



SOUTHERN
AFRICA
INNOVATION
SUPPORT



RE:innovation

— RETHINK THE SYSTEM —

**CALL FOR
PROPOSALS**

Grants for Regional
Innovation Projects

Call Identifier SAIS 2020/3

CONTRACTING AUTHORITY



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NATIONAL FOCAL POINTS





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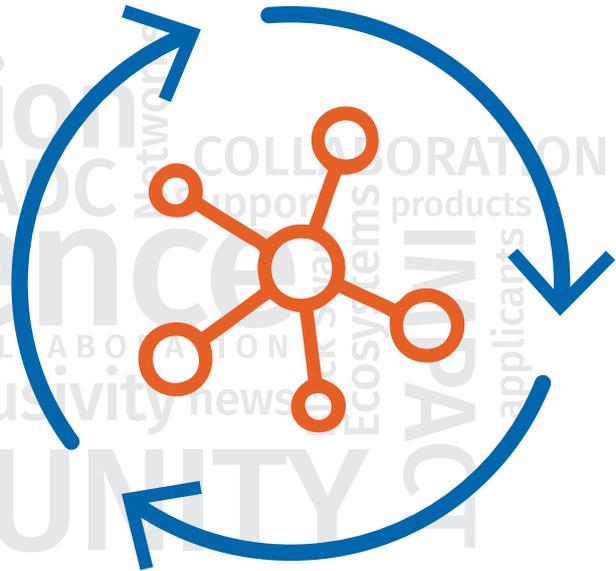


Introducing RE:innovation

Do you have an innovative and tech-driven solution that can improve the startup ecosystem's resilience?

How winning projects can benefit from participating in RE:innovation

Introducing RE:innovation



“
For the RE:innovation challenge, SAIS 2 is calling for scalable solutions that can improve startup ecosystems’ resilience against uncertainties and unexpected occurrences.”

The Southern Africa Innovation Support Programme (SAIS 2) Innovation fund is now inviting project¹ proposals for funding through the *RE:innovation* challenge competition.

RE:innovation is a challenge inspired by recent events. Sudden shocks such as the COVID-19 pandemic and the 2007/2008 Financial Crisis and their resulting fallouts have shown how vulnerable entrepreneurship and innovation ecosystems can be to previously unforeseen events. For example, we are currently seeing how the pandemic is interrupting the operation of ecosystems supporting innovators and entrepreneurs while harming the enterprises being supported. These shocks can be particularly harmful for ecosystem subsets that are new and complex, and comprise organisations with competing interests, such as startup ecosystems¹.

For the *RE:innovation* challenge, SAIS 2 is calling for scalable solutions that can improve startup ecosystems’ resilience against uncertainties and unexpected occurrences. A resilient ecosystem can adjust to external and internal influences and continue operating without halting activities or reorganise without losing its underlying function. Resilience is critical for ecosystems to make rapid recoveries to negative events, but it is also the key enabling factor to ecosystems’ development and growth.

¹ For SAIS 2, the term “startup ecosystem” refers to clusters and networks of entrepreneurs, investors, firms, universities, research labs, government agencies, and other institutions as well as the resources they bring to support startups and early-stage entrepreneurs.

Do you have an innovative and tech-driven solution that can improve the startup ecosystem's resilience?

To answer the *RE:innovation* challenge call, you need to meet the following criteria:



1 You need to offer an existing solution that can improve a startup ecosystem's resilience in one of the following countries: Botswana, Namibia, South Africa, Tanzania, or Zambia.

2 The solution (which can be a product, service, or process) is technology² enabled.

3 The solution can be easily adapted to this call for quick implementation.

4 You need to be part of a consortium (with at least two members) with the following characteristics:

- There needs to be a memorandum of understanding or consortium agreement between the consortium members
- At least one member needs to be an innovation support organisation³, and an innovation support organisation that is a consortium member must take the role of project coordinator
- At least the project coordinator must be based in one of the above five countries
- The consortium must have the ability and opportunity to implement a pilot project in one of the five partner countries
- All consortium members must be registered entities.

