Fact Sheet

Title of the proposed Joint Programme	“BUILD” MALAWI WINDOW UNDER THE BUILD FUND
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Relevant UNDAF Outcome/s and Output/s

Malawi UNDAF (2019-2023) Strategic Priority 3 (Inclusive and Resilient Growth).
Outcome 9 - By 2023, Malawi has strengthened economic diversification, inclusive business, entrepreneurship, and access to clean energy

Relevant objective/s from national strategic document/s

The Malawi Growth and Development Strategy (MGDS) III (2017-2022) is the fourth medium-term national development strategy aligned to the country's long-term national development aspirations.

It aims at accelerating Malawi’s transition into a more competitive, productive and resilient economy. The MGDS III fully incorporates the goals and principles that underpin Agenda 2030 and the 17 Sustainable Goals (SDGs). It has five key priority areas: (a) agriculture, water development and climate change; (b) education and skills development; (c) energy, industry and tourism development; (d) transport and information and communication technology infrastructure; and (e) health and population. Peace, good governance, effective decentralization and gender mainstreaming are key enablers. Malawi achieved only four of the eight Millennium Development Goals and the transition to the Sustainable Development Goals will require enhanced coordination and evidence-informed planning and implementation.

Macroeconomic instability, recurrent natural shocks, and limited structural transformation have made it difficult to achieve meaningful reductions in poverty. Transforming Malawi’s economy to become more competitive, productive and resilient requires targeted action to scale up opportunities for job creation, skills and entrepreneurship development, innovation and robust market and trade systems, and structures that promote inclusive business, especially for women and youth. Accelerating the structural transformation of Malawi’s economy, while tackling the drivers of inequality and low productivity, relies on diversifying the sources of inclusive and job rich growth across the economy, expanding access to renewable energy, and implementing policy actions to improve the country’s business and employment environment by crowding in private investment to ramp up business solutions to development challenges.

More specifically, lack of access to finance, corruption, unreliable electricity and water supply are key constraints hindering private sector development and investment in Malawi. The private sector presents a static dualistic structure with a few, large and often foreign-owned companies engaged primarily in agricultural production with limited in-country value addition, and many micro- and small-scale enterprises mainly in the informal sector (with a ‘missing middle’). The ambitious objective of transitioning into a more competitive nation, if to be achieved, requires a more dynamic and innovative private sector able to invest and grow.

SDG targets on which the progress will be accelerated (includes targets from a range of SDGs and development pillars)

Goal 1: End Poverty	1.1 1.2 1.4
Goal 2: Zero Hunger	2.3 2.4 2.a 2.b
Goal 3: Good Health and Well-Being	
Goal 4: Quality Education	
Goal 5: Gender Equality	5.5

Goal 6: Clean Water and Sanitation	
Goal 7: Affordable and Clean Energy	7.a
Goal 8: Decent Work and Economic Growth	8.2 8.5
Goal 9: Industry, Innovation and Infrastructure	9.2 9.3
Goal 10: Reduced Inequalities	
Goal 11: Sustainable Cities and Communities	
Goal 12: Responsible Production and Consumption	
Goal 13: Climate Action	
Goal 14: Life Below Water	
Goal 15: Life On Land	
Goal 16: Peace, Justice and Strong Institutions	
Goal 17: Partnerships for the Goals	17.1 17.3 17.7 17.11

Self-Assessment

The proposal reflects the integrated nature of the SDGs	Yes
The proposal is based on an inter-agency approach (two or more UN entities involved), with RC coordinating Joint Programme preparation and implementation	Yes
The proposed results are part of the UNDAF and aligned with national SDG priorities	Yes

