CALL FOR PROPOSALS

1. **Introduction**  This document details the process and requirements to apply for a grant under the “COVID-19-relevant Medical and Pharmaceutical Products” (CMPP) Project. This project has been developed to assist SADC countries in their response to the 2020 COVID-19 pandemic.

2. **Project Description:** The CMPP Project intervention is a component of the overall project “Support towards Industrialization and the Productive Sectors in the SADC region (SIPS).” The SIPS project is managed and implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH and is a component of the programme “Cooperation for the Enhancement of SADC Regional Economic Integration (CESARE)”. It is co-funded by the European Union and the German Federal Ministry for Economic Cooperation and Development (BMZ) and is being implemented in coordination and cooperation with the SADC Secretariat.

3. **Objective:** The CMPP Project has been designed to assist in the fight against the COVID-19 pandemic in the SADC region through providing support to the local production of relevant items to increase their supply in the SADC region, in view of the increased demand due to the pandemic. The objective of this project is therefore to support the increased production, supply and availability of affordable and innovative products to combat the COVID-19 pandemic in the SADC countries.

4. **Scope of supported projects:**

   The call supports innovative projects which increase local production in SADC of high-quality products with increased need in relation to the prevention, diagnosis or treatment of COVID-19. This includes but is not limited to:

   a)  PPE including disposable medical masks, N95/FFP2 masks, face shields, and other essential related items

   b)  Ventilator projects

   c)  Disinfectants and sanitizers

   d)  Diagnostics

   e)  Pharmaceuticals and medicines, which are specifically for COVID-19 treatment, prevention and management (see section 12 g) below

The project is expected to contribute to the Sustainable Development Goals (SDGs), in particular SDG 3 – “Ensure healthy lives and promote well-being for all at all ages”
5. **Expected Impact of supported projects:**

The project concept must offer potential development benefits to SADC countries (e.g. establishment of new technologies, novel trade opportunities, increased quality of products, etc.) and their citizens, and should not simply constitute an investment in the company’s actual core business. The project should deliver significant impact in one or more areas directly related to the current COVID-19 pandemic, and its effects in SADC. This includes the following potential areas:

a) Increased local production of affordable, high-quality and innovative products to combat the COVID-19 pandemic in SADC member states
b) Increased affordable supply and availability of such products for the SADC population
c) Increased protection of health workers, essential services workers and/or the general public
d) Increased reduction of disease transmission and/or infection
e) Supporting/ facilitating an improved management of COVID-19

6. **Eligible countries:** Projects in all SADC countries will be considered, therefore: Angola, Botswana, Comoros, Eswatini, DRC, Lesotho, Madagascar, Malawi, Mozambique, Mauritius, Namibia, Seychelles, South Africa, Tanzania, Zambia, Zimbabwe.

7. **Grant size:** The financial grant per successful single applicant is expected to range from EUR 50,000 to EUR 100,000 for for-profit companies, and from EUR 100,000 to EUR 200,000 for non-profit making initiatives. Additionally, regarding for-profit companies, the grant size may not exceed 50% of annual turnover. This support will be provided, in the case of both for-profit companies and non-profit making initiatives, through a joint contribution approach, wherein the project grant represents a maximum of 75% of total project costs. The recipient is therefore expected to make a financial and/or in-kind contribution of at least 25% of total project costs – for details please see section 8 below. In addition to grant funding, technical assistance may be provided.

8. **Recipient contribution:** The expected contribution of a company/ initiative or other recipient to the project, under this call for proposals, shall be at least 25% of total project costs. This contribution may be in the form of salaries, own financial contribution, company/ initiative space/ rooms, exploratory costs, marketing and distribution costs, and any similar costs. The recipient must have sufficient economic solvency to make its own contribution.

9. **Term of project to be supported:** Support will be awarded to projects that have a maximum implementation period of 12 months (i.e. the period from project initiation to project completion is not longer than 12 months).

10. **Eligible costs:** For the implementation the following costs are eligible. These should all be verifiable project-specific costs and not represent general company/ initiative operating or other non-project specific costs:

   a) Staff costs;
   b) Equipment and machinery;
   c) Raw materials;
d) Other manufacturing costs;
e) Distribution costs;
f) Other costs may be considered on a case-by-case basis.

In particular, but not exclusively, the following costs are ineligible:

a) Bonuses, provisions, reserves or non-remuneration related costs;
b) Duties, taxes and charges, including VAT, that are recoverable/deductible by the applicant;
c) Return of capital;
d) Debts and debt service charges;
e) Provision for losses, debts or potential future liabilities;
f) Costs of purchase of land or buildings.

The financial settlement is based on actually incurred direct costs (i.e. the accounting protocols and requirements mean that lump sums cannot be accepted). All amounts and units of the estimated budget are settled against subsequent provision of evidence for each amount through the provision of supporting documentation. A clear distinction needs to be made with regard to the supporting documentation for own staff costs (payslips and time sheets) and costs for external experts (invoices of service contracts). Supporting documents need to be external documentation for, in particular, supplier’s invoices, third-party invoices, vouchers, bills and receipts from third parties.

