

# Q&A session 14 March 2024



#### The creation of FID

A key initiative in the modernization of France's development policy







FID was officially launched in December 2020 by **President Emmanuel Macron.** It is hosted by the **Agence Française de Développement** (AFD).



#### **FID's mandate**



Exploring and disseminating new development practices, including a committed risktaking approach



#### An ambitious financing mechanism

- Relying on rigorous evidence of impact
- Accelerating the large scale deployment of impactful solutions for development

#### A specific mandate

• The fight against poverty and inequality, using innovation to transform public policies



# Close links with research and researchers

- Rigorously validate the potential impact of the funded solutions
- Informing our impact framework



#### Types of funding

- 100% grant: between €50k and €4M
- Successive levels of funding at key stages in the development of innovative solutions

## FID finances innovations at different stages of development





Generate knowledge and build capacity to transform public policy Transforming Public Policy grants (< €500K)



## The FID supports the emergence of evidence-based innovations





## Sectors

The FID funds projects in all sectors, but gives priority to proposals in the fields of education, health, climate and gender equality.



All kinds of organisations can apply, either independently or as part of a consortium: research institutions, governments, NGOs, private companies, universities, etc.



#### Geographic zones

The FID is open to initiatives from all horizons, deployed in all **low- and middle-income countries**.

It gives priority to the least favoured and most marginalised territories and populations.



# Innovation in the fight against poverty and inequality

The FID is **open to any solution** (social, technological, financial, etc.) that offers an improvement on existing approaches (in terms of cost, speed of implementation, feasibility, etc.) and that could benefit a large number of vulnerable people.



#### 5 funding stages

#### **Stage 0: Prepare Grants**

(1)Towards preparing a Stage 1 application and supporting the preparation of the piloting phase of innovations. (2)Towards preparing a Stage 2 application and supporting the preparation of in-depth experiments and innovation's impact evaluations already piloted.

Up to € 50,000

Stage 1: Pilot

Innovations that are early in development and need real-world testing to refine the basic model.

#### Stage 2: Test and position for scale

Further testing and continued growth of innovations to assess the likelihood that they can achieve both impact and viability at a larger scale.

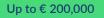
#### Stage 3: Transition to scale

Transition of rigorously tested and validated solutions to widespread scaling.

#### **TPP:** Transforming Public Policy

(1) Institutionalization of specific innovations

(2) Building the capacity of governments to design, test and deploy rigorously evaluated innovations



Up to € 1,5M

Up to € 4M

Up to € 500,000



#### Projects are evaluated on the basis of three criteria

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#### **Evidence of Impact**

Demonstrated impact – and a strategy to measure said impact – on the lives of people living in poverty. Cost-effectiveness

Demonstrating more impact with fewer resources.

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# Potential for scale and sustainability

Pathway to benefit the lives of millions of people - through the public or private sector.



#### The application review process





- A call for projects open throughout the year
- Projects selected according to a specific FID process.
- Governance with a review committee (3 qualified) and a Board (9 members).
- S All applications receive a first response from FID within 3 months after submission
- 🔗 In average, grant agreements are signed within 9 months after submission



## Examples of good practice in applications



- Explicitly describe the **potential impact** on the living conditions of the **most vulnerable**.
- Explicitly describe how the solution presented is likely to solve the problem more effectively and/or at lower cost than existing alternatives
- Present a **structured theory of change** with a clear hypothesis and causal links between the activities implemented, the results and the final impacts
- A clear vision of the plan for scaling up, the elements guaranteeing the project's sustainability and the potential for replicability
- In the case of **co-financing**, clearly demonstrate what the added value of FID would be



- Funding is required primarily to cover operating costs not directly related to the innovation (infrastructure, machinery, hardware, etc...)
- Inappropriate stage of funding

FID funds projects that have already been set up, that have identified the main partners, that have a well-developed theory of change, and that have already developed an M&E or evaluation strategy.



Prepare Grant towards a Stage 1 (Up to € 50,000)

- A well-documented, pressing development challenge, supported by data
- S A convincing innovation idea, supported by a theory of change
- Priority is given to locally-based, under-represented teams aiming at kickstarting an innovative solution or intervention.
- S Ideally implemented in a low-income country
- Clear indication of a business plan/sustainability plan
- I clear position for financing a pilot under real conditions in Stage 1

- Studies: feasibility, market fit, technical...
- Intervention design
- Development of data systems to explore the innovation's potential
- Hiring research or policy staff to do any of these activities



#### Prepare Grant towards a Stage 2 (Up to € 50,000)

- 🎯 Priority to be given to research teams based at local universities
- S Ideally implemented in a low-income country
- A well-documented, pressing development challenge, supported by data
- A solution that has already been piloted in real-life conditions with convincing results
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- Clear positioning for future financing (stage 2): • Preparing an impact evaluation
- Preparing for programme expansion or replication
- Preparation of scale-up model tests



