

INTERNATIONAL FUNDING OPPORTUNITIES (DEVELOPMENT PARTNERSHIPS)



science
& technology

Department:
Science and Technology
REPUBLIC OF SOUTH AFRICA

July 2018



Development Partnerships Mandate

❑ DP mandate (ICR):

- ✓ Facilitate and service international development partnerships and opportunities for the benefit of SA National System of Innovation
- ✓ Leverage international development resources from governments and Foundations and Philanthropic Organisations
- ✓ Provide overall coordination of Official Development Assistance (ODA) within the DST





SATREPS

- Japan Science and Technology Agency (JST) and Japan International Cooperation Agency (JICA)
 - international joint research targeting global issues with an objective of future utilization of research outcomes implemented through collaboration with Official Development Assistance (ODA)
 - 3-5 years, R40-60 million
 - enhance the research and development capabilities of developing countries, and helps create sustainable research systems able to address and resolve development issues
 - Focus of annual Call for Proposals: Environment/Energy, Bioresources, and Disaster Prevention and Mitigation
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- Prior researcher coordination critical in submitting proposal, 3-5 years





DST participation in SATREPS

- Japan covers all project costs (running costs, Project Coordinator, equipment and material, international travel etc)
 - DST launches South African Call, pre-selection and submission of project proposals, and co-investment, matching by DST SSTR in Tokyo
 - Co-investment to cover local costs and strengthen South African participation (DST projects on climate prediction, seismology, infectious diseases, and biofuels)
 - 2018 Call to be released in early September, official submission end of November, outcome in March/April 2019
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- Call to be circulated





Global Innovation Fund (GIF)

- GIF is nonprofit innovation fund that is funded by a number of international partners to support and scale social innovations in developing countries
- DFID, USAID, SIDA, Australian Government Department of Foreign Affairs and Trade, and the Omidyar Network
- To date, these partners have pledged over \$200 million over 5 years
- Through a DST-GIF MOU, the DST aims to leverage around \$50-70m per year, in a blend of grants and risk capital





DST/GIF partnership

- DST and GIF MOU signed in July 2016: DST to make available grant funding through a mechanism that allows disbursement of funds to GIF-selected innovators in SA that are line with strategic priorities
- GIF focus aligns well with the DST's strategic objective to support innovation for development and socio-economic impact
- Linked to DST priorities in various areas of innovation: Health Innovation, Innovation for Inclusive Development, Environmental services (including water), Hydrogen and Energy, Transport Fuel and Information and Communications Technology (ICT) services and technologies
- GIF is global in breadth and scope: open to the best approaches to solve any major development problems. Cover all sectors that can result in social impact for those living on less than \$5 per day in developing countries
- The innovators funded are pioneering in a range of sectors from health to education to agriculture
- Open all year round and to investments anywhere in the world. This year received 500 applications related to Africa and just over 30 from SA organisations





DST/GIF contd.

- Innovations defined as solutions that have the potential to be more cost effective than standard development practice, and that could measurably improve the lives of millions of people living under \$5 a day
 - E.g. technologies, new business models, policy practices, behavioural insights, or ways of delivering products and services that benefit the poor in developing countries – any solution that has the potential to address an important development problem more effectively than existing approaches
 - Social enterprises, for-profit firms, non-profit organisations, international organisations, researchers, and government agencies
 - Tailored financing to meet innovator needs: funding from \$50,000 to \$15,000,000
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- Multiple financing instruments: Grants, Quasi-Equity (convertible notes), Debt, and Equity
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DST/GIF contd.

- Takes the best of the venture capital approach and marry it with a strong commitment to impact. GIF's investments fall into three broad stages (pilot, test and scale)
 - **Pilot:** providing seed capital to support the start up and field-testing of innovations. The goal of this stage is to refine the concept or business model and establish the viability of an innovation at a small scale through testing in real world contexts. Typically USD 50 000-200 000
 - **Test:** funding innovations that have already demonstrated success at a small scale. This stage is for innovators who require support for continued growth and for assessing the likelihood that the innovation can achieve social impact and/or market viability at a larger scale. Typically USD 500 000-1.3 million
 - **Scale:** supporting the expansion of innovations that have already demonstrated viability & impact. This category of funding helps innovators transition successful approaches to a large scale, usually with the goal of eventually achieving widespread adoption throughout one or more developing countries. Typically USD multi-million
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DST/GIF

- knowledge sharing on selecting innovators, deploying funds, supporting innovations to scale, advancing the global dialogue on innovation for development, and networks
- DST to advise on proposals from SA, final evaluation led by GIF and expert panel
- Selected SA innovators to be contracted and managed through a local implementing agency on behalf of DST





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Application Process

- **Initial application:** short online application form, supported by 2-4 page document
- **Full application:** more detailed, budgetary projections, interviews, sent for external/expert review
- **Decision Panels:** final Yes/No decision, expert panel and GIF management
- Further info:
 - ✓ www.globalinnovation.fund
 - ✓ @GlobalInnovFund and facebook.com/GlobalInnovationFund
 - ✓ Ms Gcino Mlaba

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