



Investing in Women in the Blue Economy in Kenya (IIW-BEK)

FREQUENTLY ASKED QUESTIONS (FAQS)



1 What is the Investing In Women in the Blue Economy in Kenya (IIW-BEK) Programme?

The **Investing In Women the Blue Economy in Kenya (IIW-BEK)** is a five year (2022 -2027) CAN \$9.7 million programme generously funded by Global Affairs Canada (GAC) and implemented by the AECF. The programme seeks to enhance women's economic empowerment by promoting women and young women's participation in the traditional and non-traditional sectors of the blue economy. The goal of the programme is to contribute to the development of economic empowerment of women-owned enterprises, their suppliers, and producers along key supply chains where women are discriminated against in Kenya's blue economy.

2 What are the objectives of the IIW-BEK programme?

The objectives are to:

- i. Enhance financial inclusivity for the women and young women-owned medium-sized enterprises operating within the blue economy sector increasing access to credit, enabling market linkages, supply of inputs, products, services along the value chain and creating employment.
- ii. Provide targeted enterprise development technical assistance and capacity building on gender mainstreaming for enterprises.
- iii. Advocate and increase awareness of the business case for investing in women in the blue economy in Kenya.
- iv. Provide incentives for sustainable widespread adoption of climate-smart practices in Kenya's blue economy.

3 Why the focus on women businesses and opportunities for women?

The project conducted scoping as part of its development and design which indicated that women and young women face disproportionate challenges compared to men and young men in accessing capital, land, business skills, financial literacy (due to illiteracy and lack of formal and informal education), and market access. This hinders women effective participation in the blue economy. Where women are active in the blue economy they engage in value chain nodes with low margins. The project thus seeks to elevate women's economic participation, grow their incomes and contribution they make in society.

4 What is Blue Economy

The blue economy is defined as the sustainable use of oceans and all water systems including lakes, rivers, and freshwater sources for economic growth, renewable energy and job creation while preserving ocean's and all water systems' health and biodiversity for future generations.



5 How long will the programme run?

The programme will run for 5 years (2022 to 2027)

6 Which geographical areas is the programme targeting?

The programme is set to target Kenya's poorest Coastal and Lake Victoria regions. The programme applies a private sector-led approach and will provide funding through two windows aimed at women owned medium-sized enterprises and women small and micro enterprises.

- i. Medium enterprises applying under window 1 should be commercially active in Kenya and demonstrate upstream or downstream supply chain linkages to women and young women-owned small and micro enterprises in up to 11 counties in the Lake Victoria Basin and Coastal region of Kenya.
- ii. Small and micro enterprises applying under window 2 should have be domicile within one of the 11 focus counties in the Lake Victoria Basin and Coastal region of Kenya. **Counties:** Mombasa, Kwale, Kilifi, Tana River, Lamu, Taita Taveta, Busia, Siaya, Kisumu, Homabay and Migori.

7 What focus areas is AECF seeking to reach with the programme?

The programme seeks to engage enterprises with innovative solutions within the blue economy in Kenya with a focus on one or more of the following value chains (not limited to)*:

- i. **Fisheries** (deep sea /lake fishing, aquaculture, and mariculture).
- ii. **Productive use of renewable energy.**
- iii. **Waste management** – innovations on the conversion of waste to value.
- iv. **Biodiversity protection** (marine and lake biodiversity protected areas).
- v. **Tourism** - provision of products and services to the tourism sector.
- vi. **Supply of inputs and services** (access to finance, climate-smart technologies - aquatic blue food storage and transportation, market information etc.).
- vii. **Social enterprises** that reduce the burden of care for women and young women (daycare child services).

