Phase II – Transition to Scale

Last Updated: July 11, 2013

FULL PROPOSAL INSTRUCTIONS

Grand Challenges Canada is dedicated to supporting bold ideas with big impact in global health. We are funded by the Government of Canada and we fund innovators in low- and middle-income countries and Canada. The bold ideas integrate science and technology, social and business innovation (we call this Integrated Innovation™) and we work to catalyze scale, sustainability and impact. We have a determined focus on results, and saving and improving lives.

Please refer to the Phase II – Transition to Scale Request for Proposals for complete information on this initiative: http://www.grandchallenges.ca/grand-challenges/transition-to-scale/.

Proposal Submission
Please submit your proposal in the template provided, in Microsoft Word or PDF format, along with the completed Results-based Management Accountability Framework (RMAF) Table and budget spreadsheet to scaling@grandchallenges.ca.

If you have any questions, please contact us via email at scaling@grandchallenges.ca.

Proposal Evaluation
As described in the Grand Challenges Canada Phase II – Transition to Scale Request for Proposals (RFP), Grand Challenges Canada will conduct an initial triage based on the 50% matching eligibility criteria outlined in Section 4.1 of the RFP, along with the following Matching Funds and Partnerships evaluation criteria. Please note that this triage and subsequent parts of the review process will also consider the applicant’s performance on other projects funded by Grand Challenges Canada.

Matching Funds: Phase II proposals within the private (commercial approach to achieve a blended social and economic value benefit) or public channel (non-commercial approach to achieve primarily a social benefit) require 50% matching funds through partnerships to be eligible for Grand Challenges Canada funding. Grand Challenges Canada reserves the right to determine the extent to which the 50% matching funds from partnerships are deemed acceptable. Matching funds should be ‘new cash’. Matching through in-kind contributions is not preferred and Grand Challenges Canada will not match other Federal Government of Canada funds. In the Letter of Intent (LOI), outline the nature and amount of your matching funds. We also recommend outlining how certain you are of attaining the funds.
**Partnerships** – Successful Phase II proposals require sufficient alliances or partnerships that will enable the scaling of the innovation (e.g., joint ventures, marketing alliances, licensing arrangements, selling/distribution agreements, channel partnerships, software agreements, etc.). Successful proposals will also require that the matching partnership be strategic in their ability to enable the innovation’s transition to scale. In the LOI, outline the nature of your partnerships that will enable your success.

Applicants that advance past the triage stage will go through a review process that will be developed in partnership with the Canadian Institutes of Health Research. Final funding decisions will be made by the Board of Directors of Grand Challenges Canada.

The Evaluation Criteria are as follows:
1. Proof of Concept
2. Integrated Innovation
3. Scaling Impact
4. Sustainability
5. Partnerships
6. Additionality and Leverage
7. Leadership Capability to Scale Innovations
8. Best Value for Effort

For further details on the Evaluation Criteria, please refer to the Grand Challenges Canada Phase II – Transition to Scale Request for Proposals (Section 4.5).

Please note that a significant amount of the proposed activities and budget must be spent in a developing country (Section 2.1).

**Global Access, Data Access and Ethics Policies**

Three key principles that Grand Challenges Canada operates within are those of global access, data access, and ethical conduct. By submitting a proposal to Grand Challenges Canada Phase II – Transition to Scale Request for Proposals, each applicant (and their collaborators) will be acknowledging their understanding of the Grand Challenges Canada Global Access Policy, Grand Challenges Canada Data Access Policy, and Grand Challenges Canada Ethics Policy.

Please refer to Section 4.9 of the Phase II – Transition to Scale Request for Proposals for more information on the Global Access Policy.

Please refer to Section 4.10 of the Phase II – Transition to Scale Request for Proposals for more information on the Data Access Policy.

Please refer to Section 5 of the Phase II – Transition to Scale Request for Proposals for more information on the Ethics Policy.
Formatting
All Phase II – Transition to Scale proposals must use the Full Proposal Form and Results-based Management Accountability Framework templates provided. You may use the budget template provided or submit your own budget format. Please use minimum of 10-point font and 1-inch margins. Page size must be set to U.S. letter standard 8.5 by 11.0 inches.

The proposal should be no more than 20 pages, single-spaced, excluding Contact Information, Table of Contents, Appendices, and Citations. Any information provided in excess of the 20-page limit will be removed from the proposal prior to the review of the application. Please be concise.

Proposals may be written in English or French. Under limited circumstances, web links to selected information may be provided; however, there is no assurance that reviewers will visit the linked sites. For this reason, please include all critically necessary information within the body of the proposal.

CONTENT

The following describes the expected content for each section of the Full Proposal Form. As you prepare your proposal, please bear in mind the Evaluation Criteria (Section 4.5 in the Phase II – Transition to Scale Request for Proposals).

