



MINISTRY OF TRADE AND INDUSTRY

SOUTHERN AFRICA TRADE AND CONNECTIVITY PROJECT

BPC Application Description

Introduction

The Government of Malawi has received support from the World Bank (WB) for the financing of the Southern Africa Trade and Connectivity Project (SATCP). The project has four components: (1) reduce trade costs; (2) strengthen regional coordination and project implementation; (3) strengthen value chains for regional integration; and (4) strengthen transport infrastructure to improve market access. Jointly, the components address complementary constraints that hinder trade, investment, and economic opportunities.

The overall supervision of the project is under the Ministry of Transport and Public Works (MoTPW). Component 3 is being implemented with the technical support of the Department of Industry (in collaboration with Department of Small and Medium Enterprises (SMEs) and Cooperatives) under the Ministry of Trade and Industry (MoTI).

Component 3 of SATCP, “strengthen value chains for regional integration” is, among other interventions, being implemented through the issuance of matching and Business Plan Competition (BPC) grants.

Objective of Business Plan Competition (BCP)

The BPC will focus on innovations that can expand regional development including through development of new processes, high-productivity practices with the objective of reaching new regional markets, new market access solutions and digitally based solutions, among others. Implementation of all competitive grants will be required to apply climate resilient standards. The competitive grants build on the experience in Malawi in developing these programs.

The SATCP Business Plan Competition is specifically targeting entrepreneurs in the central, southern, and eastern regions of Malawi, which fall within the Nacala-Beira Corridor. The SATCP targeted districts include Ntcheu, Dedza, Mchinji, Lilongwe, Balaka, Neno, Mwanza, Blantyre, Mulanje, Thyolo Mangochi, Zomba, Chiradzulu, Phalombe, and Machinga. By focusing on these areas, the SATCP aims to stimulate economic growth and job creation within the Nacala-Beira Corridor.



Call for Proposals-Business Plan Competition Grants

The SATCP is inviting applications, in the form of business proposals from high-potential entrepreneurs within the 15 districts along the Nacara-Beira Corridor, who are interested in expanding their businesses or starting up new ventures with the potential to create jobs, through a regional integration lens, with innovative ideas that present a technologically innovative product/process/service, which requires technical and financial assistance for setting up and/or scaling up. The grant projects will be identified through a competitive call for proposal process. Proposals must demonstrate scalability, profitability and replicability of the business cases. If deemed necessary, the grantee may receive a technical assistance package and mentorship program, in addition to the grant, for the growth of the selected innovations, in particular where the entrepreneurship of the enterprise is led by women and / or youth.

The concept note (including annexes) should be presented using SATCP format and applicants are requested to download the Application form from the following online portal, (<https://satcp.mw/gpm-grants/#>). District Council Trade Officers are available to provide the necessary support to applications who may face challenge to upload applications on the SATCP online portal.

Use of Business Plan Competition Grants

The selected applicants will receive a capital grant. The purpose of this grant is to:

1. Foster innovation in firms for regional integration.
2. Improve the productivity of private firms.
3. Establish and/or foster jobs.
4. Consider and encourage gender equality and inclusion by encouraging applications by women and other categories.
5. Facilitate access to capital to finance the activities of companies.

Asset Ownership and Usage

All assets purchased or acquired using grant funds shall be co-owned by the Grant Recipient/Firm and the World Bank SATCP direct beneficiaries e.g. small holder farmers or Cooperatives. This co-ownership shall remain in effect throughout the



project implementation period and beyond. The Grant Recipient shall maintain proper records of all assets acquired with grant funds, including a detailed asset register.

The Grant Recipient/Firm agrees to use the assets solely for the purposes of the SATCP project and to maintain them in good working order. There shall be no sale, transfer, or disposal of assets acquired with grant funds without prior written consent of the World Bank.

Eligibility criteria for Business Competition Grants

For the proposal to qualify and be eligible for a grant, the applicant **MUST** demonstrate the following.

- Be a micro or small company according to the MSME policy including start-ups
- Be registered or willing to register the business
- Commit to applying climate-resilient standards to grant investment
- Complete the application form (to be downloaded from the SATCP online portal).
- The business must be located and operating within one of the 15 SATCP Districts along the Beira and Nacala Corridors: Ntcheu, Dedza, Mchinji, Lilongwe, Balaka, Neno, Mwanza, Blantyre, Mulanje, Thyolo, Mangochi, Zomba, Chiradzulu, Phalombe, and Machinga.
- Investment needs to be done within the 15 SATCP targeted districts.

Enterprise Category and Eligible Amounts

ENTERPRISE CATEGORY		Micro	Small
No. of Employees		1-4	5-20
Annual Turnover (In MWK)		Up to MWK5,000,000	Above K5,000,000 to 50,000,000
Maximum Assets (MWK)		1,000,000	20,000,000
AMOUNT TO APPLY			
Grant Amount (USD)	Minimum	5,000.00	15,000.00
Grant Amount (USD)	Minimum	15,000.00	25,000.00
Applicant Contribution		0%	0%
Donor Contribution		100%	100%

Selection Process

The eligibility criteria refer only to documents that must be submitted to be considered for funding. These make applicants eligible for consideration, but not approved. For the



selection process, the company must submit a complete business plan. The selection of an enterprise to access competitive grants will be based on the following selection criteria:

- 1) Technical and financial feasibility of the proposed investment according to the evaluation of the business plan in the complete proposal.
- 2) Sales - Impact of the investment: potential impact on the company's sales. 3) Employment - Impact of investment: demonstrated potential for job creation and/or better jobs.
- 4) Export potential in the region: demonstrated potential to export in the region using the Beira-Nacal Corridor.
- 5) Gender – Impact of investment: demonstrated potential for better economic opportunities for women, in the leadership of the company, as workers, as suppliers, or customers. This should be minimum 50% share of women participation.
- 6) Youth - Impact of investment: demonstrated potential for better opportunities for youth.
- 7) Climate - Impact of investment: demonstration that investment contributes to mitigation and/or adaptation of climate change.
- 8) Demonstrated commitment towards compliance with social and environmental aspects in accordance with World Bank guidelines.

Submission of Business Plan Competition Proposal

Proposal clearly marked “**Proposal for SATCP Business Plan Competition**” can be submitted through the online portal using this link: <https://satcp.mw/gpm-grants/#>

*The deadline for submitting the concept notes is **31st January 2025**. Applications submitted after the deadline will not be assessed. SATCP is also encouraging women led organizations to apply.*