5 You must have access to a pilot test area in which to implement the project.

Resilience is critical for ecosystems to make rapid recoveries to negative events, but it is also the key enabling factor to ecosystems' development and growth.

[Startup Commons](#)

² SAIS 2 recognises the new technologies in the line of the fourth industrial revolution, such as artificial intelligence, cloud computing, robotics, 3D printing, the Internet of Things, and advanced wireless technologies as empowering technologies driving the scalability of startup innovations.

³ For the purpose of this call, an innovation support organisation is defined as an entity hosting entrepreneurs and startups in their physical premises and providing them with technical, financial, or other types of support.

How winning projects can benefit from participating in RE:innovation



A maximum of six (6) applications will be selected for funding of between EUR 30,000 and EUR 50,000 per project, to use on pilot testing or market validation of the proposed solution. The grant is awarded on a 80% grant, 20% matching funding (in cash and in kind) basis



Selected projects will have a maximum of five (5) months in which to pilot/validate their solution and/or implement it in a new context/location



The projects will receive an opportunity to present their solutions and the results of their testing to a wider network of policymakers and donors in Southern Africa

If you believe you're the visionary we're looking for, keep reading for in-depth information about the RE:innovation challenge.





About SAIS 2 and RE:innovation

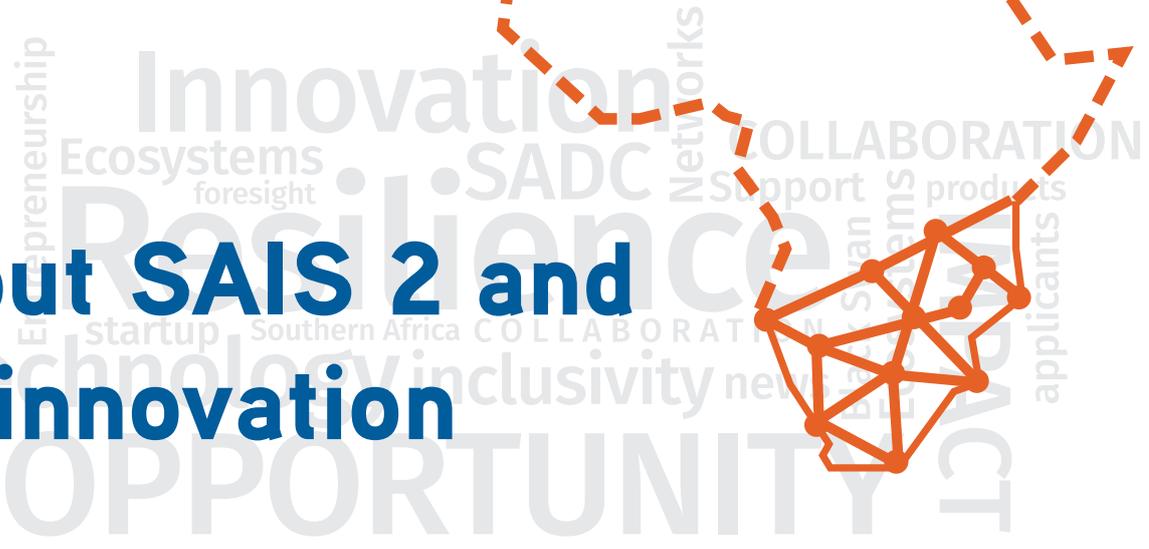
Background

Type of projects to be funded

Who can apply?

Required contents in your project proposal

About SAIS 2 and RE:innovation



SAIS 2's overall objective is to enhance regional innovation cooperation and national innovation systems that contribute to inclusive business and development.



The Southern Africa Innovation Support Programme (SAIS 2) is a regional initiative that supports the growth of new businesses through stronger innovation ecosystems and cross-border collaboration between innovation role players in Southern Africa.