*Detailed version can be found in the termsheets

8 Which enterprises/ entities are eligible for funding?

To be eligible for funding, private sector companies must meet the following criteria:

- i. Enterprises with a minimum of 51% female ownership with dominant representation of women employees, suppliers of raw materials, and distributors of goods will have a distinct advantage.
- ii. Provide viable business model that is commercially sustainable with a track record of earning revenue from their users with a minimum of one year in operation.
- iii. Demonstrate investment relationships/potential to access matching funds (based on the agreed ratio), leveraging additional and follow-on funding.
- iv. Be compliant with fundamental in-country and international human rights, labor standards, and environmental management laws.
- v. Demonstrate how the business model will deliver and sustain social impact in the target markets i.e., demonstrate how to leverage AECF funding to secure commercial funding.
- vi. Demonstrate additionality of AECF grant into the business (classification of additionality provided in the term sheet provided on the website).
- vii. Demonstrate how gender analysis has informed the product/service design and how it will impact the project.
- viii. Must NOT be involved in any act of terrorism or support terrorists' activities.

ix. Must allow regular due diligence.

9 Does the proponent need to be a legally established entity in order to apply?

YES.

Interested applicants for the programme would need to present their enterprise registration certification based on the form in which the enterprise falls under.

Registered international companies showing interest in applying for this programme can engage in the application process, however, local registration of a subsidiary would need to have been presented where successful award of grant funding is to be provided.

10 What type of support is available under the programme?

Shortlisted applicants and grantee investees will be able to access AECF's support package that include:

- i. Provision of targeted pre-investment technical assistance on business development services as required by the investee through the ACEF Advisory Studio.
- ii. Assist in investment facilitation services that enable the enterprise to access funding by assessing the potential to matchmake with existing AECF capital providers.
- iii. Create market linkages that avail access to climate-smart technologies that would enhance their sustainable business models.
- iv. Create pathways for market access through B2B linkages, product development advisory services, facilitation of the

certification process and involvement in trade fairs among others.

- v. Gender equality and social inclusion incentives, e.g., top-up funding where applicable, which reward investees that make significant changes to their processes to be gender-responsive and create increased opportunities for women along the value chain, develop policies and practices in response to their gender focus and monitor progress milestones.

11 How much funding will be provided under the programme?

Grant funding will be provided based on the particular needs of the enterprise project with the following bands provided per window:

- i. Women in Blue Economy Kenya window (window 1): USD 50,000 – USD 400,000
- ii. Grant funding to women small and micro enterprises window (window 2)
 - a. Small Businesses Window (SBW): KSh 1.5 million - KSh 6 million (USD 15,000 – USD 50,000)
 - b. Micro Enterprises Window (MEW): < (lower than) KSh 1.5 million (USD 15,000)*

*to be opened at a future date and applicants for this funding will be initially supported in a 6-month business incubation upon which they will compete for funding.

12 Is co-funding required?

YES.

AECF will require matching contribution/ co-funding from awarded investees to demonstrate interest and trust from the wider investment community.

At the application stage, interested enterprises would need to declare the matching funds and have justification as to where the funds will be coming from. Funding requires matching fund as follows (AECF to investee contribution):

- i. Women in Blue Economy Enterprises window (window 1): 1: 0.5
- ii. Small Businesses Women window (window 2): 1: 0.25

Additional information on the constitution of the matching funds have been provided in term sheet(s).

13 What are the expectations and conditions when applying for the funds?

The following expectations should be noted when applying for the IIW-BEK programme grant funding:

- i. Applicants are expected to submit a funding application, justifying their requirements for the business/business idea to be funded, as well as funding amount and duration to be considered in the competition through the prescribed channel.
- ii. Funding must be used for a specific project in the Blue Economy e.g., scaling up an existing product or service or replication/expansion to a new market.
- iii. Investees can apply for a range of funding depending on their development stages and capacity to absorb funding for the proposed business. Total grant funds requested must be within the specific funding window requirements.

- iv. Funding will be milestone based, where disbursements are based on mutually agreed milestones that must be delivered/achieved.
- v. Applicants should demonstrate how they will deliver and sustain social impact in their target markets with key interest on the number of households served, improvements in women's income, inclusivity of women, stimulation of market growth, and engagement of women and young women owned MSMEs in the respective value chains.