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- Feasibility study of a Randomised Controlled Trial
- Designing a protocol for a Randomised Controlled Trial
- Sampling and statistical power calculations
- Developing the partnerships needed for impact assessment
- Development of data collection systems with a view to impact assessment
- Hiring staff to carry out any of these activities



#### Stage 1 (Up to € 200,000)

- Piloting an already-prototyped solution
- A theory of change based on clear evidence-based hypotheses (ideally drawn from the literature and peer-reviewed)
- Oemonstrated demand for the service/product
- A clear learning agenda, with indicators and a data collection plan to validate hypotheses (→ targeting, implementation, results, costs; but not impact)
- S A well articulated business plan/revenue model
- Convincing arguments on the cost-effectiveness of existing solutions and accurate description of cost-drivers
- A demonstration of the potential for scaling up and an action plan to achieve it
  - 7 Tapping on a market failure that traditional venture capital would not address (why FID money?)



- Pilot to study the potential for adoption and appropriation of the solution
- The user experience
- New implementation models
- Actual costs
- Developing the impact measurement strategy



#### Stage 2 (Up to € 1,500,000)

- A solution that has already been piloted with convincing results
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- Impact assessment is central to the proposal

 Details of the evaluation method and design (experimental or quasi-experimental, sample size and power calculations to justify sample size, research questions)

- × Pre-post assessment will not be considered as rigorous enough at this stage
- Impact indicators and a data collection plan to measure intermediate and final impacts, behavioural change and costs



Committed local partners, both for evaluation and for implementation at local level

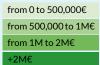
- A strong research partner (research institute, university, organisation with expertise in impact assessment)
- A clear strategy for achieving scale and political impact



- Impact evaluation
- Program expansion or replication
- Testing implementation models at scale

# FID's projects focus on innovations in geographies with limited access to innovation funding

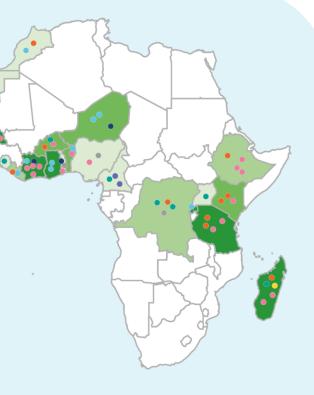




#### Secteur principal des projets

- Agriculture and food safety
- Climate
- Education
- Employment
- Gender
- Governance
- Financial inclusion
- Health

FID also supports projects in India, Pakistan, Mexico, Laos and Cambodia.



- 88% of FID funding supports projects located in Africa, including 40% in the Gulf of Guinea and 16% in the Sahel
- 61% of projects financed are located in a low income country
- 25 countries represented in the portfolio



## FID portfolio in 2021-2023

66 projects funded, representing €31M in commitments

2021-2023 portfolio by funding stage

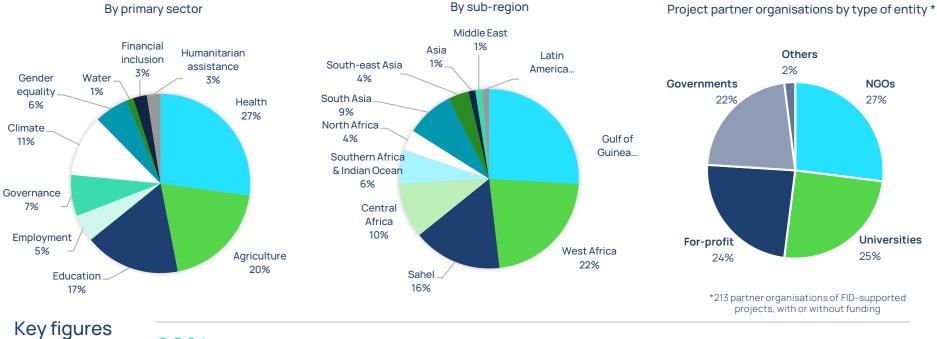
TPP Prepare grant 6 projects 9 projects 9% Stage 3 14% 3 projects 5% Stage 2 Stage 1 21 projects 27 projects 31% 41%

 55% of projects aim to support prototyping activities or to pilot an innovation in real-life conditions (< €200,000)</li>



## Geographies and sectors of intervention





Fund for innovation

60% of FID funding support a priority sector: health, education, climate, gender, etc.

70% Projects promote gender equality 60% Projects are located in low Income countries 70% Projects include a research partner in the team, whatever the stage of funding

#### Zoom on FID's portfolio - Prepare and Stage 1 grants





- A biotechnology to reduce cassava post-harvest losses
- Ocameroon
- <mark>ໍ (</mark>ຕັ້) Cassvita
- Testing how this innovation combined with a coordination platform can increase farmer income.



- 🥺 Tanzania
- 📅 Afya Pamoja
- Testing the solution in maternal and child health centers to support responsive and accountable decision making.

