cooking innovation in DRC
- An energy company or private sector company such as a non-energy focused retailer or distributor seeking to widely disseminate energy products
- Private sector companies working in agro-processing or other income generating areas (productive use) that would like to transition to a cleaner energy technology or fuel in order to reduce or substitute wood energy consumption in their processes.

Eligible applicants for the **GRANTS RfA** can apply for \$50,000-\$150,000 in grants to be implemented between November 2022 and December 2023.

The RFA is supported by the Central African Forest Initiative (CAFI) under the National Reducing Emission from Deforestation and Forest Degradation (REDD)+ Fund (FONAREDD) portfolio, and it is jointly implemented by UNCDF and UNDP, under the Sustainable Consumption and Partial Substitution of Wood Energy Program. The applicants' proposed interventions should deploy their solutions in the energy micro, small, and medium enterprises (MSMEs) and institutional or household end user segments in the Democratic Republic of Congo, particularly in Kinshasa, Bukavu, Goma, Lubumbashi, Kisangani, Kasai, Congo Centrale.

Candidates can apply independently or in a consortium. Please verify the eligibility conditions on Section 3.1 of this RFA.

Selected applicants will sign a Performance-Based Agreement¹ (PBA) with UNCDF for the grant investment. The UNCDF contributions can range from US\$ 50,000 to US\$ 150,000 in grants, depending on the size and reach of the partner. UNCDF will award up to 7-9 applicants for grants (depending on the funding requested). The investment awards will be determined on

¹ A performance-based grant implies that no advance payments will be made. Grants amounts that are contingent on the successful achievement of pre-determined milestones. Achieving a milestone will therefore trigger a grant payment. Grant payments will be reimbursements for funds spent by the grantees, according to the project implementation plan and pre-agreed milestones. The Grantee will be responsible of providing a comprehensive and compliant financial report reporting 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.

the highest score in accordance with the Evaluation Criteria as set forth in section 3.2, depending on the investment readiness level and outreach (including consumption reduction) potential of the proposed solution. Selected applicants will be expected to provide a contribution of at least 20 percent of the total project cost in cash (for costs such technical resources, staff, and operational expenses) for grants. The proposed solution must be ready to implement in the indicated geography in DRC by December 2022.

Inquiries to this RFA may be submitted by email to DRC.RFA@uncdf.org. For any email inquiries, please include in your subject line: **Grants RFA**

All applications must be submitted by 23:59 EST, the New York time zone on August 15 2022 through UNCDF e-investment platform:

https://apply.uncdf.org/prog/rfa_220706_-_investments_to_quantifiably_reduce_wood_energy_consumption_in_the_democratic_republic_of_the_congo_drc

1. INTRODUCTION

The Democratic Republic of Congo (DRC) has tremendous renewable energy potential and access to electricity is increasing for a nation with one of the lowest electricity access rates on the African continent. Although its national level it still limited to 17%, while access to clean cooking solutions is nationally only 4%². Despite the immense potential for hydropower and solar energy of DRC, charcoal and firewood (wood fuels) remain the main energy sources (96% of the energy mix). The use of other fuels such as liquefied petroleum gas (LPG) and biogas for cooking is still very limited due to price, availability and a weak supply network.

Wood energy represents one of the major causes of deforestation and degradation in the DRC, which has one of the largest forest covers yet one of the highest rates of deforestation. It is estimated that the production and consumption of wood energy will be responsible for high amounts of forest degradation and deforestation over the 2010-2030 period. In addition, wood energy is harmful to health (respiratory diseases) and costly, currently comprising a large amount of households incomes³.

The Sustainable Consumption and Partial Substitution of Wood Energy Joint Program⁴ between UNCDF and UNDP aims to reduce the demand for wood energy through two main approaches: (1) By developing alternative energy sources to reduce the dominance of wood energy in the national energy mix; (2) By increasing the efficiency of wood energy consumption through the large-scale dissemination of more energy-efficient stoves to reduce the volume of wood energy needed to meet residual demand and, thus reduce pressure on the forest resource.

