Guidelines to submit a commercial business opportunity

About Katalis
Katalis supports inclusive growth through trade and investment between Indonesia and Australia. We collaborate with businesses to jointly deliver identified commercial opportunities related to trade and investment. These opportunities must deliver commercial outcomes, as well as development impact. Commercial opportunities will need to meet the program’s objectives including our investment criteria.

Who can apply?
Any organisation can submit a proposal seeking Katalis’ investment for a commercial business opportunity. Proponents need to be registered legal entities in either Australia, Indonesia, or both countries.

What kind of support is available?
Katalis does not make investments directly in the organisation making the proposal. The investment is made in an activity that can be procured, usually from a third party, in line with Commonwealth Procurement Rules. This activity will typically be crucial to the success of the commercial opportunity identified in the submission. The organisation making the submission is expected to be able to contribute to or fund the other activities related to ensuring the success of the commercial opportunity.

Katalis is currently investing in the following activities to support commercial business opportunities:

- Supporting and de-risking a large investment in the health sector in West Java by funding two bankable feasibility studies
- Connecting Indonesian employers with Australian training providers by funding the development of an online Indonesia-Australia Skills Exchange platform to expand workforce skills in priority sectors, such as digital services, health, and tourism
- Supporting an Australian grid-scale battery manufacturer enter the Indonesian market by funding a market entry strategy
- Supporting an Indonesian business develop a large-scale tourism project in Eastern Indonesia by funding the development of sustainable tourism standards and training from Australia.

Katalis is flexible when making investments to support the development of commercial opportunities. The submission should clearly outline the business case, detail the sequence of steps required to achieve the commercial outcome, and identify what activity they would like Katalis to fund (through open, third-party procurement).

All submissions are evaluated on merit. Commercial opportunities where the proponent has already made significant progress towards achieving the outcome and is able to clearly articulate what co-contributions they will be making will be viewed more favourably.
Katalis is unable to support commercial business opportunities that:

- Support political agendas or outcomes
- Solely support development outcomes, with no commercial benefit
- Solely support commercial outcomes, with no development benefit
- Only benefit one country – the activity must benefit both Indonesia and Australia
- Require equipment, supplies, or services that are already being supported through other sources
- Include any retrospective costs.

Katalis is not a grants program and cannot provide funding directly to the business making the submission and will not directly subsidise salary costs or purchase capital equipment, real estate, property, or computer software.

**What information is required?**

The submission form has 34 questions, broken down into eight sections:

1. Lead, direct beneficiary details
2. Partner beneficiary details (if applicable)
3. Sector
4. Location of activity idea
5. Marketing
6. Business opportunity details, costs, and risks
7. Katalis investment criteria
8. Monitoring and evaluation.

Sections 1 through 5 are general administrative questions, while questions 6 through 8 require more detailed information – further explanation of what to expect from these questions is provided below.

**Business opportunity details, costs, and risks**

This section will give you 200-300 words per question to explain each of the following:

- The Indonesia-Australia commercial business opportunity you want to pursue, including what progress you have already made towards realising the opportunity.
- What you need Katalis to fund.
- What complementary activities you will fund (co-contributions).
- Any potential project risk(s) and the steps you would take to minimise these risk(s).

You will also be asked to advise what type of activity you are seeking investment for (via checked box options), how much you estimate that investment will be, the nature and value (financial or in-kind) of the co-contributions your business will make, and the proposed start and end date of your business opportunity.

**Meeting the Katalis Investment Criteria**

This section asks you to explain how your commercial business opportunity satisfies Katalis’s investment criteria. You will have up to 200 words to address each criterion, as outlined here:

1. **Maximises commercial outcomes**: What commercial outcomes is the opportunity expected to deliver? What is the business case? What is the potential return on investment?
2. **Mutually beneficial to Indonesia and Australia and aligned with bilateral and/or regional interests**: Does the opportunity support ‘win-win’ bilateral commercial opportunities? Please detail who the direct and indirect beneficiaries will be of your opportunity and if they are in Indonesia or Australia. What broader economic, social, or public benefit (if any) are you expecting beyond the commercial outcomes identified? How does the opportunity increase bilateral and/or regional growth and prosperity? (This picks up the idea of IA-CEPA delivering powerhouse opportunities, whereby the imports of one partner are used to strengthen the export competitiveness of the other partner).
3. **Prioritises catalytic outcomes**: Is the opportunity scalable? Does it crowd in other investors or traders from the sector or from related value chains?

