



## **East African Community Secretariat (EAC)**



## **European Development Fund (EDF)**

### **Frequently Asked Questions (FAQs) – EAC RICTSP Incubator Projects**

#### **What is the RICTSP ?**

RICTSP stands for Regional ICT Support Programme. The programme aims to contribute to the Eastern and Southern Africa regional integration agenda through an effective and efficient Information and Communications Technologies (ICT) environment. The primary purpose of the RICTSP is to achieve a reduction in the “digital divide” by removing some of the constraints to the efficient use of ICT.

The RICTSP is financed by the 9th European Development Fund (EDF) and implemented by COMESA as Regional Authorizing Officer (RAO). Following a decentralized approach, the East African Community (EAC) as Delegated Regional Authorizing Officer (DRAO) is in charge of the implementation of the programme in the Partner States: Kenya, Tanzania and Uganda.

The RICTSP programme contains various sets of activities aimed at achieving the following results:

- (i) The development, and monitoring of implementation, of ICT policy guidelines and strategies and monitoring of e-readiness status;
- (ii) The provision of high speed internet connectivity to regional key stakeholders to reduce costs of doing business in the region and promote migration to Asycuda++ in selected countries;
- (iii) Improved and more efficient access to economic, commercial and policy information of practical use and the establishment of incubator projects to demonstrate the viability of the Internet, including e-commerce. The project seeks to improve the capacity of entrepreneurs to exploit ICT opportunities and e-commerce techniques.

#### **What is the EAC RICTSP Incubator Project Framework?**

The EAC RICTSP Incubator Project framework defines the East African Community region approach to implementing the RICTSP Result Area 3 regarding the establishment of incubator projects. Result Area 3 is in line with the third area of intervention identified by the EAC Development Strategy, i.e., to support the implementation of ICT applications and the provision of ICT services.

The Project will support SMEs and private entrepreneurs in initiatives where ICTs are used to boost business or which are regarded as ICT service businesses. In either case, it is expected that the

investment can significantly boost the business. The aim of the Incubator Projects is that the entrepreneurs integrate ICT tools in their daily business, create new business opportunities using modern ICT solution or create new type of business or services using ICT as vehicle for the business and for cross-sectoral solutions or having impact in the development of the society. Special attention, although not exclusive, will be given to enterprises run by women.

### **What are the main objectives of the project?**

The general objective of the RICTSP Incubator Projects is to help local small and medium enterprises (SMEs) integrate ICT tools in their daily business operations, by improving the availability of e-business solutions specifically adapted to their needs, in order to promote e-business cooperation among them and thereby increase economic integration in the region and thus enhance growth and competitiveness.

Special attention (although not exclusive) will be given to initiatives directed at SMEs run by women. The aim of this focus on women SMEs is to support the integration of ICTs by SMEs that are majority-owned and/or run by women. It is also to support the creation of more women's SMEs in the EAC region that operate in the ICT sector for example data entry, e-services, IT training, cyber cafés, hardware assembly, software development, etc.

### **Which organizations are eligible to receive funding from the project?**

In order to be eligible for the grant, applicants must comply to the following :

- Be registered legal persons in one of the East African Community ACP beneficiary countries,
- Be SMEs or a specific type of organization such as: business incubators or networks of incubators, business support institutions (BSI), business development centers, universities, other business groups or business networks, trade promotion organizations (TPO), trade support institutions (TSI), trade associations, community based NGOs, women groups, etc,
- Proponents and beneficiaries should be nationals and based in the countries eligible for the grants,
- Be directly responsible for the preparation and management of the action, although support of outside agencies is acceptable,
- Be able to demonstrate their capacity to carry out the proposed project successfully, if necessary with external assistance.

Project enterprises shall be legally constituted and/or their proponents legal residents of the EAC region. SMEs or organisations that do not have their own legal status shall be administered by the local focal person (LFP) in each of the Partner States.

### **How are projects selected for funding?**

The selection process shall comprise of three stages.

- (i) *Preliminary evaluation:* In this case the focus will be on those SMEs whose proposals are most in line with the RICTSP programme objectives. At most 10 proposals shall be shortlisted after this evaluation.

