



# CONCEPT NOTE APPLICATION GUIDE



**FUNDING WINDOW I**

This programme is co-funded by the European Union and the Federal Ministry for Economic Cooperation and Development



Financed by



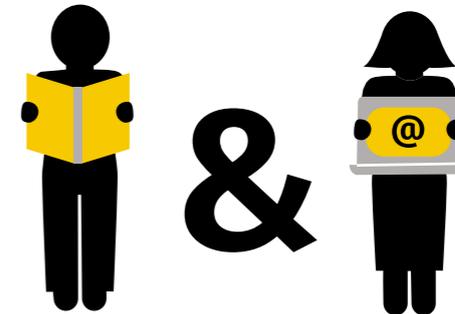
## FUNDING WINDOW I

### THEMATIC AREA



Large skills development investment projects proposed by training entities in partnership with companies

### ELIGIBLE APPLICANTS



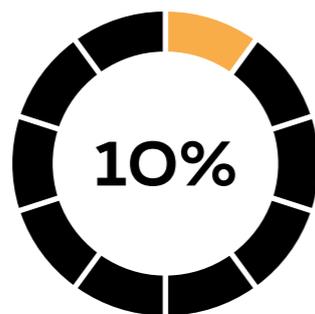
National training entities in partnership with private sector entities

### GRANT AMOUNT



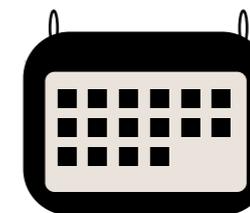
Up to EUR 3 million per project

### APPLICANT CONTRIBUTION



At least 10 % of total project cost/investment

### PROJECT IMPLEMENTATION PERIOD



Up to 30 months

## INTRODUCTION AND BACKGROUND

The Skills Initiative for Africa (SIFA) is an initiative of the African Union Commission (AUC) supported by the German Government to strengthen occupational prospects of young people in Africa.

## SIFA FINANCING FACILITY

In 2016, as a response to the growing youth unemployment and the correlating challenges on the African Continent, the African Union Commission (AUC) and the German Federal Ministry for Economic Cooperation and Development initiated SIFA- Skills Initiative for Africa. SIFA is an initiative of AUC and the African Union Development Agency (AUDA-NEPAD) supported by the German Government, through GIZ and KfW, and the European Union.

SIFA promotes occupational prospects of young Africans through the support of innovative skills development programmes, and a close cooperation with the private sector to ensure labour-market orientation.