² <https://www.se4all-africa.org/seforall-in-africa/country-data/democratic-republic-of-congo/>

³ <https://www.cafi.org/countries/democratic-republic-congo/sustainable-wood-energy>

⁴ https://www.cafi.org/sites/default/files/2021-02/FINAL%20PRODOC%20ENERGIE_FINAL%20corrige.pdf

In 2020, the UNCDF Energy Program launched the Incubation and Challenge Fund Request for Applications (RfA) to support clean energy companies to improve production technologies, distribution models in clean cooking industry in DRC.

Out of the received applications, 12 have been approved and partners have been well performing with more than 50,000 clean cooking solutions sold so far and more than 600 jobs created. From this earlier RfA, UNCDF was able to observe the importance of segmenting types of financing requested and types of technologies that can address deforestation, as the market in DRC is diverse in terms of maturity in certain sectors and investment readiness. Another lesson learned from this earlier RfA round is that it is important to well design and develop mechanism of consumer payment schemes in distribution models of energy solutions that can address wood energy consumption, especially because majority of customers still cannot afford upfront payments for costly clean energy solutions. The last and not least lesson from the earlier RfA is that a portion of charcoal users are interested in using reliable alternatives of fuels for cooking, LPG being one of most promising solutions that have been being tested and piloted in DRC. Based on these lessons, this RfA seeks to expand the scope of technology solutions and financing options that can have a direct impact on reduction or substitution of wood energy uses for household, institutional, and revenue generating (productive use) activities.

PROBLEM STATEMENT

- In 2021, the study conducted by the UNCDF Energy Program found that more than 95% of households depend on wood energy for cooking and only about 12% have access to improved cookstoves, which leads to a significant deforestation rate. Indeed, a significant amount of deforestation of the DRC's forest cover is due to the collection of wood energy for cooking.
- The use of LPG, a promising alternative to wood fuel for cooking is still very low in the DRC. The adoption is limited by (1) the cost of LPG and especially upfront investment for starter kit acquisition, (2) the physical availability of the product, (3) the weakness of supply networks to distribute products and to replenish fuel supply. The other obstacle to the development of LPG is the lack of a legal, regulatory and fiscal framework that would guarantee private investors (i) good long-term market visibility, (ii) fair competition, and (iii) the distribution of LPG from its importation to its safe and sustainable use in the households.
- More than 71% of the DRC population lives in poverty which limits the purchasing capacity when it comes to various solutions including clean cooking solutions. Credit schemes and digital payment mechanisms become important to enhance diverse distribution models for energy solutions and other consumer goods and products. At the same time, energy companies struggle to raise resources to cover intensive working capital requirements in this specific context.
- Lack of financial products and instruments appropriately tailored to the needs of private sector entities who can support MSMEs, institutions and household end-users to purchase alternative to wood fuels, limits clean energy solutions adoption as a means of addressing deforestation. Commercial banks are not too familiar with the clean cooking sector and have only recently started to support financing schemes for other energy solutions such as solar PV. They do not have visibility on the market size/growth and potential nor related business models and operations as well as funding needs.

Pervasive low levels of energy access and poverty in DRC are also contributors to deforestation. Improved sustainable and affordable energy access can promote a switch to economic activities that do not rely on wood energy or promote deforestation. Therefore, enhancing energy access to diversifying income generating activities in certain locations with high levels of deforestation becomes necessary.

- Productive uses of energy has been another growing area of interest for the transition from high energy processing to low energy processing systems, where energy efficiency may be addressed in addition to reduced wood energy consumption. Productive use, or income generating applications, have the ability to provide revenues that can be used to pay for the cost of the new energy technologies, therefore making them more commercially viable. In DRC, there are many productive use applications that are relying on wood energy, and not only diesel, for energy activities that require heating (thermal). This is an underexplored area, but has high potential given the larger volumes of wood energies being consumed per institution or business, including in the wood energy production business where energy efficiency can be promoted.

