

Construction Ideas Fund Window 5: Construction Materials Supply Chain ("Input Supplies")¹ Term & Conditions		
1	Goal of Construction Ideas Fund	The goal of the Construction Ideas Fund ("the Fund") is to support systemic changes within the construction sector in Nigeria by demonstrating innovative ways that businesses and their partners can work with and for the poor. These changes to perceptions and practices will multiply the impact of funding given to projects and contribute to improved performance of the sector as a whole, while providing direct benefits to low-income market participants.
2	Issues of the market	The construction materials supply chain in Nigeria is dominated by imported products. Materials produced locally are often from capital-intensive industries like cement which provide few direct employment opportunities. There are several segments of the construction materials supply chain where there is simply no domestic production. Where there is domestic production, the issue of poor and inconsistent quality has been persistent. Additionally there is a lack of use of indigenous building technology (which could contribute to increased development of affordable housing). The trend over recent years has been towards ever-increased importation and less domestic supply. Manufacturing, particularly by SMEs, is typically not supported by financial institutions. Opportunities to employ Nigerians in the wider construction materials supply chain, particularly women who are otherwise barely represented in the sector, may therefore be lost.
3	Intended Outputs	Businesses develop products in the construction material supply chain that use local raw materials and local labour as inputs, are innovative, can substitute for imports, are potentially replicable, and/or serve to expand the overall sector. Potentially one or more of the following would be addressed: quality of input supplies, recycling and re-use opportunities, indigenous building technology, and employment of women in the supply chain.
4	Regions of implementation	The Fund will initially be implemented in Abuja, Lagos, Kano and Kaduna States. Proposals will be accepted from entities that have operations in these areas.
5	Sectoral/industry focus	Businesses engaged in the construction sector supply chain or consortia with a lead company engaged in the construction sector supply chain.
6	Type of funding available	Grants for eligible organisations and projects. Funding decisions are made on a competitive, deadline-driven basis by an independent assessment panel. Only the best applications will receive funding.

¹ The Fund may adjust these Terms from time-to-time at its own discretion in order to sharpen the focus of the Fund, also to maximise the effectiveness of funded projects in achieving the purpose and objectives of the Fund.

7	Size of grants available	Grants will be available for between £10,000 and £200,000
8	Implementation period	Projects can run for up to 25 months.
9	Construction Ideas Fund and applicant contributions	<p>Applicants must contribute their own resources to the project, bearing at least 50% of the total project cost. These contributions can be made both in cash and in-kind.</p> <p>The grant awarding Panel will take into consideration the contributions of each applicant when deciding between applications. Preference may be given to higher applicant contributions.</p>
10	Projects eligible for funding	<p>To be eligible for funding, projects must meet the following criteria:</p> <ul style="list-style-type: none"> • The project will contribute to improved incomes, livelihoods, working standards and conditions, and employment opportunities for unskilled and semi-skilled workers in the construction sector (including supporting and end markets both at the top and lower ends of the value chain). • The project will involve a product, service, system, process, affordable housing building technology, or procedure that is innovative and is unlikely to be addressed by the private sector without the support of the Fund. • The project will result in improvements in the performance of the sector. • The project will be sustainable, or result in sustainable impact, after the grant has been utilised. • The project is unlikely to be supported by other commercial sources of finance. • The funding provided by the Fund will be utilised within 25 months. • The project will not create unfair competition or otherwise distort markets. • The project will measure impact against targets, and have a method of forecasting and setting targets – for example, the number of workers reached by the project. <p>Eligible Concept Notes will be shortlisted and invited to submit a full Application.</p>
11	Entities eligible to apply	<p>Applicants (or lead applicants if in consortia or partnership) must meet the following criteria:</p> <ul style="list-style-type: none"> • Registered and operating in Nigeria (whether domestic or foreign owned, or a joint venture) in compliance with relevant business licensing, taxation, employee and other relevant regulations in Nigeria. • A for-profit (intending to generate a return for shareholders/members) private sector or joint venture enterprise or State Owned Enterprise that operates commercially and without Government subsidy. • In satisfactory financial health (in terms of being a “going concern” as defined by the Fund), and able to show at least

		<p>two years of unqualified audited accounts.</p> <ul style="list-style-type: none"> • Adequate resources to implement the project within the agreed timeframe. • Be willing to participate in lesson learning and lesson sharing activities, monitoring and evaluation activities, and share project data with the Fund.
<p>12</p>	<p>Application procedures for the pilot</p>	<p>Applications for funding will be assessed through a two-stage application process.</p> <ul style="list-style-type: none"> • The first stage involves submission of a simple Concept Note which will outline the project and applicant and demonstrate that they meet the eligibility criteria. • Concept Notes will be reviewed by the Fund Manager, and those that meet the eligibility criteria will be assessed against the Concept Note appraisal criteria. • Applicants that have submitted a Concept Note that satisfies the eligibility criteria and the appraisal criteria will be invited in stage two to develop an Application setting out the full business case for the proposed project. • Applications will be reviewed and successful applicants will be granted funding. <p>Note: Applicants can submit more than one Concept Note but Applications will be limited to one per applying organisation.</p> <p>A successful Concept Note does not in any way imply that the subsequent Application will be funded.</p> <p>Applications will be appraised and approved or otherwise for funding by an independent assessment panel. The panel's decision is final.</p>
<p>13</p>	<p>Appraisal criteria for Concept Notes</p>	<p>Concept Notes are first screened for eligibility. Only Concept Notes for eligible projects and from eligible applying entities will be appraised on the extent to which they satisfy the following criteria:</p> <ul style="list-style-type: none"> • The likely improvement in incomes, livelihoods, working standards and conditions, and employment opportunities for unskilled and semi-skilled workers in the construction sector (including supporting and end markets both at the top and lower ends of the value chain) • The number of individuals and/or entities likely to benefit from the project as well as from potential replication of the project. • The potential for project replication. • The level of innovation in the supply chain products or process. • The likely contribution to improvements in the performance of the sector. • The sustainability of the project or its impact after the grant has been utilised.

14	Appraisal criteria for Applications	<p>Applications will be appraised by the independent assessment panel on the extent to which they satisfy the following criteria:</p> <ul style="list-style-type: none"> • The quality of the business case and implementation plan including the assessment of risks involved. • The existing internal capability and capacity of the applicant to implement the project in the timeframe set out in the Application. • The extent to which inputs, results and impacts are clearly defined, measurable and achievable. • The benefits arising from the project and the likelihood that they will be achieved.
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