- (ii) *Business training:* SMEs that are short listed from the preliminary evaluation stage shall attend a mandatory 2-day preparatory course for entrepreneurs that includes sessions on how to develop a basic business plan, how to develop a technology plan, and how to develop a capacity building program (based on an assessment of their needs).
- (iii) *Final evaluation:* As an output of the business training, each candidate will be expected to submit a business plan complete with budget for one-year operation, including all sources of known or potential funding.

### **How will the projects be evaluated?**

The Incubator Projects will be evaluated on several weights to help evaluate an SME's financial capacity to ensure that they have stable and sufficient sources of finance to maintain their activity throughout the period during which the action is being carried out and, where appropriate, to participate in its funding. And also assess SME's operational capacity to ensure that they have the management capacity, professional competencies and qualifications required to successfully complete the proposed action. The selection criteria will be weighed in terms of sustainability, feasibility, reduction of digital divide, quality and duration.

### **How do I apply for funding from the project?**

The application form is available on [www.eac.int/advertisements.htm](http://www.eac.int/advertisements.htm). Applicants should fill out the forms and forward them to the Local Focal Persons listed below. Copies of the grant guidelines and application form can also be obtained from the Local Focal Persons in each country (listed below).

### **Is there any specific budget for proposals under the project?**

The overall indicative amount made available under the call for proposals is EUR 100,000. The minimum amount of any grant will be of EUR 5,000 and the maximum of EUR 20,000. However, the programme reserves the right to support grants that would require less funds than the minimum stipulated.

### **What services does the EAC RICTSP offer?**

The focus of the EAC RICTSP Incubator Projects is for SMEs for whom the small grants can support their development in a sustainable manner. Hence, the project will adopt two approaches for services offered:

- (i) *Business Development Service*  
This will include provision of information, training, advice and networking support. This is to be done in collaboration with local focal persons in each of the Partner States.

(ii) *Business Incubation*

This will include financing for equipment and capacity building to enable SMEs integrate ICTs into their activities and/or to support the establishment of innovative ICT enterprises.

**What contribution is required from the grant beneficiary?**

Beneficiaries will be required to finance at least 25% of the total direct costs. Any contributions in kind made by the Beneficiary or the Beneficiary's partners or any other source, do not represent actual expenditure and are not eligible costs. They may not be treated as co financing by the Beneficiary. The cost of staff assigned to the Action is not a contribution in kind and may be considered as co-financing in the Budget for the Action when paid by the Beneficiary or his partners.

The grant beneficiary will also be responsible for all project management issues, including the obtaining of any permits or clearances from the relevant authorities, as may be required to implement the proposed action. Grant beneficiaries will be expected to submit periodic reports to the EAC, RICTSP ICT Coordinator, the local focal persons for the Incubators Project, and representatives/beneficiaries of the project as appropriate.

**Where can I get more information regarding the project?**

You can get more information on the project from [www.eac.int/advertisements.htm](http://www.eac.int/advertisements.htm) or write an email to the coordinator of the project at the EAC on [rictsp@eachq.org](mailto:rictsp@eachq.org) or to the country Local Focal Persons listed below.

<b>Kenya</b>	<b>Tanzania</b>	<b>Uganda</b>
<u>Postal address</u> Ms. Alice Munyua Local Focal Person RICTSP Incubators Project KICTAnet P. O. Box 825 00606 Nairobi, Kenya  Email: <a href="mailto:rictsp@wananchi.com">rictsp@wananchi.com</a>  Tel: +254 (020) 44 53 671/2 Mob: +254 (0) 728 111 018	<u>Postal address</u> Ms. Margareth Nzuki Local Focal Person RICTSP Incubators Project Economic and Social Research Foundation (ESRF) 51, Uporoto Street, Ursino Estates P. O. Box 31226 Dar es Salaam, Tanzania  Email: <a href="mailto:rictsp@esrf.or.tz">rictsp@esrf.or.tz</a>  Tel: +255-22 2760260, 2760758 / 2760751/52 Fax: +255-22 2760062	<u>Postal address</u> Ms. Dorothy Okello Local Focal Person RICTSP Incubators Project Women of Uganda Network (WOUGNET) Plot 53 Kira Road P. O. Box 4411 Kampala, Uganda  Email: <a href="mailto:rictsp@wougnet.org">rictsp@wougnet.org</a>  Tel: +256 41 4532035 Fax: +256 41 4530474