

Eligibility Criteria for MICF- Manufacturing Window

Firms wishing to apply to the Manufacturing Window of the 4th Round of the Malawi Innovation Challenge Fund will need to meet the following criteria:

- The lead organisation must be an established private for-profit company. Only in exceptional cases will MICF consider new businesses (start-ups), where there is strong evidence that the new company has credible and experienced investors and management team.
- All applicants must demonstrate their capacity to implement their proposed project and will need to demonstrate sound financial performance and clear corporate governance.
- The total grant funds requested must be between US\$250,000 and US\$ 850,000. Although it is recognised that larger funding requests for projects with the potential to deliver sizeable systemic impact in a particular market or markets would be considered.
- The MICF will support innovative projects, which either focus on export promotion or on import substitution, as long as the benefits accrued are distributed equitably between the participating firms and the poor (either as producers or consumers), and at the same time target a national social or environmental positive impact.
- All business projects must be inclusive in nature. That is, they will need to demonstrate their ability to deliver significant benefits to poor households, in terms of improved incomes or job creation, rather than solely benefitting the participating companies / organisations of a particular project.
- The funding request must be for a specific, new and innovative business idea in the manufacturing sector. The MICF views innovation in its broadest sense including: i) a new approach, product, idea or service that has not been tested anywhere; ii) an approach, product, idea or service that is new to Malawi; or iii) an approach, product, idea or service that has not been applied to the sector in question in Malawi
- The project promoters including the lead company, collaborating organisations and third parties such as co-investors or banks and other lenders must provide matching funds of at least 50% of the total cost of the business idea. Contributions can be made through a combination of in-kind and cash contributions and will be taken on a case by case basis dependent on the logic of the individual project proposed. Grant financing from other Donors will not be considered as matching fund contribution of the company towards the project.
- The business idea must be implemented in Malawi either by private sector organisations registered in Malawi or externally registered businesses investing in Malawi.
- The company may collaborate with other organizations, including NGOs and Community organizations. However, it is a condition that the lead applicant and implementer of the business idea must always be a commercial company/business.

- The project must also provide information on how it might affect the environment, and if a negative environmental impact has been identified how the project will mitigate this.
- The company must provide specific evidence to prove that all land that it holds including those that it intends to allocate to the project if any, confirms to all legal requirements as prescribed by the Registered Land Act 158:01); Customary Land (Development) Act 159:01); and Adjudication of Title Act (58:05) in the Republic of Malawi.
- Projects should also demonstrate how women and youth will be incorporated into the project either as producers, traders, or as consumers.
- The project must demonstrate the activities that will be funded by the MICF will be additional to the company's existing activities and that the project would not go ahead without MICF funding. The MICF could also consider projects that if they would have gone ahead, it would be at a much-reduced pace or scale in the absence of MICF support.