The proposed Joint Programme will be led by government and include key national stakeholders	Yes
The proposal is based on country level consultations, as explained in the Concept note, and endorsed by the government (the letter of endorsement)	Yes
The proposal is based on the standard template for Concept Notes, it is complete, and it includes: • **Theory of Change demonstrating contribution to SDG acceleration and transformation to implement the 2030 Agenda and awareness of relevant financial policy efforts at regional or national level,** • **Results-oriented partnerships, including a strategy to engage and partner with IFIs/MDBs,** • **“Quick wins” and substantive outcome-level results, and** • **Initial risk assessment and mitigation measures.**	Yes
The proposal is expected to leverage resources for the SDGs at scale	Yes

Proposal for Joint Programme

1. Summary of the Joint Programme

Purpose: Over the past near decade, the UN (led by UNDP) has built a solid pipeline of “bankable” SMEs (currently 70 investments) and inclusive business projects with relevant social impact in Malawi, using technical assistance and matching grants. For such growing enterprises, it is key to avoid an “investment disconnect” that would jeopardize the successful outcomes generated from the previous support.

To ensure a harmonious investment continuum of support along the developmental stages of these companies, UN agencies have combined forces to operationalize Malawi’s first structured blended finance solution (BUILD Malawi Window) to build upon the legacy of its private sector development work to further advance the SDGs.

Problem: Malawi has one of the lowest rates of total investment in Africa, with the average rate standing at 14.9 per cent of GDP in the period between 2000-2017 (IMF WEO). Particularly, SMEs in Malawi are embedded in fragmented markets. Malawi’s financial sector offers a narrow range of financial services and products and is characterized by inflexible loan repayment offerings that cripples small and medium enterprise (SME) expansion in country.

Expected Results: The BUILD Malawi Window is seeking to provide a facility to access strategic risk capital to companies interested to advance SDG outcomes and that are currently not accessing responsive finance from the domestic or international financial markets.

The support to agricultural SMEs can bring about both financial returns and social impact by addressing the challenges of hunger and malnutrition and supporting the increase of income levels along supported value chains.

Description: The “BUILD Malawi Window” will be a specialized structured blended finance vehicle under the overall BUILD Fund spearheaded by UNCDF and Bamboo Capital Partners. BUILD Malawi will provide long-term debt and/or equity to SMEs that need impact capital, unavailable in Malawi, and that are on track to invest further in inclusive business models. This will be combined with access to technical advisory support, via the BUILDER Malawi TA (with UNDP as the guardian), to de-risk financial transactions, and to maximize the developmental impact of the investment. Under the leadership of FAO, technical assistance will be mobilized to foster viable supply chains in the agribusiness sector and sustainable smallholder supply-chains for the investments to be recommended to BUILD Malawi.

Stage: Feasibility Study. UNDP Malawi commissioned an internal mission from UNCDF and has received a detailed assessment report analyzing the feasibility of the BUILD Malawi Window, with a positive recommendation.

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2. Thesis and theory of change of the Joint Programme

The underlying ToC for the BUILD Malawi Window is to increase access to finance among SMEs by diversifying sources of available finance and helping SMEs to access financial markets.

The financial sector in Malawi is failing to support SMEs due to its low appetite for risky investments led by SMEs. If catalytic financial support from “patient” or impact capital is provided, this will deepen the reach to riskier enterprises and will increase the risk appetite amongst financial institutions. Additionally, the provision of impact capital increases access to private capital and reduces the risk of borrowing money from extractive sources. Finally, providing SMEs with access to financial products as well as technical advisory support, reduces enterprise mortality rate, promotes SME growth and entrepreneurship, consequently, overall economic growth and competitiveness.

If impact capital is invested in bankable and investment-ready ideas, then smallholder in agribusiness supply chains (SDG 2) and women and youth (SDG 5) can enhance their access to markets and improve their livelihoods as they integrate into SME-led inclusive business models.