## SIFA AIMS TO IMPROVE OCCUPATIONAL PROSPECTS OF YOUNG AFRICANS

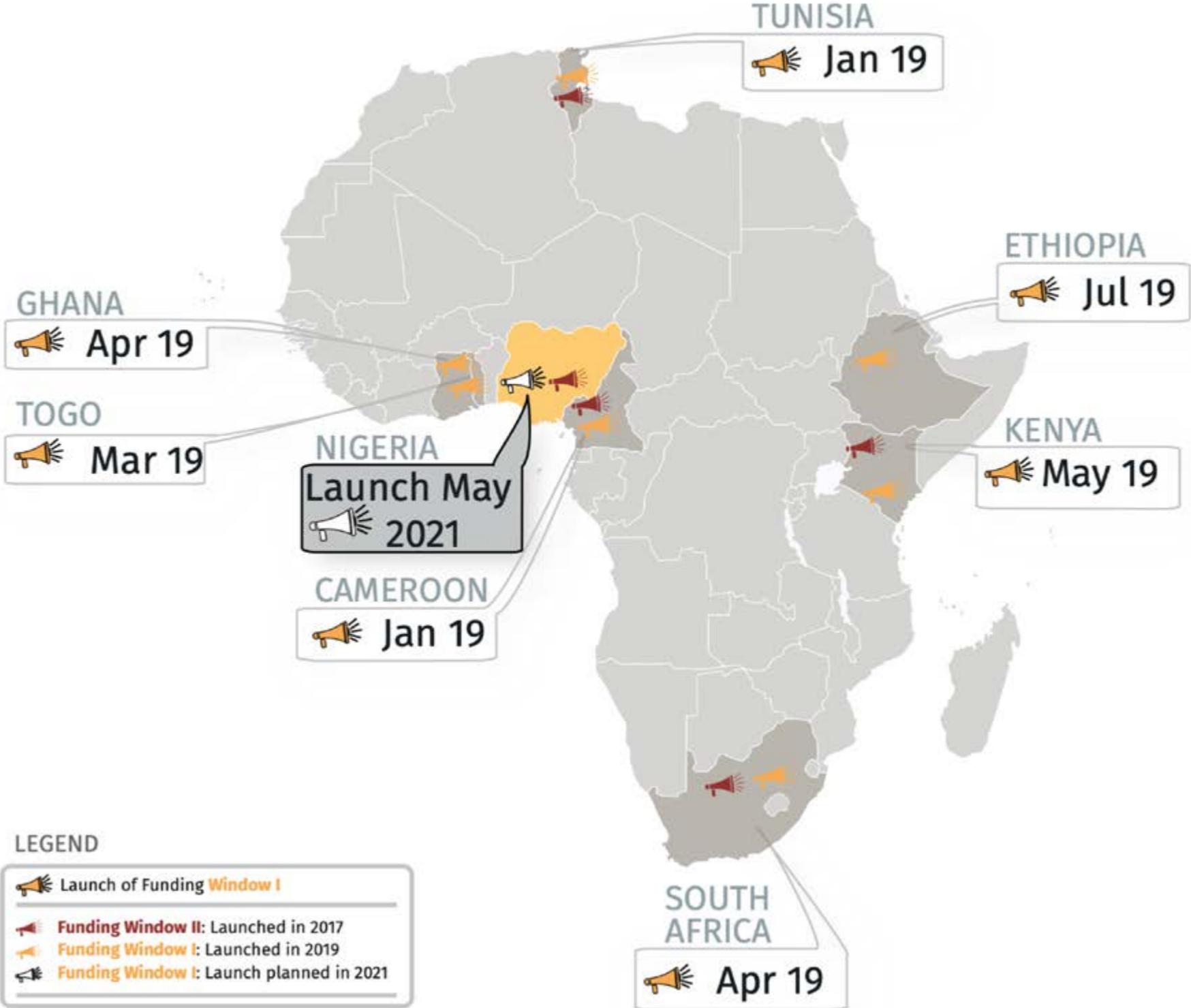
Under SIFA, a Financing Facility for Skills Development has been established. The Facility is implemented by the African Union Development Agency (AUDA-NEPAD) with financing from Germany through KfW. The financing is designed to coherently address the common challenges in skills development by upscaling and/or disseminating local best practices, and by supporting innovative as well as sustainable approaches.

The goal is to foster the employment and entrepreneurship of youth, women, and vulnerable groups including refugees, migrants, and internally displaced persons, the disadvantaged and disabled.

The Financing Facility provides funding on a competitive basis for the implementation of innovative and sustainable skills development initiatives. It is regarding initiatives, which directly engage with the private sector, address market needs, and can have a regional impact. Initiatives must align with the national strategy's perspective of raising the overall quality in employment-oriented skills development.

# LAUNCH OF FUNDING WINDOW I AND FUNDING WINDOW II

SIFA has already launched its Funding Windows in 7 of 8 countries.



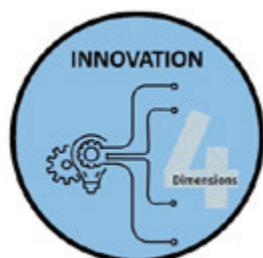
### OBJECTIVE AND INDICATORS

SIFA aims to strengthen the occupational prospects of young people in Africa.



## PROPOSALS

Applicants should ensure that their proposals adequately respond to the assessment criteria. The evaluation exercise will take into account how well the proposal responds to the following key assessment indicators:



### INNOVATION

Application elaborates the development of innovative skills development practices, such as digital skills training, implementation of new and relevant teaching and learning approaches, including curriculum digitalization, simulations, online learning platforms, and innovative partnership engagements



### SUSTAINABILITY

Proposal elaborates measures to sustain the gains of the project and includes exit strategies to sustain the investments beyond the project life as well as measures and partnerships to ensure environmental and financial sustainability.



### REGIONAL IMPACT

Project proposal includes evidence of unhindered access to training for students from neighboring countries with explicit intention to become a regional TVET Centre of Excellence. Possibility of replicating the proposed project in the region is elaborated.



### PARTNERSHIP

Application demonstrates committed partnerships with private sector entities and stakeholders in training provision, assessment and employment promotion with roles and responsibilities of the partners clearly defined.