Funded by the Ministry for Foreign Affairs of Finland with support from the governments of Botswana, Namibia, South Africa, Tanzania, and Zambia as well as the Secretariat of the Southern African Development Community (SADC), SAIS 2's overall objective is to enhance regional innovation cooperation and national innovation systems that contribute to inclusive business and development.

SAIS 2 supports local innovators, entrepreneurs, and institutions enabling the ideation, development, production, and consumption of innovative services, products, and processes in the SADC Region. One of the support tools used by the programme is the SAIS 2 Innovation Fund, which has so far launched two successful calls for proposals. *RE:innovation* is the Innovation Fund's third call (Identifier: Call for Proposals 2020/3).



Ministry for Foreign Affairs of Finland



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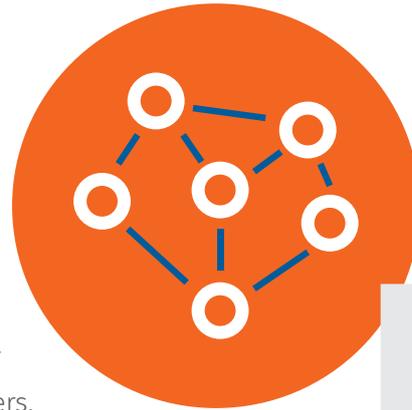
Ministry of Education Science and Technology



science & innovation
Department Science and Innovation
REPUBLIC OF SOUTH AFRICA

Background

Startups and entrepreneurs seldom triumph in isolation. Success is linked to various other factors such as a startup's team, vision, work plan, and its execution. That said, many startups are made or broken based on their access to a local startup ecosystem, including incentives and other support mechanisms available to them. Other ecosystem stakeholders such as technology promoters, users, financiers, and governments play an important role in making innovation happen in a given local market. As Startup Commons⁴ defines it: "Growth and success of your [startup] ecosystem is dependent on how well you design, implement, and run your ecosystem support service process".



“Growth and success of your [startup] ecosystem is dependent on how well you design, implement, and run your ecosystem support service process”

Despite this, role players in many ecosystems still operate in their own silos and compete against each other. At the local level, the role players often have fewer resources and less sophisticated institutions available to support their operation. Bottlenecks for cooperation may arise for different reasons, leading to a situation where scarce resources are not used optimally. Entrepreneurs may lack critical skills; innovation support organisations lack appropriate tools; or the public sector does not have policies supporting startup ecosystems in place.

RE:innovation therefore seeks practical, tech-enabled solutions to improve the resilience of selected startup ecosystems in the SADC Region. The proposed solutions are to be implemented in the form of projects with a focus on pilot testing and/or market validation.

The validation and pilot testing can take place in one or more of the five SAIS 2 partner countries, but only one grant is provided per project team. A minimum of one project and team will be selected in each SAIS 2 partner country.

At the end of the project implementation, the selected consortiums will be provided with an opportunity to showcase the projects results to the SAIS 2 Programme's wider network of innovation and entrepreneurship ecosystem actors, including local government representatives from five SAIS 2 partner countries.

⁴ <https://www.startupcommons.org/ecosystem-development.html>

⁵ SAIS 2 defines a project as a temporary activity in the sense that it has a defined beginning and end in time, and therefore a defined scope and resources. A project is unique in that it is not a routine operation, but a specific set of operations designed to accomplish a singular goal. See: Project Management Institute (PMI): <https://www.pmi.org/>

Type of projects to be funded



The applicant should have a minimum of an existing prototype of a service, product, and/or process that is technologically enabled and can provide a marketable solution that improves resilience in a startup ecosystem in some way. Alternatively, the proposal can be based on an already existing product, service, and/or process⁶, where the project seeks to improve or expand the solution, or to replicate it in a new ecosystem in another SADC country.

To get started on identifying solutions, you can consider following questions:

What does your entrepreneurship and innovation ecosystem look like?

How do various role players and initiatives relate to each other?

How would ecosystem role players benefit from moving their activities to digital platforms and how can this be done?

Is there a gap in the service provision that can be addressed to improve connectivity and operations in your ecosystem?