The BUILD Fund is therefore designed to unlock private and public capital flows to accelerate progress on the SDGs, particularly where market opportunities are clearly identified, and where SMEs are well positioned to contribute. The BUILD Malawi Window will be structured as a tiered, permanent capital blended finance vehicle, where several layers (or “tranches”) of capital will be used to invest in the same portfolio of companies, but with different risk and return features to the ultimate investors dependent on the tranche. If there is a loss, the first-loss, or catalytic, tranche will be the first to bear it, thereby protecting the middle, or mezzanine, layer of investors.

The first loss layer appeals to bilateral and multilateral actors who can now use their dollar beyond grantmaking to support their development objectives. If the BUILD Malawi Window does a proper job in identifying appealing market opportunities and estimate their potential to advance social impacts, the initial dollar invested can grow and returned capital can be recycled for future investments, and further amplify development gains.

Based on a sample of fifteen Malawian company interviews undertaken by UNCDF in November 2019, it appears that a minimum of USD 15 million in first loss for the Malawi Window (i.e. support to approximately twenty-six companies at a median transaction size of USD 550,000) would be needed for start the BUILD Malawi Window. Moreover, raising private capital for the mezzanine tranche will yield a larger Malawi Window size over time of USD 35 million.

BUILD and BUILDER, the TA facility attached to the Fund and providing pre-investment & post-investment support to investees, will support sustainable developments through different routes. The two overarching sustainable goals supported are SDG 1 (Reduce Poverty) and SDG 17 (Partnerships).

On the next impact level in the hierarchy of objectives are the following SDGs: SDG 2 (Zero Hunger), SDG 5 (Gender Equality), SDG 7 (Affordable and Clean Energy), SDG 8 (Decent Work and Economic Growth), and SDG 9 (Industry, Innovation and Infrastructure).

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3. What are the expected results of the proposed Joint Programme?

Expected Results: Following the SDGs are a number of expected outcomes from BUILD and the BUILDER and they all relate to unlocking of additional finance, private and public, domestic and international, for the “missing middle” in LDCs and “last-mile” geographies. Based on well-structured and assessed business plans, SMEs supported investments are expected to attain other positive outcomes and help support the overarching SDGs. Specific expected results include:

* Creation of 600 new sustainable jobs and 3,000 jobs created via upstream and downstream of value chains (of which 30% minimum are targeting women and youth);
* An expanded fiscal space for the Government through aggregated income taxes paid by BUILD Malawi investees amounting to $13.5 million;
* A growing BUILD Malawi Window with a total disbursed capital amounting to $35.7 million
* Increased income of the poor by at least 30%

National Priorities: The Government of Malawi (GoM) recognizes the need to support private sector growth and has reflected this in the 2017-2022 Malawi Growth and Development Strategy (MGDS) III, the country’s medium-term strategy designed to attain Malawi`s long term aspirations of poverty reduction and sustainable inclusive growth. The MGDS III aims to accelerate the country’s transition to a productive, competitive and resilient nation that also integrates the Sustainable Development Goals (SDGs).

The BUILD Malawi Window, under the BUILD Fund, seeks to complement Government efforts to foster private sector led growth by focusing on support to accelerating the growth of inclusive enterprises, crowding in impact investment for sustainable enterprise development and social enterprises, and scaling innovation and productive investment in Malawi’s key economic areas (agriculture and manufacturing).

UNDAF: Outcome 9 of the UNDAF emphasizes on the UN support for private sector development, entrepreneurship and job creation, with a focus on economic diversification and market access in line with the Government priorities as elaborated in the MGDS III

Sustainability is in-built in the business model since the investments made are of commercial nature. To attain this, BUILD will ensure that credible ready-to-invest plans are availed and due diligence is observed in the selection of the funding proposals submitted by SMEs seeking investment complemented with technical guidance and backstopping along the value chains supported. More impact capital made available to SMEs for investments in Malawi will contribute to accelerate SDG-related investments and reduce the funding gap between public and private capital for the achievement of Agenda 2030.