Productive use activities in the DRC that currently use either a 3 stone fire and biomass wood or charcoal include:

1. Palm Oil and Oil production (Kisangani, Goma, Bukavu)
2. Rice Parboiling (Lubumbashi, Lubero, Haut Uele)
3. Milk Pasteurization and cheese production (Masisi – North Kivu)
4. Fish Smoking, Salting/Curing and Preservation (including cooling) North & South Kivu, Tanganyika
5. Chiquang production (all zones)
6. Coffee Processing and Roasting
7. Cocoa Drying and Processing

The energy technologies that could replace or reduce the biomass consumption for the examples above include solar for milling (rice or manioc, etc) but are not exclusively dependent upon solar and may include:

- Manual or electric oil presses
- Gasifiers or LPG (depending on access roads etc) for heating or steaming
- Smokers (improved biomass)
- Dryers and dehydrators
- Mills

2. SCOPE OF WORK

2.1 Areas of intervention

UNCDF invites the private sector to submit RfAs to receive grants for financial service or energy products related to the sales, usage and financing of sustainable energies that reduce or substitute wood energy consumption for clean cooking, productive uses or energy access. This can include but is not limited to:

- Local financial institutions (banks, micro-finance institutions, intermediary funders, financial cooperatives etc.) who can propose innovative energy consumer or MSME financial products and blended finance or direct lending related to support clean energy distributions models and consumer payment schemes that will impact deforestation reduction in DRC.
- Fintechs or other technology solutions that will provide platforms or services that will enable end users to better access, pay for, and sustainably use energy solutions to reduce wood energy for cooking or productive uses (including income generating activities as alternatives to selling wood). Solutions that also support monitoring and tracking of deforestation or reduced wood energy consumption are also welcome.
- Energy companies (LPG distributors and marketers; standalone solar and minigrids; biogas; improved biomass cookstoves) or private sector companies (retailers with a wide outreach such as markets, hardware stores, petrol stations) to propose innovative business models or energy products to improve the reduction of usage and reliance on wood energies for cooking and productive uses (including income generating activities as alternatives to selling wood).
- Private sector companies (agro-processors, manufacturers) who currently use wood energy for their energy activities (for example thermal applications), and who would like to transition to a more sustainable fuel or energy source therefore dramatically reducing wood energy consumption for their income generating activities.

The objectives of this RfA are to receive applications from private sector companies to partner with UNCDF under CAFI Sustainable Consumption and Partial Substitution of Wood Energy Joint Program⁵ between UNCDF and UNDP. The grant investments have the overall goal of:

1. Supporting the transition to sustainable usage of energies that reduce CO2 emissions by reducing or substituting the consumption of wood energy, for productive uses and energy access. These are means of addressing deforestation and stressors causing deforestation in areas such as Kinshasa, Lubumbashi, Goma, Bukavu, Kisangani, Kasai, and Congo Centrale.

The examples of solutions provided above in the identified areas of intervention are not exhaustive. The team at UNCDF is open to hearing what potential applicants have in mind outside these examples as long as the scale, commercial viability and impact objectives are aligned and that applicants can demonstrate the examples will replace, substitute, and reduce current wood energy consumption.

2.2 Expected results

All applications must include targets on indicators, with an illustrative list below. UNCDF will host technical assistance sessions during the RfA period to develop refined indicators per technology and target segment.

⁵ https://www.cafi.org/sites/default/files/2021-02/FINAL%20PRODOC%20ENERGIE_FINAL%20corrigé.pdf

The targets will be considered in the evaluation of the applications. During the negotiation process of the PBA, selected applicants and UNCDF shall develop a monitoring framework. This may include additional indicators and targets, tailored to the scope of the proposed solution, activities and expected results.