### EMPLOYMENT ORIENTATION

Application places emphasis on employment-oriented skills development. The proposal elaborates strategies to achieve this objective.



### WOMEN

Reference is made to measures to facilitate access for women such as preferential selection process and scholarships to ensure a minimum share of 30% of total enrolment. The needs of women from low-income and low -education backgrounds are specifically addressed.



### YOUTH

The enrolment of youth, especially from low-income backgrounds, is prioritized to ensure a minimum share of 30% of the total number of students enrolled through the design of measures such as affirmative selection criteria and provision of learner scholarships.

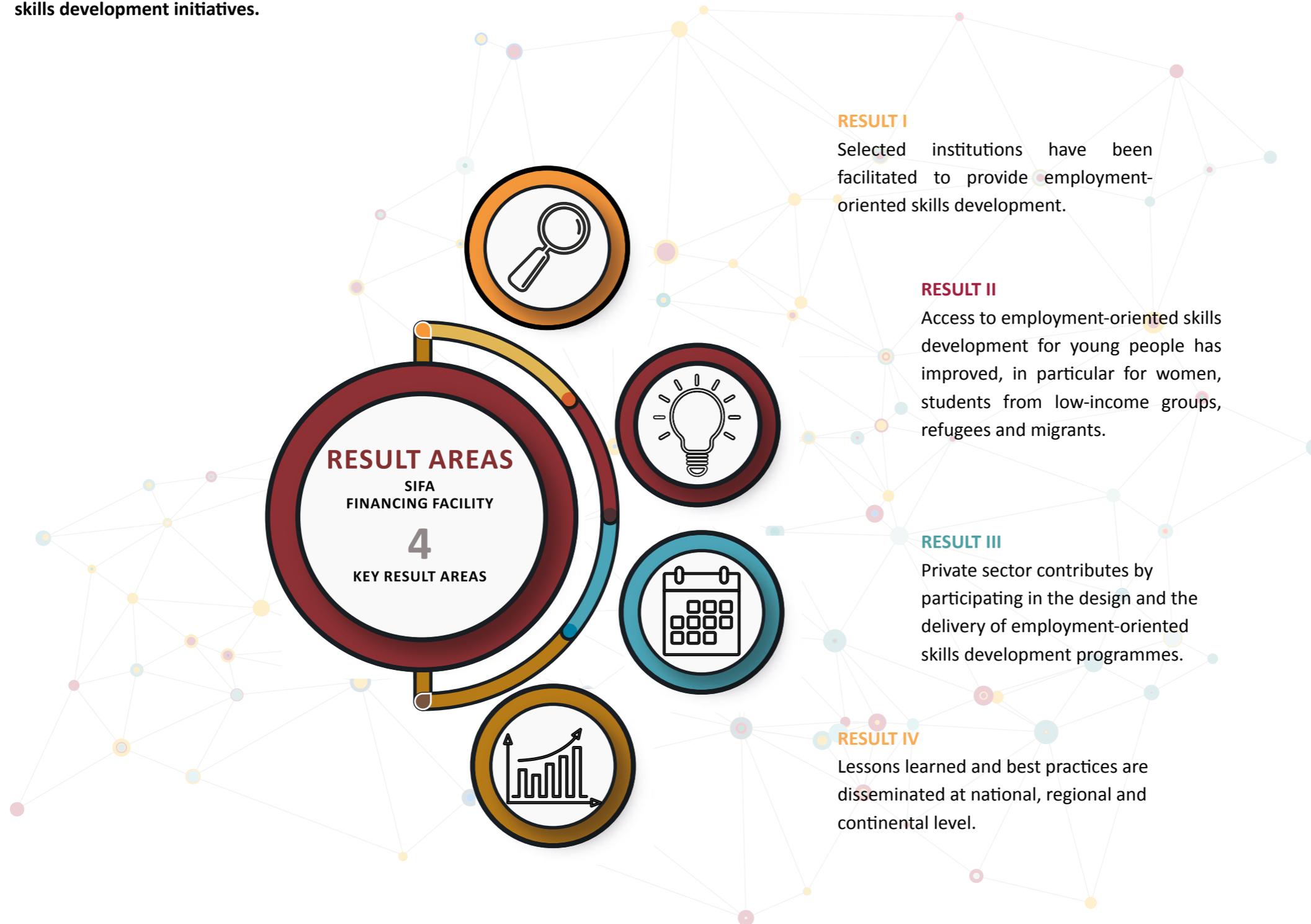


### VULNERABLE GROUPS

Measures such as reduced fees, scholarships, subsidized hostel accommodation, and school feeding are elaborated to address the training needs of vulnerable groups such as refugees, migrants, poor people, and persons with disability.