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4. Describe the innovative nature of the Joint Programme

The UN is supporting to create enabling conditions, regulations, and policies to facilitate in general the investment climate and, in particular, access to finance for agribusiness SMEs, as well as a vibrant, efficient and sustainable business environment for financial institutions and investors. However, the efforts made require a more ambitious approach that blends innovative financial instruments to leverage capital and provide a platform for the establishment of inclusive business models.

The financial landscape in Malawi is under-developed overall, with the following main characteristics:
* Provision of credit to the private sector in Malawi remains low by regional standards;
* The public sector is “crowding out” lending by banks to the private sector;
* Non-Performing Loans have been falling in the highly liquid banking sector, but lending practices do no favor SMEs;
* Whilst the banking system dominates, the microfinance sector (MFI) has remained small, with few opportunities to extend credit to the SME sector.

Innovation is therefore driven by the UN’s ability to launch a blended finance vehicle focused on Malawi, and on the BUILD Malawi Window’s capacity to attract new investors that are commercially oriented.

Whilst the Malawi Innovation Challenge Fund (MICF) have supported a number of grantees to access investment capital through the likes of NORFUND, Fledge Investments and commercial banks such as FDH Bank, these have required considerable support and time which is not sustainable for the longer term once MICF is completed. What is instead required is the development of “right sized” opportunities that can entice investors to invest in combinations of patient capital, debt, equity and mezzanine financing structures that are in the range of US$ 250,000 – 2,000,000, an amount which financiers are currently unable to provide in Malawi.

Finance, particularly the type of finance that is both patient and can leverage both debt and equity, is one of the most critical missing elements that is constraining replication and scaling of successful MICF inclusive business models. If this can be overcome then the MICF will be able to deliver a more systemic impact and leave its “innovation footprint” beyond a few relatively large firms in a narrow range of sectors, to a wider cross section of firms across an expanding portfolio of import substitution and export focused value chains.

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5. Expected added value of the UN and the Joint SDG Fund

Given the scale of the challenges the UN plays an important role in facilitating innovative solutions to catalyze private sector contributions towards the financing of the development architecture in Malawi.

UNDP has led support towards Private Sector Development through the provision of risk capital (matching grants) to the private sector with the MICF and the Growth Accelerator initiatives; and is building on its rich legacy of designing multiple interventions to address the challenge of lack of access to financing, particularly for SMEs.

UNCDF's capital mandate allows it to play a distinct role in the UNDS and to work as a hybrid development and finance institution. Uniquely positioned, UNCDF can issue grants, loans, and guarantees directly to the private sector, and can organize blended finance vehicles such as BUILD.

FAO adds expertise to ensure that proposals submitted by SMEs are based on verified agricultural market opportunities, through rigorous data-driven diagnostics and market research. This fosters FAO principles such as Guidance for Responsible Agricultural Supply Chains, ensuring environmentally and socio-economically sustainability. FAO will work to improve the capacity of smallholder-led supply chains to become more appealing to the SMEs accessing BUILD.

The Joint SDG Fund support for BUILD Malawi is requested as an investment primarily in the first loss layer. It is to be noted that the first loss layer appeals to public actors (development partners for example) who can now use their funds beyond grant-making to support their development objectives. UNDP engaged with several partners in Malawi (USAID, KfW and DFID in particular) to mobilize the funds for the first loss category. Partners engaged are expecting a contribution from the UN, so Joint SDG Fund support is crucial to unlock the additional funding.

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6. Leadership and implementation of the Joint Programme

UNDP Malawi's vast experiences in "missing middle" finance in Malawi have revealed that for investments to be successful capital deployment needs to be coupled with pre- and post-investment TA to investees. UNDP Malawi already has deep expertise and "boots on the ground" to efficiently deliver accompanying advisory support, including working with regulatory and policy making bodies to ensure that capital deployment comes with the appropriate protections.