Contact Information
Please provide the legal name of the applicant institution/organization that will manage the proposed project, the country in which the applicant institution/organization is located, the project title, the full name(s) and country of primary affiliation of the principal investigator(s), collaborators and funding partners, and the name, phone number and email address of a contact person who can answer questions about the proposed project. Note: This section is not included within the 20-page limit.

Table of Contents
This is embedded within the Full Proposal Form. Corresponding page numbers should be updated prior to submission. Note: This section is not included within the 20-page limit.

A: BUSINESS PLAN

I. Executive Summary

Briefly summarize the innovation, how it has achieved proof of concept and describe how Phase II will enable its transition to scale. Describe the role of Integrated Innovation in Phase II that will enable the scaling up of the project. Please give a brief summary of proposed business or implementation plan, highlighting the health impact and your value proposition. For private channel innovations, please outline the target market, financial data, projected gross sales and profits, and financial requirements to reach scale in a two- to four-year timeframe. For public channel innovations, please outline the intended decision-makers/organizations that this innovation will target, the path to implementation and requirements to reach scale in a two- to four-year timeframe. Briefly describe the
partnerships that you have and the specific matching partner(s) that will finance and enable the scaling of your innovation towards the anticipated outcome and big impact. This summary should be no more than one page.

II. The Health and/or Development Impact of Your Innovation

Grand Challenges Canada is seeking Bold Ideas with Big Impact™. Proposals must therefore demonstrate that they are impactful, i.e., that they will significantly reduce disease burden and save lives. Please describe the health and/or development impact of your innovation, including information such as the population that will benefit, the geographical location of the proposed activities, the projected number of people to be served, and the forecasted percentage reduction in burden of problem/disease, including time to achieve a measurable impact.

III. The Innovation

As Grand Challenges Canada is seeking Bold Ideas with Big Impact, the innovation must therefore be bold and creative. Applicants should give an overview of the innovation as well as the technical details of their approach. Information should include how the innovation works, its competitive or unique feature(s) (including cost), and the current stage of pre-commercial/dissemination development. If it is something tangible (such as educational content, a manual, a report, a portal, software, a patent, or prototype), please describe whether any copyrights or patents have been obtained or whether you anticipate applying for a patent soon. If the project includes social or business innovation, describe whether it is conceptual and whether it has been discussed by stakeholders, adopted by a health system, etc. Please also provide details of whether your innovation can be used alone sufficiently or is a component of another product/service or system, as well as details of any regulatory issues that are required before it can be used.

IV. Integrated Innovation Approach

Grand Challenges Canada is looking for solutions that integrate scientific / technological, social and business innovation, have the potential for real world impact, and demonstrate a path to scale and sustainability. Proposals must therefore take an Integrated Innovation approach that is defined as the coordinated application of scientific/technological, social and business innovation to develop solutions to complex challenges. This approach does not discount the singular benefits of each of these types of innovations alone, but rather highlights the powerful synergies that can be realized by aligning all three. Integrated Innovation recognizes that scientific/technological innovations have a greater chance of going to scale and achieving global impact and sustainability if they are developed from the outset with the appropriate social and business innovations. (Please refer to www.grandchallenges.ca/integrated-innovation/.)
V. Value Proposition

Grand Challenges Canada is looking for solutions that can be adopted easily and are affordable. Hence, applicants must describe the promise of value to be delivered and a belief from the customer that value will be experienced at an affordable cost. A value proposition can apply to the entire innovation or parts thereof. Clearly state the value proposition of your innovation, i.e., describe why an individual, organization or government would purchase/implement/use your innovation. What specific needs does it address? Is it affordable, either for the end user or for a host government? Provide a justification for your value proposition using a cost-benefit and/or cost effectiveness analysis (i.e., quantify your value proposition).

Definition: Cost benefit is the valuation of benefits and costs gained over potential loss if the product or service was not implemented and must be expressed in monetary terms. Cost effectiveness compares the costs and outcomes of an intervention expressed in non-monetary terms, such as Disability-Adjusted Life Years (DALYs) or Quality-Adjusted Life Years (QALYs), etc.

VI. Market Analysis

Grand Challenges Canada is looking for solutions that have a feasible business/sustainability model. Please provide information on potential market size and who the primary purchaser will be, e.g., the community, the health practitioner, a policy maker, donor official, etc. Provide details on the size and scope of this market and how you arrived at your data. Also include the marketing and distribution strategy.

VII. Scalability and Growth

Grand Challenges Canada requires that all projects must be scalable. Scaling impact can include, but is not limited to, the following categories of action: expanding the quantity and improving the quality of the services being provided; enabling other organizations to use the innovation to provide a higher quantity and quality of direct services; changing the political, cultural, or economic environment to reduce the need or problem; attracting more or improving the productivity of resources devoted to addressing the need or problem. Please describe why you think this innovation is scalable.