4. **Delivers gender equity and social inclusion**: Does your opportunity target, include or make a positive impact on women, people with disabilities or other marginalised groups – particularly in sectors heavily affected by COVID-19?

5. **Politically feasible and practical**: Katalis can support policy and regulatory reform opportunities to help strengthen and align commercial ecosystems. Is your opportunity dependent upon large policy or regulatory reform under IA-CEPA? If so, is the change politically feasible or practical? Does the business opportunity take advantage of IA-CEPA commitments?

6. **Reflects Indonesia and Australia’s comparative advantages**: What resources (e.g., human, industry, commercial, organisational, management, institutional) from each country will your commercial business opportunity draw on?

**Monitoring and Evaluation**
You will have up to 200 words to explain how you plan to measure and evaluate the commercial outcomes of your business opportunity.

**What business opportunities will be prioritised?**

Katalis will prioritise opportunities that:

- Align with annual workplans approved by the governments of Indonesia and Australia
- Are at scale, pull through MSMEs, crowd in other businesses, deliver critical mass to existing priority areas and contribute meaningfully to bilateral trade
- Are focused on economic recovery from COVID-19

**What happens if you like my commercial business opportunity?**

If a business opportunity idea is accepted for further development, Katalis will contact the proponent and collaborate with them to draft an Activity Proposal. The Activity Proposal further refines the commercial business opportunity, how it meets each investment criteria, what Katalis will be funding and what co-contributions will be made by the business. If we reach agreement, Katalis will consider the opportunity for funding and commence the internal approval process which can take several months.

Note: Katalis funds are limited, we have multiple opportunities to consider in parallel, and we are not able to fund all opportunities with merit.

**Who is the direct beneficiary?**

The direct beneficiary/ies is/are the organisation/s directly benefitting from the commercial outcome of the business opportunity. Typically, the direct beneficiary is the business submitting a business opportunity idea to Katalis. The direct beneficiary can be a business, group of businesses, business organisation or other type of organisation, registered either in Australia, Indonesia, or both countries. As Katalis is not a grants program, we do not provide funding to direct beneficiaries. Instead, we collaborate with direct beneficiaries to jointly deliver agreed activities.
Who is the implementing partner?

The implementing partner/s is/are the third-party service provider(s) Katalis contracts to undertake the activity/ies that Katalis has agreed to fund on behalf of the direct beneficiary. Implementing partners may be individual consultants, consulting or research firms, or other types of service providers, including other DFAT programs.

A key distinction is that direct beneficiaries cannot receive funding from Katalis. Rather, Katalis collaborates with the direct beneficiary to agree what activity/ies Katalis will be responsible for delivering, and what the direct beneficiary will pay for itself – which may include in-kind contributions. For the parts Katalis is responsible for, we undertake a procurement process to select an appropriate service firm/s or individual/s, then contract them as the implementing partner/s to undertake the agreed work on behalf of, and in collaboration with, the direct beneficiary or beneficiaries.

What is the submission deadline?

Commercial business opportunities can be submitted all year – there is no submission deadline.

How do I submit an idea for consideration?

There are two methods to submit your idea:

1. Via the Business Portal, using the online form.
2. By downloading the form here, filling in and then email/mail it to the Katalis office at:
   Katalis Business Engagement Manager
   Tower 2, Level 25, International Financial Centre (IFC)
   Jl. Jend. Sudirman No. Kav 22-23
   Jakarta 12920, Indonesia
   business@iacepa-katalis.org