UNCDF, in turn, provides the means to expand the deployment of capital instruments to a growing pipeline of companies in the last mile in the LDCs, with Malawi no exception. UNCDF's "investment platform" abilities rest on its enterprise risk management and investment policies; strengthened due diligence processes for vetting and assessing risks of potential investment opportunities; investment monitoring systems.

At a broader strategic level, the UNCDF also works to develop and launch new innovative third-party structured blended finance vehicles (such as the proposed BUILD Malawi Window) that can attract additional funding sources to drive the UN's continued execution of its SDG mission.

FAO also has strong partnerships and can mobilize its network of experts to facilitate a sound evaluation of capacities and limitations of small-scale farmer's groups and cooperatives that will be engaged by the SMEs that will be accessing funds from BUILD. This is critical to ensure that selected companies secure their investments while terms of negotiation with small-scale farmers are fair, principled and are financially sound.

Likewise, FAO's current capacity in Malawi mobilizing technical support in extension, climate smart agriculture, natural resource sustainable management and efficient food systems interventions makes possible to facilitate support to ensure that a principled value chain support is mobilized as per international standards. This is coupled with a strong partnership with the Government of Malawi with presence in 15 districts across the country.

7. Expected period of implementation

The BUILD Malawi Window is designed to have a permanent life with incremental investments expected to be made primarily at mezzanine and senior investor classes. The fund will be operational beyond the 4-year maximum duration of the Joint Programme.

The establishment of the BUILD Malawi Window will be achieved by meeting outstanding deliverables, which can be grouped in five distinct workstreams: (1) Legal; (2) Awareness Raising / Fundraising; (3) Pipeline Development; (4) Operations and Processes; and (5) Impact. The overall timeline should assume reaching an initial close of the Malawi window by October 2020.

The key milestones to be achieved include the actual establishment of the BUILD Malawi Window; the ongoing pipeline generation, the actual investments in enterprises that have social impact and the continued capitalization of the fund.

The overall goal of the fund is to unlock capital, both public and private, to serve SDG-aligned investments in the “missing middle” segment in Malawi while de-risking and create avenues for expanded financing capacity at national level. The successful deployment of capital will contribute to transform financial markets to serve enterprises that are impactful and job creators. This fully aligns to the development agenda of Malawi (MGDSIII).

8. Cost, co-funding, and co-financing of Joint Programme

The required funding from the SDG Fund amounts to 8,000,000 USD. A total amount of 6,750,000 USD is earmarked to be invested in the first loss tranche of the BUILD Malawi Window, under the BUILD Fund.

A minimum amount of USD 15 million shall be required to establish a catalytic, or “first-loss”, layer for the BUILD Malawi Window of which the ask under the SDG Fund is part of. It is assumed that the first USD 15 million to be mobilized will come from those bilateral and multilateral actors who have a vested interest in Malawi and who may have previously supported other private sector development interventions in country. It should be further assumed that this initial USD 15 million can be matched, or surpassed, with equal or higher amounts of private funding that could be mobilized primarily from local pension funds as a starting point.

UNDP Malawi is in discussion with DFID, USAID and KfW to mobilize funding for the first loss category of the BUILD Malawi Window. The financial request to the SDG Fund will be catalytic to mobilize the additional capital required in first loss (public) and mezzanine (private) categories. For every USD 1 in public funding mobilized for a “Malawi” blended finance solution up to USD 15 million, it would be ideal if USD 1.33 in local private funding is identified and mobilized up to USD 20 million. This therefore means that if successful, the BUILD Malawi Window can be capitalized up to USD 35 million as a starting point. UNDP Malawi is in discussion with two asset management companies, Nico Holdings and Old Mutual. Their capital can be released upon securing the first-loss capital.

750,000 USD will be required by FAO to undertake small-holder supply chain technical support, revision and analysis to facilitate private sector engagements and development of principled alliances as per the Guidance for Responsible Agricultural Value Chains. When required and depending of the value chains targeted by applicants, development of training materials and Good Agriculture Practices will be also considered.