VIII. Financial Strategy

Grand Challenges Canada requires proposals to show value for money. Hence, you need to describe in narrative form the planned "Use of Additional Funds"; do not reproduce the budget. In addition, Grand Challenges Canada requires projects to become self-sustaining after the project period. The ability to generate revenue or be adopted by a health system is therefore critical. Please provide a detailed analysis of financial data, which may include a cash flow statement that has projected gross sales and profits, etc.
IX. Risks

Grand Challenges Canada acknowledges that the success of an innovation is largely determined by taking advantage of present opportunities. However, future changes in the innovation landscape can greatly impact innovations positively or negatively. For example, discovery of a vaccine for HIV may affect drug development. Please provide a Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis of your proposed project and describe any potential changes in market conditions that could impact this innovation negatively (real or imagined), such as new competitors, demographic changes, access to emerging solutions or new cures, etc.

B. SCALING INNOVATIONS

Given the complexity of the problems in global health and the low-resource settings that we are faced with, it is not feasible or desirable to expect that Grand Challenges Canada alone will be able to take its grantees from initial funding through to scaling up and eventual commercialization and dissemination of transformative innovations. It is also likely that only a subset of innovations we fund at proof of concept will actually prove their concept, and therefore merit scaling.

In order for Grand Challenges Canada to successfully scale up proven innovations from its current innovators, it will need to enable partnerships with a number of actors, including social angel investors, small and medium-sized companies, multinationals, foundations, philanthropists, not-for-profits, multilateral organizations, and public sector entities, including departments and agencies.

To enable and leverage partnerships, Phase II proposals within the private and public channel will require 50% matching through partnerships to be eligible for Grand Challenges Canada funding. Grand Challenges Canada, at its discretion, may choose to match this funding through a grant, a non-grant (e.g. repayable loan or equity stake), or a combination of the two.

Please describe the 50% matching through partnerships. Matching funds should be ‘new cash’. Matching through in-kind contributions is not preferred. On a case-by-case basis, Grand Challenges Canada reserves the right to determine the extent to which the 50% matching funds principle is applied. Please include letters of support from matching partners (in Appendix F). Also describe any potential alliances or partnerships (e.g. joint ventures, marketing alliances, licensing arrangements, selling/distribution agreements, channel partnerships, software agreements, etc.).

C. PROJECT MANAGEMENT CAPACITY AND FACILITIES
(Maximum two pages)

Management and Staffing Plan
Provide a brief description of the project team’s history and comparative advantage to implement this project. Describe any previous experience in developing, implementing, and managing projects in the geographical and technical areas proposed. If there is a parent or administering institution/organization to which the team undertaking this project will report, please describe any
specific support required by the institution/organization for implementation of the project and confirm that it will be provided.

Describe the management and staffing plan for this project. Include an organization chart for project staff; any individuals reflected in the budget should be included in this chart. Explain the management structure and plans for administering the project. Describe the capability of the management team (including any key proposed subcontractors and/or subgrantees) to administer this project. Specifically discuss the principal investigator/project director and key management staff for the project, including prior experience managing similar projects.

Please provide an overview of decision-making plans and processes.

If the project will involve activities conducted by collaborators, subgrantees, subcontractors, or other participating companies or institutions (either anticipated or known, even if they will not be receiving any grant funds), please provide:

- A list of the organizations that will be involved
- A description of their specific roles in the proposed budget
- A description of your anticipated approach to adhering to the Grand Challenges Canada Global Access Policy in the context of the collaboration agreements (if applicable) and management structures of the project.

For the purposes of managing technologies or assisting in product development, please describe the resources (individual skill sets, organizational capacity, funding, etc.) that will be available to the project (other than scientific expertise) in anticipation of fulfilling the long-term Global Access Policy (e.g., business, legal, advocacy, etc.).

**Facilities**

Describe the facilities, resources, and equipment available for the proposed project at all participating sites. Provide enough detail to guarantee the infrastructure is sufficient to allow the project to be carried out, including the accounting systems and ability to make and supervise subgrants and contracts. If the project will take place in multiple sites, describe the capacities and capabilities at each site. Where limited infrastructure or remote locales are critical, please describe any specific measures that will be implemented to ensure the project is effectively managed.

