

Lore Lindu Coffee and Cacao Innovation Competition

**Project Idea Template for Applicants**

# OVERVIEW

The Lore Lindu Coffee and Cacao Innovation Competition is a competition for private sector companies in Indonesia and internationally to partner with GIZ Indonesia and local farmer groups to pilot an innovation in the coffee and/or cacao supply streams of Lore Lindu, Central Sulawesi. The competition will select partners providing innovative and scalable solutions to increase profitability and market access for smallholder farmers in this region.

# GOALS

(1) To increase yields, and
(2) to increase farmer incomes
for coffee farmers through partnerships and collaboration between farmer groups and other private sector companies to implement innovative tools, practices and / or business models in the coffee and / or cacao supply chains that are scalable and replicable.

# SPECIFICATIONS

Target beneficiaries will partner with target partners who will pilot an innovative tool, practice or business model through training and service provider support in order to access higher value / niche markets.

**Target beneficiaries**: smallholder groups, producer associations in the target area

**Target partners**: supply chain actors in the private sector, including privately owned processors, local chocolate and coffee companies, exporters, international buyers, service providers, technology companies

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# MATCHED SPENDING

## Matched Grant Funding

Up to 50% of the project budget will be invested by GIZ up to 80,000€ per proposal to cover cost of materials, technology and technical assistance — it is not a cash disbursement-based fund, GIZ can only fund **Eligible activities and costs**; and requires matching contributions from applicants (monetary and/or in-kind) for other activities and costs associated with the pilot project. All non-eligible activities and costs will be required to be funded by the company, as part of their 50%+ contribution.

## Eligible activities and costs:

Costs of external technical staff to provide specific services on the indicated activities;

Travel and subsistence costs of the above-mentioned technical staff, where such travels are relevant for the execution of the project activities;

Costs of seminars, workshops and other facilities emanating from the project;

Costs of research and dissemination of information, printing etc.;

Direct travel expenses in relation to e.g. improved planting material; development and dissemination or training delivery;

Expenses in relation to pilot test of the improved planting material or inputs or execution models;

Machinery and equipment needed for a disruptive innovation, (the ownership of this equipment needs to be transferred to farmers, farmers groups, NGOs or Civil Society Organizations at the end of the funding period);

Development of new or improved business service (e.g. certification, embedded services), support to the establishment of inclusive business partnerships or costs related to support the creation of business linkages;

Capacity development measures (technical, organizational, managerial) for supported VC actors and supporters.

## Non-eligible activities and costs:

-purchase of land
-taxes, including VAT
-marketing costs, including advertising costs;
-items or activities previously financed by the Matching Grant Facility or another Funding agency;
-costs of free research and development;
-costs of individual ventures;
-imputed profit; Debts and provisions for losses
-the share of interest in the amounts posted to the provisions for pension payments
-transport of goods, insurance and bank transaction costs

**Applicant** **Information**

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| Basic Information |  |
| Company name:  |  |
| Company description: |  |
| Contact Person and Role: |  |
| Contact Email: |  |
| Other contact details (Whatsapp, HP etc.):  |  |
| Number of Company Employees:  |  |
| Company’s years of operation:  |  |
| Company type (producer organization / private processor / trader / roaster / cafe / service provider / exporter / other please specify)  |  |
| Company’s authorized activities: |  |
| Primary product / revenue generator: |  |
| Annual production (2020): |  |
| Annual production (2021):  |  |
| Target market (domestic / international, please list countries):  |  |
| Name of Farmer Partner Group (Target Beneficiaries):  |  |
| Contact Person at Farmer Partner Group:  |  |
| Number of members of Farmer Partner Group envisioned to be involved in Pilot Project:  |  |
|  |  |
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| --- | --- | --- |
| Selection Criteria | Fulfilled? Yes or No | Explanation  |
| Commitment to the Funding Principles |  |  |
| Applicant is/has a Target Partner  |  |  |
| Applicant is/has a Target Beneficiary |  |  |
| Innovative (not currently a practice of tool in use in the area)  |  |  |
| Value addition expected (eg. yield increase, quality improvement, improvement of post harvest loss, additional products, access to markets etc.) |  |  |
| Farmer income improvement expected |  |  |
| Ability to fully implement the idea within one year (and iterate in year 2) |  |  |
| Scalable |  |  |
| Replicable |  |  |
| Contribution Expected from GIZ totals less than 80,000 for Eligible Costs and Activities |  |  |
| Company Commits to Contribution at least equal to the Contribution Expected from GIZ (this will include all Non\_Eligible Costs and Activities) |  |  |

**Concept or idea**: Please tell us about the innovation that you would like to pilot with the coffee and/or cacao farmers in Lore Lindu. Is the innovation a tool, process or business model? How will you test it, and what are the expected results for farmers in terms of yield / volume and revenue? (1000 words)

What outside experts or materials or training will be needed to implement your pilot project? Please list them here. How much time do you think it will take to prepare and to carry out this pilot? Please tell us step by step how you will carry out this pilot and what equipment, consultants, and other support will be needed. (500 words)

**Business Commitment and Sustainability**: What do you expect the long term effect of this innovation to be for your business? For the farmers involved? What do you anticipate the main challenges to be? How can this innovation be scaled and replicated elsewhere? (500 words)