



## Call for Proposals – UNCDF LFI, Tanzania

### About UNCDF

The United Nations Capital Development Fund (UNCDF) is the UN’s capital investment agency for the world’s 48 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. In Tanzania, UNCDF is implementing the Local Finance Initiative (LFI) Programme designed to unlock the flow of domestic and private sector capital to invest in small and medium sized infrastructure projects needed to accelerate local economic development and private sector development. UNCDF financing models are applied in thematic areas where addressing barriers to finance at the local level can have a transformational effect for poor and excluded people and communities. By strengthening how finance works for poor people at the household, small enterprise, and local infrastructure levels, UNCDF contributes to **SDG 1 (Sustainable Development Goal)** on eradicating poverty and **SDG 17** on the means of implementation. Furthermore, by identifying those market segments where innovative financing models can have transformational impact in helping to reach the last mile and address inequalities of access.

### Call for Proposals

With this Call for Proposals, UNCDF through its **LFI Programme** is inviting calls for **commercially viable** investment project proposals in the following focus areas:

- Women’s economic empowerment
  - *Investment projects owned or developed by women or projects with large derived benefits accruing to women, e.g. small and medium sized infrastructure projects in the following areas: agro-processing, manufacturing, climate resilience and clean energy, public service delivery and ICT.*
- Agro-processing/value addition
  - *Processing plants, storage facilities and any other agricultural value addition project.*
- Public service delivery infrastructure
  - *For example bus terminals, storage and market facilities, water infrastructure and waste related projects, etc.*

- Manufacturing
  - *Small and medium scale manufacturing facilities in the following areas: agro-processing, climate resilience and clean energy.*
- Information and communications technology (ICT)
  - *ICT infrastructure projects targeting remote populations including radio stations, mobile services and agricultural support services.*
- Climate resilience and clean energy
  - *Renewable energy infrastructure projects including on and off grid power generation, water reservoirs and agricultural dams, etc.*

### **What the LFI Programme offers developers**

- Project development support
  - *Provide targeted technical project development and financing support to project developers (e.g. enhanced project documentation, due diligence and financial structuring).*
  - *Prepare project investment documents in the format acceptable to commercial banks and investors.*
- Link developers to financial institutions and investors
  - *Support project developers in accessing funding from commercial and development finance institutions (for example identifying the right investor based on sector, size and type of finance required) and negotiation of lending terms.*
  - *Provide seed capital (soft loans and reimbursable grants) to select projects based on unique requirements and criteria.*
  - *Provide credit enhancements and guarantee support, for example partial loan guarantees for qualified projects.*

### **Eligibility criteria**

Proposals must meet all of the following eligibility criteria:

- **Focus areas:** Investment projects must fall within these focus areas: women's economic empowerment, agro-processing and value addition, public service delivery infrastructure, manufacturing, ICT and climate resilience and clean energy.
- **Commercial viability:** The investment proposal must show how the project will generate revenue and make profits. Applications should therefore be supported by a detailed description of the cost and revenue streams associated with the project.
- **Development impact:** Proposals must show how the project will generate benefits to local communities, for example, job creation, income generation, empowerment of disadvantaged groups, including women and youth and rural populations, trade and market access for agricultural produce, etc.

- **Project status:** Project development activities must have passed a pre-feasibility stage beyond a concept note, that is, proposals should include as a minimum an initial feasibility study (such as economic and technical feasibility where necessary) and a completed business plan and all initial compliance steps (for example licenses, permits, titles, environmental certificates where necessary, etc.).
- **Ownership:** The investment project shall be sponsored by either a public or private entity established and operating in Tanzania.
- **Project size:** Total project costs must be between USD 100,000 and USD 20 million.
- **Qualified management:** The proposal shall show evidence that the proposed management team has the necessary technical and managerial skills.
- **Compliance:** Compliance with Tanzania laws and regulations and [UNDCF/UNDP Environmental & Social Performance Standards](#) including human rights is a must.

### Selection criteria

Eligible projects will be selected for support based on the following selection criteria:

- **Commercial viability:** Proposals that show ability to generate revenue and make profits will be given priority.
- **Developmental impact:** Priority will be given to proposals that show high development benefits accruing to local communities, for example job creation, income generation, empowerment of disadvantaged groups including women and youth and rural populations, trade and market access for agricultural produce, etc.
- **Documentation:** For applicants who will be shortlisted they must be prepared within two weeks to submit relevant documentation related to their business for example cost and revenue estimates, quotations for machinery, BoQ (bill of quantities), market assessments, sources of raw materials, off-take agreements and contracts, etc.

### Before you submit

UNCDF will hold a 4-hour *“Pre-submission workshop”* in Dar es Salaam to provide project developers an opportunity to ask questions about the process of the Call for Proposals as well as to learn how to prepare quality proposals to increase the probability of meeting the eligibility and selection criteria.

If you wish to participate, please send an email to [cfp.life@uncdf.org](mailto:cfp.life@uncdf.org) indicating *“Pre-submission workshop”* in the subject line of your email. You will only be allowed to participate in the workshop after receiving a confirmation email that you have been registered. Details on date, venue and time will be communicated in the confirmation email.

Please note that you are not obligated to participate in the “*Pre-submission workshop*” in order to submit a proposal. This is merely a service provided by the LFI Team.

### **Instructions for submitting a proposal**

Only properly completed submissions will be reviewed. A complete submission consists of the following two separate submission forms where the applicant must fill out all sections:

1. The Call for Proposal **Submission Form (Word)** which can be downloaded at [http://uncdf.org/sites/default/files//submission\\_form\\_word\\_-\\_aug\\_11\\_2016.docx](http://uncdf.org/sites/default/files//submission_form_word_-_aug_11_2016.docx)
2. The Call for Proposal **Submission Form (Excel)** which can be downloaded at [http://uncdf.org/sites/default/files//submission\\_form\\_excel\\_-\\_aug\\_11\\_2016.xlsx](http://uncdf.org/sites/default/files//submission_form_excel_-_aug_11_2016.xlsx)

Any supporting documentation must be submitted in separate documents.

The two submission forms (Word and Excel) **must** be submitted in their original formats along with any supporting documentation to the following email: [cfp.life@uncdf.org](mailto:cfp.life@uncdf.org). Only one application per entity and per proposal will be accepted.

**Language of proposal:** Proposals must be submitted in English.

**Deadline for submission:** The deadline for submission of investment proposals is September 23, 2016.

**Please note:** Applicants who do not submit both submission forms in their original formats within the deadline will not be considered, and only successful applicants will be contacted after the deadline.

Thank you,

UNCDF LFI, Tanzania