## OBJECTIVE AND RESULTS

To increase quality and innovation, nationally and regionally, in practical, employment-oriented skills development through the implementation of sustainable and relevant skills development initiatives.



## ELIGIBLE PROJECTS

The Financing Facility has defined **FUNDING WINDOW I** to provide funding for eligible projects as follows

**Large skills development investment projects proposed by domestic training entities in partnership with companies.**

**Thematic area:** This window supports employment-oriented skills development through large investment projects in modern workplace skills development. It further supports capacity building of public and private training institutions to deliver quality skills programs for the youth in priority growth sectors.

**The window can fund a combination of the following 5 technical and didactical interventions:**

1. Procurement of training equipment
2. Construction, rehabilitation or expansion of learning infrastructure

**Activities below can be funded only in combination of both or either of the above core activities and only up to 5 % of the total project cost:**

3. Training of trainers
4. Curriculum design
5. Learner scholarships

**Grant Amount per project: Up to EUR 3 million.**

Once a grant amount is approved, no additional funds will be made available and the applicants will be responsible for ensuring the full financing and completion of the project. All taxes and duties must be borne by the applicant and shall not be financed from the grant.

**Counterpart (Applicant's own) contribution:**

At least 10 % of total project cost in cash terms, evidenced by relevant invoices or as complementary (in-kind) measures that can be quantified in cash terms. The counterpart contribution can be used to cover taxes and duties for financing through the grant. Tax exemptions can be counted as counterpart contribution.

**Project implementation duration: Up to 30 months**



## INELIGIBLE PROJECT COSTS

The following costs (activities) are NOT supported by the SIFA Financing Facility:

- Recurrent costs such as staff salaries, rental or maintenance of equipment
- Import duties, VAT or other public charges

However, these costs may be financed through the applicant's counterpart contribution.



## PARTNERSHIP

Eligible Applicants will be experienced stakeholders in the field of skills development. One responsible Lead will always form a consortium with one or two partners. The Lead Partner must be a domestic entity and a public or private accredited training provider. The Primary Partner needs to be from the domestic private sector.

### Lead

- Public TVET institution supported by sector ministry
- Legally autonomous public TVET institution
- Accredited private training provider
- Registered domestic NGO or Foundation accredited to offer skills training
- National TVET Agency or TVET authority responsible for TVET provision

### The Lead must have one of the following as a primary partner

- Domestic public or private company
- Domestic Chamber of Commerce or Industry and Employer Association that supports skills development
- Incubation center or company involved in product development



### In addition, the lead can have one of the following as a secondary partner:

- Public TVET institutions supported by sector ministry
- Legally autonomous public TVET institution
- Accredited private training provider
- Registered domestic NGO or Foundation accredited to offer skills training
- Chamber of Commerce or Industry and Employer Associations that supports skills development
- International NGO or Foundation accredited to offer skills training
- National TVET Agency or TVET authority responsible for TVET provision

## GENERAL ELIGIBILITY CRITERIA

### Applicants (consortium) must:

- Consist of legally registered entities according to the list of eligible entities
- Be able to demonstrate financial capacity for the last three years
- Demonstrate their human capacity to implement the proposed project idea
- Demonstrate proof of counterpart funding

### Applicants must provide the following evidence as proof of eligibility of the consortium

- Copies of documentation of legal status / registration showing that the Lead and its Partners belong to the list of eligible entities
- Copies of accreditation documents of training providers
- Audited or certified financial statements of the Lead for the last three years
- Number and qualification of relevant staff
- At least one reference of a project with a financial scope that is similar to the proposed project idea
- Commitment letter for counterpart funding, showing breakdown of estimated value of proposed complementary (in-kind) measures

## ELIGIBILITY REQUIREMENTS FOR APPLICATIONS - CONCEPT NOTE

### The proposed project idea (outline of activities) must belong to one of the stated eligible project activities

For construction works and procurement of equipment, the application must include documentation of ownership or lease hold of buildings or lands.