**Citations**

List any critical references to your work or the work of others that support your proposed approach. References must include the title, names of all authors, the book or journal, volume number, page numbers and year of publication. References should be limited to the relevant literature. *Note: This section is not included within the 20-page limit.*

**APPENDICES**

Please do not include additional appendices beyond the following required materials unless specifically requested by Grand Challenges Canada staff. *Note: This section is not included within the 20-page limit.*
APPENDIX A: Project Framework and Results-based Management Accountability Framework (RMAF)

Please use the provided Project Framework and Results-based Management Accountability Tables Excel file (http://www.grandchallenges.ca/grand-challenges/transition-to-scale/) to complete the required tables. Please review the accompanying instructions before filling out the tables. The tables can either be cut and pasted into full proposal appendix or submitted as a separate file.

APPENDIX B: Budget Spreadsheet with Budget Notes

Use the supplied budget spreadsheet to illustrate the costs of the project. The description provided on the budget spreadsheets should be very brief.

Please note:
- The budget must be justified and will be evaluated by the review committee as part of the evaluation criteria Best Value for Effort.
- Indirect costs can be a maximum of 13% of all direct research costs.

Please elaborate on key budget points in a budget notes section, including how the budget cost elements are necessary to accomplish the project objectives, cost calculations, and other information that is relevant but not easily communicable using the spreadsheet format. Where applicable, group the budget notes by institution/organization using sub-headings that identify each organization name. Together, the budget spreadsheet and budget notes should provide a complete financial and qualitative description that supports the proposed project plan. The following definitions and descriptions will help guide the budget development process.

**Direct costs** are related to research activities.

**Indirect costs** are in support of all activities of the organization. General administration and financial services are considered Indirect Costs.

You may also create your own budget in a different format to include here, but do note that if your project is selected, you will need to complete a budget using the template provided.

**DIRECT COSTS**

1. **Personnel**
   - Includes all salaries, allowances, honoraria, and benefits paid to staff who are directly contributing to the activities of the project.

   Such costs typically include:
   - Principal investigator and co-principal investigators
   - Project coordinator
   - Technicians
   - Research assistants who are directly related to the activities of the project.
It does NOT include support staff that will assist in the administration of the grant. For example:

- Administrative assistants
- Finance staff (accountants, grant administrators, etc.)

2. Travel
   Travel costs must be related to the project activities and must be incurred by the staff who work on the project. The costs include airfare, ground transportation, accommodation, meals, etc. For airfare, economy class must be used at all times.

3. Consultants
   All expenses related to acquiring the services of a consultant for a specific activity within the project can be included in this category. Costs may include fees, travel, accommodation, living expenses, and support services hired directly by the consultant.

4. Direct Supplies and Services
   Includes all direct supplies and services costs that are required to carry out the project.

5. Equipment
   All equipment that has a useful life of more than one year and costs more than $1,000 CAD can be included. Costs may include the basic purchase price, freight, and installation of the equipment. However, Grand Challenges Canada does not pay import duties and/or sales tax on equipment; these costs remain the responsibility of the grantee.

6. Other Research Costs
   Includes all other research costs that do not fall under the definition of Personnel, Travel, Consultant, Direct Supplies, and Equipment.

   Examples of Other Research Costs are dissemination costs, patent fees, meeting costs (seminars, workshops, training, etc.), ethics submission costs, etc.

7. Subgrants and Subcontracts
   The distinction between subgrants versus subcontracts should be made primarily based on the following definitions:

   Subgrants will be responsible for some of the research activities and will be compensated accordingly. The subgrant may include direct costs and indirect costs, as defined above.

   Subcontractors will provide technical services (for example, a lab doing tests for the principal investigator/grantee) and will be paid based on services provided. Part of indirect costs can be applied to a subcontractor if agreed by the parties.

INDIRECT COSTS

Indirect Costs are those in support of all activities of the organization and may include the following:
- Salaries and benefits of personnel that support and administer the project, such as administrative assistants, clerks, accountants, etc.
- General stationery and other office supplies
- Telecommunications costs (unless the nature of the project has warranted a specific budget line item for that purpose)
- Computer equipment used for the administration or accounting of the grant disbursements
- Rent and utilities for office space.

The maximum allowable Indirect Costs rate is 13% of all Direct Research Costs.

APPENDIX C: Biographical Information

Without exceeding two pages per individual, please provide the following biographical information for key personnel, including consultants and collaborators:
- Full name
- Role in the proposed project (e.g., principal investigator, key personnel, consultant, etc.)
- Positions held in the last ten years, starting with the most recent position
- Education, if appropriate
- Full citation of most relevant and important peer-reviewed publications (to a maximum of five).

APPENDIX D: Financial and Tax Information

A copy of your organization's original incorporation documents is required. Please scan these copies and paste the image into the appropriate section of the application form. In the future, you must be prepared to provide an audit report and/or financial statement upon request.

APPENDIX E: Letters of Support for Matching Funds

If applicable, please include Letters of Support from partners, collaborators and funders outlining their commitment to provide financial support for this project. Each letter should be no more than one (1) page in length. Note: Maximum of up to two (2) Letters of Support.