The remaining 500,000 USD will be absorbed by UNCDF to cover part of the costs required to undertake onsite due diligence work on prospective companies to be supported under the fund as part of the pre-investment support package.

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9. Risk assessment

There are five main risks associated with this proposed Joint Programme: (1) not generating enough pipeline opportunities to construct a strong portfolio of Malawian companies; (2) not obtaining enough catalytic funding to unlock private funding for the BUILD Malawi Window; (3) not generating leverage in the form of private capital to ensure blended finance in action; (4) quality of sound SMEs investment-ready business plans; and (5) falling behind on its intended impact outputs and outcomes to drive SDG achievement in Malawi.

The first risk is mitigated by UNDP Malawi's near decade of work using technical assistance and catalytic grant-making tools, which have identified, supported and nurtured a pipeline of "bankable" Malawian enterprises that can access financing from the BUILD Malawi Window. This was preliminarily tested and verified through a 2019 joint mission that resulted in detailed conversations with fifteen growth-stage companies, three commercial banks and multiple early-stage companies. These banks and enterprises were screened against preliminary criteria (focused on growth, profitability, leverage, founder commitment). A critical mass of these companies were positively viewed as candidates for a potential BUILD Malawi Window. This experience will translate into identifying even more opportunities.

The second risk mitigated by the UN's longstanding donor engagement efforts in Malawi with numerous bilateral actors, including DFID, KfW and USAID. These (and other) donors have cumulatively provided $38 million to support private sector development efforts in country, spearheaded by UNDP Malawi. These three donors in particular have expressed interest providing catalytic first-loss funding to support the BUILD Malawi Window, which will be further propelled by a commitment from this Joint SDG Fund.

The third risk is mitigated by detailed conversations conducted by UNDP Malawi with regulator, Reserve Bank of Malawi, and potential private investors Old Mutual Investment Group and NICO asset managers. These were all positive conversations that speak to a strong likelihood of attracting private investor interest over time.

The last identified risks are mitigated by the experience and technical expertise that will be delivered by the United Nations. FAO and UNDP Malawi will provide substantive technical audits of the supply chains of companies to determine inclusivity for smallholders. UNDP Malawi will be the guardian of all impact design, data collection and measurement, as well as delivering additional pre- and post-investment support as needed to ensure positive SDG impact and alignment with enterprise risk management policies and private sector engagement standards to safeguard the UN brand.

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10. Convening the private sector and engaging IFIs/DFIs

Over the years, UNDP Malawi has built a very strong partnership with the German Development Bank (KfW) on private sector development. KfW is akey financial partner to the Malawi Innovation Challenge Fund and to the Growth Accelerator initiative. KfW is also expected to provide an investment grant into the BUILD Malawi Window under the BUILD Fund.

Moreover, private capital is being sought through well-established pension funds in the country, Nico Holdings and Old Mutual. Pension funds have large appetite to invest in such vehicles given the capital reserves such players retain without any returns, but exposure to the same in Malawi is very limited if not non-existent. Old Mutual is ESG (Environmental, Social and Governance) compliant and their strategic areas of investment, Agriculture, Financial Services and Infrastructure, are fully aligned with the BUILD Malawi. Old Mutual has also an interest in managing the BUILD Malawi after some time which could be an ideal exit strategy for the UN. For Nico Holdings ESG compliance is in the pipeline and should be attained by the end of 2020. Nico Holdings has equally huge appetite in such vehicles and is reliant on the UN to move forward on such investments.

11. Leverage and catalytic function

The BUILD Malawi Window may specifically have two initial layers: a first loss tranche protecting a mezzanine tranche. A senior tranche could be added in the future.

A minimum amount of USD 15 million may be needed to establish a catalytic, or “first-loss”, layer for the BUILD Malawi Window. It is assumed that the first USD 15 million to be mobilized may include multi-donor actors such as the Joint SDG Fund. Additionally, bilateral actors who have previously supported other UN-led private sector development interventions in country have specifically expressed interest.