Is there a need to enhance government coordination and cooperation between established role players and startups?

What do role players need to do to improve the resilience of their products, services, or processes?

⁶ SAIS 2 understands innovation in line with the OECD definition as new and significantly improved products (goods and services) and processes. SAIS 2 also emphasises the importance of the use of technology in innovation processes. Hence the focus of SAIS 2 innovation support is on “technologically” new or improved products and processes. It follows that a “technological” product innovation is the implementation/commercialisation of a product with improved performance characteristics, such as to deliver objectively new or improved services to the consumer. A technological process innovation is the implementation/adoption of new or significantly improved production or delivery methods. It may involve changes in equipment, human resources, working methods, or a combination of these. See: Oslo Manual. Guidelines for Collecting and Interpreting Innovation Data, 3rd Edition. OECD, Eurostat. 2005. http://www.oecd-ilibrary.org/science-and-technology/oslo-manual_9789264013100-en

The prototype or existing solution needs to:

- 1** Be suitable for technical validation and pilot testing (with a new user group or geographic location) in the market of one or more SAIS 2 partner countries;
- 2** Show the potential to match with identified needs in the user population and the identified market; and
- 3** Emphasise market validation rather than the development of a new technology or idea.

Proposed solutions should be at the following development stages:

- i** Working prototype, but no user testing (pilot testing and/or market validation)
- ii** Working prototype, with user testing (market validation)
- iii** Product or service with several users (for improving/replicating the solution)
- iv** Product or service with paying customers (for improving/replicating the solution)
- v** Product or service with no users (for improving the solution)



The proposed projects need to be implemented from start to finish within a five (5)-month time period. The selected projects are expected to close at the latest by 30 March 2021.



RE:innovation is technology- and solution-agnostic, which is to say we are open to a wide variety of solutions as long as they fit the criteria listed in this document. Potential solutions we envisage can include – but are not limited to – the following examples:

- Ecosystem mapping
- (Digital) platforms promoting cross-border collaboration between ecosystems
- Technology forecasts to identify potentially useful technologies still on the horizon
- Tools to enable remote work and/or improved communications across ecosystems
- Training or capacity building in resilience-building skills and techniques such as Foresight

The SAIS 2 grant amount should not exceed 80% of the total project cost, and the



Funding

matching funding (in kind and/or cash) should equal a minimum 20% of the total cost, with a minimum of 10% of the project being co-financed in cash, and 10% in kind. The cash contribution should be provided in the form of a bank guarantee or bank statement at the latest upon signing the grant agreement. Applicants with a higher percentage of matching funding in cash will be given preference in the evaluation.

The proposed projects need to be implemented from start to finish within a five-month period, including preparations, roll-out of the pilot testing/validation, reporting, and closing.

The SAIS 2 Innovation Fund does not take any equity on the products, services, concepts, intellectual property, or the organisations supported through the grant.

Who can apply?

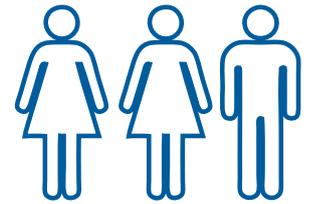
SAIS 2 sees innovation support organisations as playing a critical role at the ecosystem level. They host and coach entrepreneurs and act as focal nodes in connecting other role players and resources into joint activities, locally and globally. Therefore, RE:innovation welcomes proposals only from consortiums⁷ coordinated by innovation support organisations.

As an innovation support organisation, your mission has to be related to (a) assisting early-stage entrepreneurs and startups⁸ or (b) assisting other ecosystem role players (such as local government) in working for the benefit of early-stage entrepreneurs and startups.

The consortium must be led an innovation support organisation registered and based in one of the SAIS 2 partner countries⁹. Other consortium members can be startups and entrepreneurs, or from private or public sector organisations, academia, or civil society. All organisations must be registered legal entities.