Indicative Indicators

Suggested Indicator Categories	Disaggregation
Target Customers (LPG, ICS, other)	Total number of energy customers: Total MSME customers: Total Household customers:
Target Customers - Female	Geography
Expected charcoal savings (costs and Kgs/tonnes)	Charcoal consumed Average household charcoal savings
Job creation in sector or related distribution network	Total # of women (min 60%) Total # of youth (min. 20%)
Volume of LPG sold or measurably consumed	Existing customers New customers
Investment raised/deployed by new financial product	Amount of direct investment Leverage/Co-finance
Value for money	See below for calculation example

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/ lead applicant must be a private sector registered entity for at least one operating year. Please note that NGOs are not eligible to apply to this RfA.

Country of Operation

- The applicant can be based anywhere globally, however if it does not have representation in DRC, it must partner with a DRC registered company (excluding NGO) based in country and should have their project and solution implemented in DRC. We strongly encourage DRC-based businesses to apply.
- If the applicant does not have regulatory approval to pilot the proposed solution in DRC, the applicant must partner with a regulated institution in DRC to deliver the solution. During the process, applicants may be required to provide regulatory approvals, permits and licenses depending on technology.

Consortiums

- Applicants may apply more than once under the RFA, whether independently or in a consortium. Please note that applications require individual email addresses for multiple submissions; the same email address cannot be used for different submissions.
- Joint applications between market players (excluding NGOs) in DRC are encouraged if the solution proposed will expand delivery networks and promote rural and/or other last-mile access to market and financial services for energy applications.
- Applications from consortiums of organizations (excluding NGOs) must show that the partnership was established prior to this call for applications or due to this call for application with a letter of intent.
- The lead applicant and their partner(s) must be registered entities with at least one year of operations and must have statutory accounts and audited financial statements for at least one operating year. If audited financial statements are not available at the time of application, the applicant must provide the latest management accounts at the due diligence stage and provide UNCDF with audited financial statements during the partnership.

Project funding

- Applicants must contribute at least 20% of the project's costs for grants (costs may include technical infrastructure, resources, and operations).

Exclusionary criteria

- Application shall use UNCDF submission formats and submit a complete application, otherwise will be excluded.
- 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,⁶ particularly in the fight against the financing of terrorism and against attacks on international peace and security;
- Entities and any of their staff or members of their board of directors shall not be employed by or receive remuneration from UNCDF, UNDP, FONAREDD or CAFI (excluding previous grantees or borrowers).
- Applicants must not be involved in any of the following activities:⁷
 - 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

⁶ See: <https://www.un.org/securitycouncil/sanctions/information>

⁷ See UNDP Policy on Due Diligence and Partnerships with the Private Sector (2013): https://popp.undp.org/_layouts/15/WopiFrame.aspx?sourcedoc=/UNDP_POPP_DOCUMENT_LIBRARY/Public/BERA_Partnerships_UNDP%20private%20sector%20due%20diligence%20policy%202013_FINAL.pdf&action=default

- 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
- Applications shall have fulfilled all the obligations relating to the payment of social security contributions or obligations relating to the payment of taxes in accordance with legal provisions in force in the country of incorporation

UNCDF will conduct due diligence on shortlisted applicants. Applicants must have documents ready for confirmation that they meet the eligibility criteria, including audited financial statements, certificate of registration, certificate of compliance with the tax authorities and any other documentary evidence that might be requested by UNCDF besides the application form.

3.2 Evaluation criteria for grants

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

	Criteria	Max Score
1	<u>Organization profile and experience</u> <i>Score the applicant's profile, track record, proposed idea, and quality of submitted Technical Form.</i>	15
2	<u>Team</u> <i>Score if the applicant's proposed team structure and experience is suited for the purpose of the RFA (skills for management, technical know-how, on the field foot print, monitoring and RM capacities...)</i>	10
3	<u>Methodology</u> <i>Score the applicant's proposed methodology and approach for the solution: if it is suited for the purpose of the RFA, if the workplan is realistic, that the project strategy covers risk management, quality control, sustainability, etc.</i>	15
4	<u>Additionality</u> <i>Score if UNCDF funding to the applicant will create:</i> <ul style="list-style-type: none"> - Financially additionality: <i>If the applicant cannot obtain funding from local or international private capital markets with similar terms or quantities without official support.</i> - Non-financial value: <i>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...</i> - Impact: <i>Faster, larger or better development impacts especially related to the reduction of</i> 	15