## Enable the development of new ideas



- An autologous blood transfusion service to address scarcity
- Nigeria
- ໍດີວ່ Hemoclear BV & Nigeria's National Blood Service Commission
  - Testing the service in two hospitals, focusing on women undergoing childbirth and gynecological procedures.



- Process unsold mangoes into valuable new products to support smallholder farmers
- ) Kenya
- ເຕັ້ງ Shambani Pro
- Testing two business models and operating models to select the most revenue yielding approach



## Zoom on FID's portfolio - Stage 2 grants





- An accessible mental health protocol for low-income youths
- 👂 Kenya
- ໍດີວ່ Shamiri Institute
- Gather more evidence on implementation, cost-effectiveness and impact on education and mental health.



- A mosquito repellent ointment to fight malaria
- Ø Burkina Faso
- ້ດໍາວິ MAÏA Africa SAS
- Assessing the willingness to pay for the repellent and its impact on health.

## **Evaluate their impact**



- Drone delivery of medical products in remote areas
- Madagascar
- ່ດື່ວ Population Services International
- Evaluating the operability and costeffectiveness of drone delivery, and its impact on community health.



- Engaging men and community leaders to advance women entrepreneurship
- 🦻 Tanzania
- 📅 Hand in Hand International
- Measuring the impact of adding a genderfocused component to a women economic empowerment program.

## A testimony from an I-Lab/FID grantee : Tom Osborn, Shamiri Institute

## Conclusion : how can FID funding support early-stage social innovators?

#### Leverage Effects of FID Grants

- Solution Acceleration of project development: Funds enable rapid progress from design to implementation, reducing the time required to translate innovative ideas into tangible solutions.
- Senhanced skills and innovation mastery: Project teams gain improved technical skills through hands-on experience, in particular related to M&E skills.
- Access to additional funding: Success with FID grants serves as leverage for securing further investment from various sources.
- Solution Content of Strategic partnerships: Access to FID grants facilitates collaborations with research institutions, government entities, and industrial partners, amplifying project impact and scope.

Overall, these leverage effects demonstrate the significant value and transformative potential of FID grants in driving innovation and fostering sustainable development.



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#### Our application platform makes it easy to submit your application

fid FID Francais FID FID - Appel à projets Ici et à tout moment de l'année, vous pouvez déposer votre candidature. Avant de vous lancer, nous vous invitons à lire attentivement les informations ci-dessous relatives au FID, aux différents stades de financement, au parcours de revue et de sélection des candidatures ainsi que les ressources mises à votre disposition. Nous avons hâte de découvrir vos propositions ! Catégorie Déposer sa candidature Le FID Stades de financement des projets Eligibilité Critères d'évaluation Processus de sélection Postuler

#### An individual candidate account

Easy-to-access information on the application procedure, selection criteria and relevant resources

Create a personal account and follow the application process online



Be sure to download all the resources available to you and read all the information on the stages, eligibility criteria and the FID's terms of reference

Watch a tutorial video here



#### New application forms adapted to each stage of funding



#### A quel stade souhaitez-vous postuler ? \*

Stade 0 - Subvention de préparation vers un stade 1 - Pilote

Stade 0 - Subvention de préparation vers un stade 2 - Test et préparation du passage à l'échelle

#### Revised application forms:

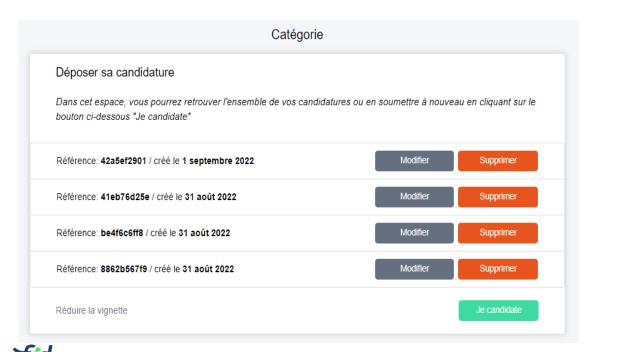
- Better adapted to each stage of financing
- Option to download an <u>Excel budget</u> and upload an illustration of the theory of change
- Option to download <u>a Word version</u> and prepare the application offline (highly recommended)
- Opportunity to work collaboratively on the online application with members of your team.



In Doublopping



#### Track the progress of your application



#### Check the status of your application(s)

Notifications of the status of your applicaiton by e-mail and then in the messaging function



Applying several times for the same project without receiving an opinion on the first one will delay the processing of your application: one project at a time!



#### Useful resources

## Guide to the call for projects

Application form in <u>FR</u> and <u>AN</u> Budget template in <u>FR</u> and <u>AN</u>

#### Application Tutorial in <u>FR</u> and <u>AN</u>

#### FID Application Portal (with prior account creation)

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# Thank you for your time!

