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# Fund for Local Cooperation (FLC) in Pretoria South, Africa 2022

Call for Proposals - Concept Note Stage

Instructions to Applicants

**July 2022**

# Background to this call for concept notes

The Embassy of Finland in Pretoria hereby invites South African civil society organizations and innovation support organizations to submit concept notes to apply for funding from the Fund for Local Cooperation (FLC). The objectives of this call are two-fold: 1) to promote circular economy development in South Africa, and 2) to strengthen civil society in good governance and democracy-related work.

The focus of the development policy of the Finnish Government is on supporting efforts to eradicate poverty and reduce inequality, as well as on promoting sustainable development. All actions take into account the following cross-cutting objectives: gender equality, non-discrimination, the position of people with disabilities, climate resilience and low-emission development. Finland's development policy lays particular emphasis on 1) strengthening the status and rights of women and girls, 2) strengthening of the developing countries' economic base and job creation, 3) education, well-functioning societies and democracy, and 4) climate change and natural resources.

The priorities for the FLC funding of the Embassy of Finland in Pretoria include economic development and entrepreneurship, democracy and the functioning of societies. Civil society actors working in this field can apply for funding for projects in the following areas:

1. Strengthening of private sector and job creation through innovation development and entrepreneurship in circular economy
2. Good governance and vibrant democracy

# Application Process

The Call for Proposal application process is divided into two stages:

1. Applicants send a concept note to the Embassy of Finland, which will be subsequently evaluated by an evaluation panel.
2. Short-listed organizations will be requested to submit a full project proposal.

The document shall be submitted by email using the application template provided by the Embassy, including the basic information of the applicant (Annex 1) and comprehensive concept note (Annex 2).

As mentioned above, this Call for Proposals has two focal areas. Below is a summary of the objectives and the types of projects sought for funding under each focal area.

* 1. ***Funding for focal area 1: Strengthening of private sector and job creation through innovation development and entrepreneurship in circular economy***

In addition to the health crisis caused by COVID-19, the pandemic has also had a significant negative impact on economic development all over the world and in South Africa in particular. Circular economy can play an important role when rebooting society - it has potential to increase resilience and create new jobs through innovation and technology-driven growth that takes into account the sustainable use of natural resources and promotes carbon neutrality. Circular economy is not only about recycling and optimizing material flows. It includes also new circular business models (e.g. generating revenue through service provision instead of selling physical products, thus challenging the concept of ownership) that are able to achieve lower uptime losses when either corporate or private products are at a higher utilization rate.

Finland's starting point is that globally, a carbon-neutral economy is one of the key solutions to the scarcity of natural resources, the loss of biodiversity and the fight against climate change. The circular economy enables the transition to a new, more sustainable, low-emission and resource-wise economic model, in which value addition is increasingly intangible and products are replaced by various services.

The Embassy aims to support the development of innovative circular economy solutions in South Africa. It does this by channelling funding to innovation support organizations providing acceleration services for innovative start-up companies with circular economy business models. Such models include e.g. product as a service, renewability, sharing platforms, extending the product life cycle and resource efficiency and recycling.

A maximum of 2 – 3 innovation support organizations will be selected and supported. Funding per project will range between 120 000 – 250 000 EUR, and can be granted for a duration of one to two years. After the initial round, there may be additional funding made available.

The key objectives of the current funding are as follows:

* Bolster innovation support organizations who provide acceleration services to start-ups
* Support the growth of start-up companies with innovative circular economy solutions and business models, such as
  + renewability (use of renewable energy in production, bio-based or completely recyclable materials, etc.)
  + Sharing platforms (increase usage rates through collaborative models for usage, access or ownership)
  + Product as a service (increasing resource productivity through offering products for use while retaining ownership)
  + Product life extension (repair, reprocessing/refurbishment, upgrading and resale)
  + Resource efficiency and recycling (recovery of usable resources or energy from waste or by-products)
* Support implementation of South African policies and goals related to green and circular economy, and a just energy transition.
* Promote job creation, as well as business and economic opportunity improvement
* Support initiatives which have broader socio-economic or environmental benefits

Selected partner(s) will be expected to develop a Request for Proposals (RFP) for funding South African circular economy start-ups at acceleration stage and then select start-ups for acceleration using their own methodology as well as the criteria set by this call. Following the selection process, the partner is expected to provide business development services and acceleration services to the start-ups. The selected start-up portfolio is expected to contribute to advancing new innovative circular economy solutions in South Africa. The funding partner will be asked to provide quarterly reports as well as an interim and final report.