	<i>wood energy consumption, than the applicant would be able to achieve working alone.</i>	
5	<p><u>Gender perspective</u></p> <p><i>Score if the applicant has foreseen a gender focus in the proposed intervention, to have women both external (users) and internal (staff) benefited equally than men.</i></p>	10
6	<p><u>Sustainability and business plan</u></p> <p><i>Score if the applicant's proposal has a sustainable financial perspective and business plan that could generate an investment pipeline for UNCDF.</i></p>	15
7	<p><u>Result Measurement and Deforestation Impact</u></p> <p><i>Score if the applicant has provided coherent measurement plan and data management plans.</i></p> <p><i>The applicant must demonstrate clearly and concisely how the project will contribute to the expected impacts in terms of reducing emissions through:</i></p> <ul style="list-style-type: none"> • <i>The promotion of LPG as a substitute for charcoal;</i> • <i>Saving tons of charcoal;</i> • <i>Job creation in the LPG distribution network;</i> • <i>Improvement/reduction of daily energy (including cooking) costs;</i> • <i>Improved product quality resulting in reduced wood energy consumption;</i> • <i>Environmental sustainability of the whole project including product;</i> • <i>Significant improvement in user health or reduction in exposure to harmful pollutants;</i> • <i>Increased access to clean energy products;</i> • <i>Increased job creation related to production and sales as the distribution system develops;</i> • <i>A movement to formalize the market which allows for a better understanding and monitoring of jobs along the wood energy value chain;</i> • <i>Long-term and continued access to improved cookstoves and clean fuels through a viable commercial market.</i> 	20
TOTAL		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 PBA 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 PBA.
- 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 program 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. AGREEMENT PARAMETERS

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

4.1 Applicants

Eligible candidates can apply alone or as lead applicant in a consortium of firms, as long as they comply with the eligibility requirements set forth in section 3.1 in 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 of:

- Submitting the application form on behalf of the consortium.
- Ensuring that each partner is fully aware of the composition of the partnership and of the contents of the Technical Submission Form.
- Signing the PBA with UNCDF.
- Fulfilling all obligations set out in the PBA.
- Ensuring the allocation and the fulfilment of the funds amongst the partner in the consortium in compliance with the PBA.
- Ensuring the allocation and the fulfilment of the tasks amongst the partner in the consortium in compliance with the PBA.

4.2 Target segment

The primary target of the intervention is end users including households and businesses that may reduce their consumption of wood energy in DRC, particularly those led and/or owned by women.

4.3 Geographical scope

The interventions should be implemented in these regions of DRC - Kinshasa, Bukavu, Goma, Kisangani, Kasai, and Congo Centrale.

4.4 Project duration

Projects are expected to be completed by December 2023 for grants. Projects are expected to have a 10 to 13 months duration for grants. Final and assessment report will have to be submitted no later than 3 months after final disbursements and agreed upon project duration.

4.5 Language

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

4.6 Budget

UNCDF will provide a grant to the selected applicants in accordance to the Evaluation Criteria as set forth in section 3.2.

UNCDF contributions may range from US\$ 50,000 to US\$ 150,000 for grants.

Applications will need to describe how applicants will deploy the investment and if any technical assistance or mentorship services are being sought during the application process and during the investment period. Additional technical assistance services will be provided by UNCDF through a separate budget line.