International collaboration is encouraged, with organisations from other parts of Africa or the world being welcome to participate as consortium members. Applicants with an international partner from Finland in the consortium will be given preference in the evaluation.

Applicants should note that the project's content should cover a part of the natural process of rolling out a proposed solution and/or be an integral part of the activities or mandate of the organisation(s) submitting the proposal. This means that SAIS 2 does not support projects prepared solely for the purpose to obtain a SAIS 2 Innovation Fund Grant.



Applicants with an international partner from Finland in the consortium will be given preference in the evaluation.



⁷ A consortium is an association of two or more organisations with the objective to participate in a common activity and/or pool their resources to achieve a common goal through a project supported by the SAIS 2 Innovation Fund. A consortium is led by the principal applicant (project coordinator), with members comprising representatives from private sector, public sector, civil society, academia and/or business/innovation networks.

⁸ A startup is a venture that is initiated by its founders around an idea or a problem with a potential for significant business opportunity and impact. See more: <https://www.startupcommons.org/what-is-a-startup.html>

⁹ Botswana, Namibia, South Africa, Tanzania, and Zambia

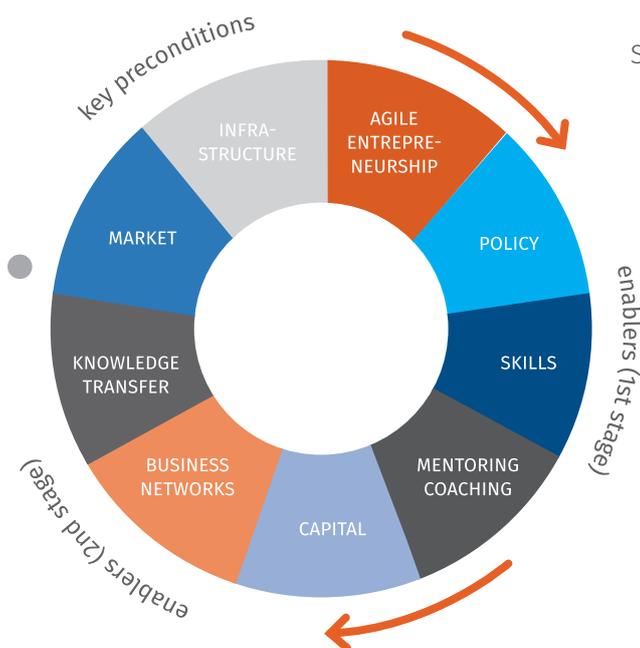
Required contents in your project proposal

Interested applicants are encouraged to identify a vulnerability in the startup ecosystem of their choice.

Interested applicants are encouraged to identify a vulnerability in the startup ecosystem of their choice, and propose the potential solution (i.e. a product, service, and/or process) that (a) improves upon already-present technical, social, or physical operation and/or activity in the ecosystem; or (b) patches an identified gap and thereby makes the ecosystem and/or part of it more resilient.

Solutions can be related to one or several existing elements in the startup ecosystem or alternatively to the patching of a vulnerability caused by the lack of a given product, service, or process. Startup ecosystem elements can range from physical preconditions such as digital or scientific infrastructures or accelerators to softer, often non-visible, characteristics, such as entrepreneurial mindset or startup culture. Elements may also include different types of enablers such as supportive policies, adequate skills (e.g. entrepreneurs/investors/incubator managers), the availability of funding, or lack of instruments, for example business networks, angel investors (and networks), or mentors for female founders.

SAIS 2 believes the adoption of a systemic approach for ecosystem development is a critical part of the ecosystem’s resilience. It allows stakeholders to understand the interconnection of role players in a given ecosystem, where changing one process requires the corresponding development from other related processes.



Elements of a (startup) ecosystem by LULDN and SAIS 2

SAIS 2 knows there are several ways to define the startup ecosystems and their components. Applicants may use the definitions most suitable for their purpose, but the content of the proposal has to be linked in a concrete element of a startup ecosystem or alternatively to broader innovation ecosystem with a clearly indicated connection to startups.

