

Call for Support to SMMEs and Cooperatives operating in the sector of indigenous biological resources BioTrade and Bioprospecting

Implementing Authority: GIZ
BioInnovation Africa Project

Deadline for submission of Expression of Interest
30 October 2020

Successful applicants will be selected to receive technical assistance provided by the programme during 2021-mid 2022

Introduction

South Africa, being the 3rd most biologically diverse country in the world, hosts emerging bioprospecting and biotrade value chains of economic importance. In South Africa, bioprospecting and biotrade are regulated through the National Environmental Management: Biodiversity Act, 2004 (Act No. 10 of 2004) (NEMBA) and the Bioprospecting, Access and Benefit Sharing (BABS) Amendment Regulations of 2015. The Department of Environment, Forestry and Fisheries (DEFF) regulates and administers bioprospecting activities involving indigenous genetic and biological resources and the associated traditional knowledge. DEFF also has developed a National Biodiversity Economy Strategy (NBES) which focuses on optimising the economic potential of the bioprospecting and biotrade Sector. Socio-economic transformation through job creation and poverty alleviation are key targets in NBES.

Still, SMMEs and cooperatives that are involved in the trade and also the export of their products are facing difficulty with growing their business as they struggle to comply with national and international requirements on standards, quality, volumes, compliance with the Bioprospecting, Access and Benefit-Sharing (BABS) regulations as well as with matters of general business management.

About GIZ and the BioInnovation Africa project

The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH is a state-owned German organization. We work worldwide in the field of international cooperation for sustainable development. We offer the experience, the regional and technical know-how of GIZ in the global market and provide international clients with expertise in terms of economic and result-oriented services.

Through the BioInnovation Africa project, commissioned by the German Federal Ministry for Economic Cooperation and Development (BMZ), GIZ aims to foster equitable European-African business partnerships that contribute to biodiversity conservation and sustainable use of indigenous biological resources. In South Africa, the BioInnovation Africa project is implemented in partnership with DEFF.

The BioInnovation Africa project also aims at capacitating and strengthening black-owned and black-managed local SMMEs, communities and cooperatives involved in supply chains that focus on the sustainable use of indigenous biological resources. The support shall result in stakeholders improving on their delivery to and increase their involvement in national and international supply chains.

The BioInnovation Africa project objectives are aimed at:

- **ABS regulatory compliance** – implementing the Nagoya Protocol on Access and Benefit Sharing (ABS) of the Convention on Biological Diversity.
- **Ecological sustainability** – fostering R&D and sourcing schemes that respect people and support biodiversity conservation.
- **Innovation for new products and jobs** – promoting technology transfer, long term business partnerships for a reliable supply of natural ingredients and better products.
- **Advocacy** – showcasing successful and sustainable North-South business partnerships as “proof of principle” to increasingly integrate Biotrade and ABS principles in cooperation portfolios.

Objectives of the call:

The objectives of the call are intended to capacitate SMMEs and cooperatives that have interest in accessing the European markets.

Through this present call local SMMEs and cooperatives will be supported to become increasingly and more successfully involved in these value chains. The value chains identified will focus on the following indigenous biological resources:

- Marula (*Sclerocarya birrea*) for flavor, fragrances, cosmetics and beverages;
- Buchu (*Agathosma betulina*);
- Rooibos (*Aspalathus linearis*);
- Honeybush subspecies (*Cyclopia intermedia*, *Cyclopia subternata* and *Cyclopia longifolia*) for flavor and fragrances; and
- Plants for essential oils.

What kind of support is offered?

The support includes training, capacity building and mentoring, also leading, among others to improvements in the quality and quantities of the deliveries by the SMMEs, communities and cooperatives. The support from GIZ will include but will not be limited to activities, such as:

- Knowledge dissemination on sustainable harvesting practices (as well as processing / methods to create value addition at the post harvesting stage;

- Capacity development and knowledge transfer with regard to ABS compliance at national and international level;
- Knowledge dissemination on local, national and international market access through international partners;
- Value chain development and traceability; and
- Improvement of product / ingredient quality.

What the call does NOT cover:

- Purchasing of machinery or equipment (tractor, pipes, etc.)
- Grants or funds to SMMEs
- Building any kind of infrastructure
- Contributing to production costs or purchase of products

Who can apply?

GIZ and DEFF are looking for SMMEs and cooperatives with viable applications for proposals to become a part of the above-mentioned supply chains, in line with the objectives of the BioInnovation Africa project.

The project is particularly interested in SMMEs and cooperatives that seek to:

- contribute to new ingredients or applications of ingredients derived from described value chain sectors such as food and beverages, flavor and fragrances, cosmetics and essential oils;
- strengthen existing supply chains for national markets or export to Europe;
- render concrete impacts aligned with the BioInnovation Africa project within a period of one and a half years.

These following preconditions apply for each applicant:

- South African SMMEs or cooperatives must be black-owned¹ and black-managed and must comply with B-BBEE requirements.
- Must already have an ingredient/product on the market or existing links to a South African or regional business partner and this product/ ingredient must be in one of the above value chains;
- Must be a citizen of / resident / registered entity in South Africa;
- Have been operating for more than a year and have complete annual financial statements from the previous financial year (**to be included in the application**);
- Must be in full compliance with statutory and administrative requirements (including a valid tax clearance certificate or if expired, expiry must not be older than 6 months and proof must be submitted that a new tax certificate was applied for);

Applicants also need to ensure that:

- Applications are complete and submitted on time;
- Applicants are compliant with the above criteria;
- Applicants do not relate to new medicines, treatments or cures for diseases which would require drug authority approval (as these have huge regulatory barriers to overcome and would not deliver results within the short term);
- Applicants' entities are registered with the relevant authorities, such as the CIPC (proof of registration must be provided with the application).

¹ Black people as defined in Act No. 46 of 2013 of South Africa.

For interested parties and further information, DEFF and GIZ will be offering a webinar to take applicants through the application template and provide clarification on queries and questions on 30 September 2020.

Submission requirements

Only complete applications meeting the application criteria will be considered

The application must include:

- A filled in application form (**see below / link**);
- Company registration certificate;
- B-BBEE Certificate;
- Company profile /Company brochure, if applicable;
- Include a copy of the ID(s) of the Director / or Executive Manager / or CEO;
- Include a CV of Director / or Executive Manager / or CEO;
- Basic Information of turnover of your business of the last year;
- Be in compliance with statutory and administrative requirements in the relevant country, including a valid tax clearance certificate or, if expired, expiry must not be older than 6 months and proof must be submitted that a new tax certificate was applied for.

The electronic application form, including all the required documents, must be sent to the following email address of the GIZ Office in Pretoria:

ZA_Quotation@giz.de

Selection process

Applicants will be scored against a scorecard. Additional telephone interviews might be required. Successful candidates will be contacted by the BioInnovation project team.

BioInnovation and successful candidates will agree on the technical assistance/training programme to be delivered. Applicants must sign a declaration of commitment to attend the agreed-upon interventions.

Reporting requirements

Successful applicants will be expected to report on impact of technical assistance/training received on their business. Evidence of this will be required, the format of which will be established during contracting.