It should be further assumed that this initial USD 15 million can be matched, or surpassed, with equal or higher amounts of private funding that could be mobilized primarily from local pension funds as a starting point.

For every USD 1 in first-loss funding mobilized for the BUILD Malawi Window up to USD 15 million, the goal will be to mobilize USD 1.33 in local private funding to attract an additional USD 20 million. This is a leverage figure for the BUILD Malawi Window as a structured blended finance solution; there’s also the distinct possibility of activating leverage at the transactional level for each individual transaction completed.

This therefore means that if successful, the BUILD Malawi Window can be capitalized up to USD 35 million.

The mezzanine layer could appeal to local pension funds and insurance companies. These potential investors could receive an annual targeted return of five percent (5%), payable in US Dollars, and would also be protected by the significant first loss layer in the event of losses in the underlying investment portfolio, including foreign exchange losses. This means that in the event of loss, the first loss investors will bear the total loss in full (via its invested capital) before it affects the invested capital of mezzanine investors. Such risk protection amounts to a 42.9% subordination “cushion” for such mezzanine investors; for first loss investors, it provides a powerful avenue to use their donor capital beyond grant-making to support their development objectives. If the BUILD Malawi Window does a proper job, the first loss capital can grow, be recycled for future investments, and further amplify development gains.

It is important finally to note that the UNDP Malawi team has a significantly positive track record of attracting both co-financing ($20,000,000) and private sector leverage ($29,000,000) through its rich legacy of private sector development interventions in Malawi.

12. Technical support and seed funding

Support: There are four main “verticals” of support needed to complete the drafting and to operationalize the BUILD Malawi Window: (1) seed funding to deepen the investment pipeline; (2) seed funding for blended finance and investment structuring support ;(3) development impact support; and (4) technical support to shape the BUILDER TA facility

Deepening the breadth of the pipeline, existing and potential, would include a variety of interventions to prepare the different tiers of companies that have potential to access the BUILD Malawi Window funding. This would include: assistance with the preparation of pipeline analysis, beyond the 15 enterprises already analysed, and aligning appropriate companies or projects with the BUILD Malawi Window.

Blended finance and investment structuring technical support would include interventions needed to legally establish and launch the BUILD Malawi Window. These would include: finalizing key legal documentation (most of which have already been finalized under the overall BUILD Fund); and conducting desk and onsite due diligence of potential companies, including providing analyses of credit risk and proposing potential deal structures and pricing scenarios.

Impact technical support would include: helping the BUILD Malawi Window to design impact measurement frameworks for enterprises and smallholder supply chains that are practical and measurable; measuring, monitoring and improving development impact of investees; and communicating achieved impact to key stakeholders.

Technical support shall also be required to better structure the BUILDER TA Facility for the BUILD Malawi Window, and the inter-operability with the overall BUILD TA under the BUILD Fund and to pre-identify a pool of experts. Additionally, technical support is required to develop the value proposition for the pre-investment and post-investment sleeves of the BUILDER TA.

Budget: The amount of “seed funding” needed would be a total amount of $ 100,000 which is the sum of the following activities: legal and other support to finalize legal and governance structures for the BUILD Malawi Window and BUILDER Malawi TA Facility ($20,000), deepen the investment pipeline of potential companies for the BUILD Malawi Window ($30,000), and a diagnostic analysis to identify and refine the scope of technical assistance support to be provided under the BUILDER Malawi TA Facility ($20,000); and develop standardized impact metrics for the Window and for enterprises ($30,000).

Signatures

Signed Signature Form

Signatures_Page.pdf 114.46 KB

Government Endorsement

Letter of Endorsement

SDG FINANCING MOITT ENDORSEMENT LETTER.pdf 192.65 KB