5. APPLICATION REQUIREMENTS AND PROCESS

5.1 Structure of the RfA:

- Please prepare the following documents that will need to be submitted through the UNCDF e-investment platform:
 - ☐ Certificate of incorporation
 - ☐ Applicants will be required to attach the historical audited accounts at least for one year and /or management accounts for reference. Latest audited financial statements. Companies that have existed for only 1 year may submit a 'Financial Summary'
 - ☐ Technical submission form (using UNCDF's template)
 - ☐ Budget and work plan (using UNCDF's template)
 - ☐ Optional: A deck that visually outlines the project and/or product (15 slides maximum and as a PDF). The deck shall include the following sections: (i) Executive summary, (ii) Problem statement and market needs; (iii) Solution, (iv) Milestones and go-to-market strategy, (v) Team, (vi) Deployment of UNCDF funding, (vii) Business model and financial projections
 - ☐
- Please be aware that, if **shortlisted**, the applicant will also be requested to provide:
 - ☐ Audited Financial Statements for the last 3 years (or of a shorter period, should the company has existed for less than 3 years)
 - ☐ Official document confirming that the candidate is in order related to tax and social security payments
 - ☐ Full Project Description Document (Using UNCDF's template)
 - ☐ CV form (using UNCDF's template)
 - ☐ (if not provided in the application phase): A deck that visually outlines the

project and/or product (15 slides maximum and as a PDF). The deck shall include the following sections: (i) Executive summary, (ii) Problem statement and market needs; (iii) Solution, (iv) Milestones and go-to-market strategy, (v) Team, (vi) Deployment of UNCDF funding, (vii) Business model and financial projections.

All submissions must be completed in French or 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 EST, the New York time zone on August 15 2022.

Selection process:

- Step 1: Eligibility screening – eligibility will be assessed according to the eligibility requirements as set forth in section 3.1.
- Step 2: Shortlisting and Evaluation of eligible applications based on the evaluation criteria set out in section 3.2. and information provided in the RfA Technical Form including budget and workplan. Minimum 70/100 is required to be shortlisted.
- Step 3 Submission of Project Description (full proposal) document: Shortlisted applicants will be invited to submit a Project Description document, which is an elaboration of the Project Snapshot in the RfA Technical Form.
- Step 4: Due diligence – due diligence on the shortlisted applications and their applicants will be conducted in person or virtually.
- Step 5: Pre-Investment negotiation and PBA or preparation – the selected applicants will finalize the scope of the grant project and finalize budgets, indicators and targets, workplan.
- Step 6: Approval of the selected applications by the UNCDF Impact Investment 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.
- Step 7: Final notification of applications - all applicants will be notified of the status of their applications after final approval from UNCDF Board / Investment Committee.
- Step 8: Release of funds - Disbursements of grants will be released on achievement of each milestone.

5.3 Timeline and Support Offered

UNCDF offers a hands-on process for making investments, coupled with mentorship and technical assistance to ensure a wide number of under-represented yet high potential companies may be eligible for funding. The below offers an overview of the support offered during the grant investment processes:

Stage and timeline	Process	Support offered
Open of RFA : July 12, 2022	Documents to be released by UNCDF and opening of online application form on UNCDF Plug n Play Platform	Information sessions online and in-person will be announced on the RFA website July 19, 2022
Technical Submission Form: July 12-August 15, 2022	Completion of Technical submission form for grants This includes submission of a budget and workplan file, certificate of incorporation and management accounts/audited accounts.	Online workshops to discuss different aspects of the technical form, particularly: <ul style="list-style-type: none"> • Eligible criteria and expanded technologies sector overview • Project snapshot preparation • Milestone and indicator examples • Preparing budget/workplan These sessions will be recorded. July 26, 2022
Project Description Submission (full proposal) for Grants: September 15-October 31	Shortlisted applicants will be contacted to submit a completed Project Description document which will include: <ul style="list-style-type: none"> • Business idea elaboration • KPIs • Budget • Workplan • Milestones • Baseline data Due diligence meetings which can be done virtually or in person.	1:1 TA and mentorship will be assigned by UNCDF if the applicant requests and/or qualifies for it.

5.4 Real-time assistance from UNCDF

For requests and queries, please send an email to DRC.RFA@uncdf.org. Please include in the subject line **Grants RFA**