In case of purchasing of goods and services, contract award procedures must be followed. As a general rule, tenders must be carried out.

11. Eligibility Criteria:

Target Group: Applicants may be either for-profit entities (profit making companies) or not-for-profit entities (non-profit making initiatives, such as University initiatives or national technology initiatives) in the SADC region with innovative projects for the manufacturing of COVID-19-relevant medical, pharmaceutical or PPE products.

A. For-Profit Company:

For companies to be eligible for consideration under the CMPP project, the following criteria must be met. These should be demonstrated, to the satisfaction of the SIPS project management team, including, where relevant, provision of necessary supporting documentation:

a) The company or organisation must be officially registered and legally authorized to operate within one or more of the SADC countries.
b) Any funding provided through this call is subject to an examination of admissibility under European state aid law.
c) The company should provide copies of valid company or organisation registration/licensing and tax clearance certificates.
d) Minimum annual turnover: EUR 100,000.
e) Minimum number of employees: 8
f) At least two years of financial statements, such as audited reports, accountant’s reports, income tax compliance statement or similar.
g) Company may be privately or publicly owned.

h) The company must not be involved with trade in, or production of, banned substances.

i) The company should be able to demonstrate compliance with environmental protection measure and relevant national and regional laws.

j) The company should be able to demonstrate non-discrimination in terms of gender and disadvantaged groups.

B. Non-Profit Making Initiative:

For initiatives to be eligible for consideration under the CMPP project, the following criteria must be met. These should be demonstrated, to the satisfaction of the SIPS project management team, including where relevant, provision of necessary supporting documentation:

a. The initiative has to be 100% not-for-profit.

b. The initiative must be officially registered and legally authorized to operate within one or more of the SADC countries.

c. The initiative should provide copies of valid registration and/or operation/ licensing and tax clearance certificates.

d. Minimum number of direct / indirect employees: 8.

e. The initiative may be privately or publicly owned.

f. The initiative must not be involved with trade in, or production of, banned substances.

g. The initiative should be able to demonstrate compliance with environmental protection measures and relevant national and regional laws

h. The initiative should be able to demonstrate non-discrimination in terms of gender and disadvantaged groups.

12. Selection Process:

Selection criteria include the following elements:

a) The project would not be executed without SIPS grant support.

b) The project has a clear development benefit for the community/ country/ region (for example: improved quality or accessibility or lower prices of relevant goods).

c) The nature and extent of planned changes, which are enabled by the project, are objectively measurable over the project duration.

d) The project can be reasonably judged to be commercially justifiable.

e) Project design is coherent, objectives and activities are realistic.

f) The project will create structures to ensure the sustainability of results and changes achieved.
g) Project is for the manufacture of COVID-19-relevant medical, pharmaceutical or PPE products as per the WHO List available at https://apps.who.int/iris/rest/bitstreams/1272076/retrieve in SADC and/or new innovative products which are closely related to those products and/or serve a key purpose in preventing/treating COVID-19.

Applications meeting all of the above criteria will be moved forward for consideration in the subsequent project analysis phase. This will be conducted by GIZ in order to determine a short list of applications, and includes a rating system using the following categories:

a) Applicant Operational Maturity and Stability
b) Covid-19 related industrial development and health benefit of project
c) Level of relevant technical capability of applicant
d) Impact of SIPS support on project probability of success
e) Speed to implement project, project plan strength and clarity

Successful projects will be selected from this short list and following completion of a due diligence process.

13. General information and instructions

a) There is no legal entitlement to a grant from this project upon responding to this call. GIZ and the CMPP Project co-funders and beneficiaries do not make any guarantee that any submitted application for the grant will be selected for funding.

b) Please adhere to the given space limits when preparing the project application form and use the key questions in the description for orientation.

c) Be as specific as possible in order to simplify the assessment of your project concept.

d) Application forms are available in English, French and Portuguese, and proposals will be accepted in these languages. Please note that where proposals are submitted in either French or Portuguese, responses to the applications may involve increased processing and assessment time, but this is without any prejudice to the company/initiative (translation services will be required for documents submitted in French or Portuguese - these will be provided by third parties and costs are not expected to be covered by the applicant). Applicants who can respond in English are therefore encouraged to do so. For the purposes of clarity, projects will not be assessed or graded in any way on the basis of the language used, or level of proficiency in English.

e) Notwithstanding section 13, point d), signature copies of grant agreements and related documentation for successful projects will be prepared in English. Where required, a translated version in either French or Portuguese can be provided to the recipients, but the English version document will be legally binding and enforceable.

Interested parties that wish to be considered for grants under this call should complete and send the SIPS CMPP Call Application Form and the Call Declaration of Eligibility and Commitment together with all supporting documents as described in the Call Document Check List to GIZ at the following address, no later than the deadline of 07 September 2020:
Please state in the subject line of your email: “Project Concept SIPS Covid-19 [ENTER COMPANY/INITIATIVE NAME], [ENTER COUNTRY]”.

Other templates to accompany the application:
- Call Application Form
- Call Document Check List (listing documents to be submitted)
- Call Declaration of Eligibility and Commitment