* 1. ***Funding for Focal Area 2: Good and accountable governance and vibrant democracy***

This focal area focuses on strengthening the role of civil society in advancing human rights, good and accountable governance and vibrant democracy. Corruption and misuse of funds prevent the achievement of development and realization of human rights. Improved transparency can inspire community action around issues that matter to residents, and promote participation in problem-solving. The projects sought for funding can be aimed e.g. at promoting good governance, promoting access to information, increasing participation in the South African democratic political system, and fighting against corruption.

A maximum of 2 – 3 project partners will be selected and supported in South Africa. Funding per project will be between 80 000 – 120 000 EUR, and can be granted for a duration of one to two years.

# Eligibility

The eligibility of all applications is reviewed based on the below mentioned set of criteria. Applicants should justify the relevance of the proposed activities and demonstrate potential for impact in line with the FLC objectives. Preference is given to result-oriented, reputable organisations with experience and necessary organizational structures in place. The projects proposed should lead to verifiable development impacts.

*Eligibility:*

Any organisation/project selected for funding has to meet the following criteria and present the information in the proposal document:

* be ODA eligible
* be a South African civil society or private sector organization
* be registered and legally competent
* have been operational for a minimum of three years
* have at least 10% of funding from at least one other source (not including in-kind contributions)
* have a functional board of directors
* be a non-partisan organization
* demonstrate past success in related area of work to this call for proposals
* have a solid financial management system including regular financial audits, and a reliable monitoring, evaluation and reporting system
* have a sufficient infrastructure and human resources in South Africa
* demonstrate experience of working with an international donor or other external financier

*Funding cannot support:*

* Government entities or political parties
* Projects in which the beneficiary is a single person, or a single family
* Construction, purchases of land or any other one –off and ad- hoc events
* Charity purposes, humanitarian aid, donations, scholarships
* Finnish beneficiaries
* Unregistered associations or organisations
* Basic research
* Individual cultural events (no permanent impact)
* As a grant, scholarship or assistance for the applicant’s personal use or project;
* Use for the capital of microloan

# How to apply

Interested applicants are requested to submit a concept note to the Embassy of Finland, by 29 July, 2022.

Any clarification questions must be submitted by 13 July, 2022 to: sanomat.pre@formin.fi

The concept note should be no more than 4 pages in length. Please fill in the application electronically, as no hand-written applications will be taken into consideration.

# Evaluation of the concept note

The evaluation of the Concept note will be based on the technical merits and financial feasibility of the proposed intervention.

The evaluation of the concept notes will be based on the eligibility of the applicant (see part 3) and the evaluation of the concept notes based on the below criteria:

* Relevance of the proposed project to Finland’s development policy and the priority areas of this Call for Proposals, as well as to the needs of the beneficiaries identified.
* Potential impact of the project, which is expressed in clearly defined and feasible project outputs and targeted outcomes
* Feasibility of the implementation arrangements, approach and planned financial and human resources
* Previous documented experience  and management capabilities of the applicant in the same sector/theme

# Approval and awarding of the contract

The concept notes will be evaluated by the Embassy and shortlisting decisions made by October 2022.The Embassy reserves the right to cancel the selection process for a justified reason. No compensation will be payable to applicants for preparing a proposal, presenting it or otherwise taking part in the procedure.

**In Stage II** shortlisted applicants should be prepared to provide at least the following additional information:

* Detailed proposal
* Risks assessment
* Result chain
* Detailed budget
* Latest annual report and audited financial statements
* Detailed CVs

More detailed information about the Stage II will be provided directly to qualified organisations.

The timeline for the concept note screening and selection process as a whole is currently envisaged as follows:

**STAGE I:**

1. Announcement of Call for Concept Notes: 07.07.2022;
2. Any clarification questions must be submitted by 13.07.2022 to [sanomat.pre@formin.fi](mailto:sanomat.pre@formin.fi);
3. Deadline for submitting concept notes: 29.07.2022.

**STAGE II:**

1. Selection and invitations of concept notes for full proposal stage: October 2022;
2. Deadline for receiving full proposals: November 2022 (specific date will be announced later);
3. Selections of full proposals for funding December 2022;
4. Contract signing: December 2022 and start of projects: January 2023.

# Applications should be submitted by email, by 29.07.2022, 13:00 o’clock (GMT +2) to the email address below. Applications submitted after the deadline will not be taken into consideration.

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| Email: sanomat.pre@formin.fi  **Phone**: 012 343 0275  **Fax:** 012 343 3095 |