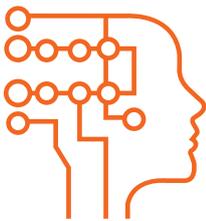
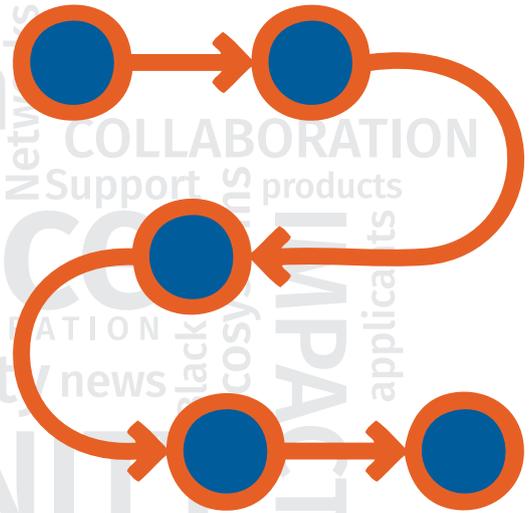
To the left is a model developed further by Loughborough University of London (LULDN) and SAIS 2, based on the Babson Entrepreneurship Ecosystem Project¹⁰, which can be useful to start with.

¹⁰ Isenberg, D.J., 2011. The Entrepreneurship Ecosystem Strategy as a New Paradigm for Economic Policy: Principles for Cultivating Entrepreneurship. Babson Entrepreneurship Ecosystem Project



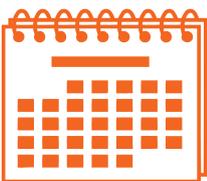
The RE:innovation challenge in a nutshell

The RE:innovation challenge in a nutshell



Applicants

- Consortiums comprising innovation support organisations such as incubators, hubs, labs, and accelerators as well as research/academia, private sector and public entities, and NGOs hosting and supporting youth entrepreneurship and startups are eligible to apply.
- The consortium must have at least one innovation support organisation as member, which will also act as the project coordinator
- Coordinator of the project must be a registered entity in one of the five SAIS 2 partner countries (Botswana, Namibia, South Africa, Tanzania, Zambia).



Grant Period

- Maximum five-month implementation period
- All proposed work must be finalised by Q1 (30 March) of 2021.



Grant Amount

- The grant amount requested should not be more than EUR 50,000 and not less than EUR 30,000, inclusive of VAT. SAIS encourages applicants to have matching funding (cash and or in kind).
- The grant amount should not exceed 80% of the total project cost, and the matching funding should equal at least 20% of the total cost.
- Matching funding must be provided in cash and in kind, each accounting for a minimum of 10% of project value.
- Applicants with higher percentages of matching funding in cash will be given preference in the evaluation.



Application Submission

- Applicants must provide a detailed application in time for the deadline for the submission.
- Applications are to be submitted online only by using the SmartME application, the link to which will be provided on the SAIS 2 website (saisprogramme.org).



Selection and Announcement of Grant Award Decisions

- Single-stage process (applications are submitted on the digital platform SmartME provided by SAIS 2 Programme website. After the evaluation, selection of shortlisted projects, and a due diligence process, the SAIS 2 Supervisory Board [SvB] approves the final list of projects to be funded).
- Applications are evaluated as submitted in September 2020. Grants are awarded in October 2020.
- Maximum of six (6) applications will be selected for funding.
- Selected applicants are invited to negotiate the final project plan with SAIS 2 PMO.
- The selected applicants are contracted to NCRST.



Challenge Competition Indicative Timeline

- Call Opens: 26 August 2020
- Call Closes: 27 September 2020 at 23.59 PM (CAT)
- Completion of Evaluation and Contracting of the Projects: September/October 2020
- Start of the Projects: October 2020
- Closing of the Projects and Grant Agreement: 30 March 2021

For further guidance, please refer to the SAIS 2 Innovation Fund Guide for Applicants on the SAIS 2 website (www.saisprogramme.org).

