

# GLOBAL INNOVATION FUND LAUNCHED IN SOUTH AFRICA

Recently, the Global Innovation Fund (GIF) conducted a roadshow in South Africa to spread awareness of the fund to attract applications. The launch was in partnership with the Department of Science and Technology.

## Aim of the fund

GIF invests in social innovations that aim to improve the lives of people in the developing world.

GIF is a relatively new fund (founded in 2014) supported by various agencies including USAID, UK Department of International Development, Sweden International Development Cooperation Agency (SIDA), and Omidyar Network to name a few. It has funded 12 projects to date.

GIF takes a broad view of 'innovation'. GIF is open to funding:

- technologies,
- new business models,
- policy practices,
- behavioural insights or
- ways of delivering products and services that benefit the poor in developing countries
- any solution that has the potential to address an important development problem more effectively than existing approaches.

The ultimate goal is to fund projects which are aimed at improving the lives of people living below 5 USD per day.

## The benefits

Qualifying companies will be able to receive funding through various instruments such as grants, quasi-equity, low-interest debt or equity.

The GIF has introduced a staged process for funding and qualifying companies may apply for inclusion in the program under the following three stages with potential funding ranges:

- Pilot – \$50 000 to \$200 000 USD
- Test & Transition – \$500 000 to \$1 500 000 USD
- Scale – up to \$15 000 000 USD

## Who qualifies?

GIF looks for entities within the private sector that can scale impactful innovations and firms which can correct market failures.

GIF invests in firms that can achieve social impact for many people in developing countries in instances where:

- the investment costs are too high,
- the time horizons are too long or
- the financial returns are too low for commercial investors to absorb.

## When apply?

The fund has an open funding window which means applicants can apply at any time. Applicants can re-apply if rejected in initial screening round.

## Important caveat

The fund is focused on social returns rather than financial returns.

## Please contact Cova Advisory for more information:

Duane Newman \_\_\_\_\_ [dnewman@cova-advisory.co.za](mailto:dnewman@cova-advisory.co.za)

Tumelo Chipfupa \_\_\_\_\_ [tchipfupa@cova-advisory.co.za](mailto:tchipfupa@cova-advisory.co.za)

2011/145850/07 | P.O. Box 503 | Kyalami Estate | 1684 | +27 11 568 3340

Building 1 | Magwa Crescent West | Maxwell Office Park | Waterfall City | Midrand

[info@cova-advisory.co.za](mailto:info@cova-advisory.co.za) | [www.cova-advisory.co.za](http://www.cova-advisory.co.za)

Directors | Duane Newman | Tumelo Chipfupa