14 How are applications evaluated? What is the selection process?

The selection process is based on a pre-determined marking criteria whereby scores are awarded in regard to applicant's compliance to set guidelines and the written concept.

15 What is additionality?

While we recognize that the additionality factor is context (geography, sector, etc.), below is a description of our broad check on additionality:

- i. **Faster:** Companies with future plans to invest their resources could be catalyzed by the funds provided under the IIW – BEK programme that would have ideally been delayed or lost. The funds allow for the proposed investments/enterprise to launch sooner and create transformational change quicker subsequently exposing the enterprise to attract additional investments.
- ii. **Bigger:** Companies with competing funding needs reducing

the impact of investment would benefit from AECF funds that would be dedicated for development impact and market systems development.

- iii. **Wider scope:** Companies that are expected to invest in other sources to expand the scope of the goods and services geographically or to different groups of beneficiaries would utilize the AECF funds to multiply the development impact, participation, and recognition of effort into its development.
- iv. **More inclusive:** The company will be able to access people closer to the bottom of the pyramid than it would otherwise, enhancing the benefit of Women. Women tend to be difficult and expensive to reach, requiring physical networks, smaller packages of goods with smaller profit margins (or none), longer repayment terms, actualized by irregular payment patterns, and/ or susceptible to greater payment default. Applicants/ companies should be able to demonstrate how the IIW-BEK funds will be used to cushion their enterprises from such operating environment risks.

16 I am having issues registering/submitting my application. What should I do?

Applicants with challenges submitting their application prior to the deadline can write to blue-economykenya@aecfafrica.org for support.

17 When is the deadline for submissions of the concept notes?

Refer to the window specific term sheet.

18 Can an organization submit more than one concept proposal? I have already proceeded with an application, but I need to modify/update some information. How should I proceed?

NO.

We encourage applicants to continuously save the draft concept proposals during the process of submitting information as the system allows for applicants to come back and update the saved content.

Once the applicant is content with the information, proceed to save the submission before the submission deadline. Updates past the submission deadline or after the submission has been done cannot be edited.

19 Is there an application fee?

NO.

The AECF does not charge any fee for application and participation in the competition.

20 Is it possible to present a draft before submitting, and ask for advice? Can we request for a one-on-one consultation?

The system allows for draft copies to be saved in the system prior to submissions before the deadline. We encourage applicants to engage the programme team through our open channels such as webinars and feedback forms to ask queries

regarding the programme and submissions.

However, enterprises will not be provided with special attention to strengthen the application as this will cause unfair competition which the competition is against.

21 Will there be any possibility to change the total budget figure in the submitted proposals when selected on the next stage of the process?

YES.

Based on AECF's assessment of the project needs and fundable activities, the total budget can be submitted once the proposal has been submitted within the funding range.

22 When will the selected proposals be announced?

AECF will strive to ensure that applicants receive communication on the application status regularly with successful applicants moving to the due diligence stage provided with an itinerary of activities. All rejected applicants will also receive communication of their application.

23 What happens if my proposal is shortlisted?

AECF will engage the shortlisted enterprise(s) to conduct a detailed due diligence assessment on all the business activities i.e., business processes, financial performance, marketing etc. From this process, enterprises will be required to provide a detailed business plan and financial model. A needs assessment will also be conducted to inform pre-investment technical assistance to strengthen the enterprise(s) proposal.

The proposals will later be presented to AECF's Investment Committee to complete the competition and provide the final grant awards list of investees.

24 What level of budget information will be required for shortlisted full proposals?

Potential investees will be required to share a detailed budget report highlighting the project activities and use of grant funding.

25 For successful innovators, are there any circumstances in which advance payments may be possible during implementation?

AECF will enter into an agreement with the investee based on the milestones to be achieved over the project lifetime. These milestones will be used to trigger disbursements to the investee with the first disbursement not more than 30% of the total grant funding.



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