- The application must address the skills and employment needs of women and youth (e.g. access, enrolment, job opportunities, etc.) in proposed project concept (outline of activities).
- The applicant must demonstrate private sector engagement in the proposed project activities

## COUNTERPART CONTRIBUTION

### With regard to the counterpart funding, the available options are

- Co-financing of invoices
- Implementation of complementary (in-kind) measures that can be quantified in cash terms



- Payment of taxes (e.g. VAT, import duties and other public charges) on works, goods and services rendered to the project
- Recurrent costs, such as salaries for additional project-related staff, and utility charges (e.g. water, electricity, heating) for the duration of the project
- Provision of complementary (in-kind) measures

### The provision of complementary measures may include the following

- Use of specialized workshop/training equipment, cost of which can be quantified in cash terms
- Use of specialized facilities owned or long term leased by the applicants, e.g. dormitories or kindergartens (for children of female trainees/learners), cost of which can be quantified in cash terms

### Documentation for Counterpart Contribution at Concept Note stage

- Applicants must submit a Commitment Letter, detailing the complementary (in-kind) measures and indicating Tax/VAT registration number

## ASSESSMENT CRITERIA AND SCORING OF PROPOSALS

The selection of projects shall be guided by the following assessment criteria and corresponding maximum scores:

<b>1. Viability and readiness to implement</b>	Viability of the skills initiative (project) concept and readiness to implement. It is important that proposals, in particular if focused on construction or large procurements, are ready-to- be implemented projects, i.e. a prior concept development /technical planning exists (and is documented) e.g. detailed design, specifications, approvals, environmental studies and certificates etc. Furthermore counterpart funding is substantiated and documented.	<b>20 points</b>
<b>2. Innovation</b>	Proposals present innovative ability in terms of innovative training design and delivery or technology-enabled learning or digitised skills programmes and financing partnerships.	<b>10 points</b>
<b>3. Sustainability</b>	Proposals outline growth potential of the sector in the specific country, training needs, and a viable sustainable financing strategy. Risks and how they will be mitigated as well as measures and strategies to sustain the investment / initiative are explained.	<b>10 points</b>
<b>4. Regional impact and replicability</b>	Proposals demonstrate possibility for becoming a regional show case / best practice provider of employable skills development, such as importance for regional development goals, offering access to skills training for students from the region or drawing on regional expertise and potential for becoming a regional centre of excellence.	<b>10 points</b>
<b>5. Involvement of the private sector</b>	Proposed project must involve the private sector from the start and show evidence of private sector engagement in design of training, institutionalisation of the involvement in design and delivery of training, and further institutionalisation in the form of internships and job fairs supported by relevant MOUs.	<b>10 points</b>
<b>6. Access for/impact on women, youth, and vulnerable groups including refugees, migrants and internally displaced persons, the disadvantaged and disabled</b>	Proposals must include specific measures to address the specific needs or employment opportunities for women, youth and vulnerable groups, such as widows, migrants and internally displaced persons (e.g. female and youth enrolment, advocacy strategies and retention and job placements.	<b>20 points</b>
<b>7. Relevance in terms of the expected impact</b>	Proposals must demonstrate impact on employability and contribution to national human resource development agenda.	<b>5 points</b>
<b>8. Overall quality of the proposal</b>	Proposals demonstrate quality as well as coherence and completeness of the documentation provided.	<b>15 points</b>
<b>Ranking of all eligible proposals</b>	To qualify for short-listing, the proposal must obtain a minimum score of 60 points. <b>Three highest ranked concept notes for each participating country will be short-listed and invited to submit Full Proposals.</b>	<b>100 points maximum</b>

## APPLICATION PROCESS

The SIFA Application Process is in two-stages, comprising

**Stage 1: Submission of Concept Note (CN)**

**Stage 2: Submission of Full Proposal (FP), ONLY for short-listed Concept Notes**

### CONCEPT NOTE STAGE

#### 1. CALL OPEN FOR CONCEPT NOTES

Interested applicants submit a Concept Note in SmartME on the website [SkillsAfrica.org](http://SkillsAfrica.org) for evaluation. The Concept Note is intended to be brief, focusing on the fulfilment of the eligibility and selection criteria of the proposal/ applicant and introducing the key aspects of the activity proposed to be supported.

#### 2. EVALUATION OF CONCEPT NOTES

SIFA Financing Facility will check eligibility and subsequently conduct an independent evaluation against assessment criteria

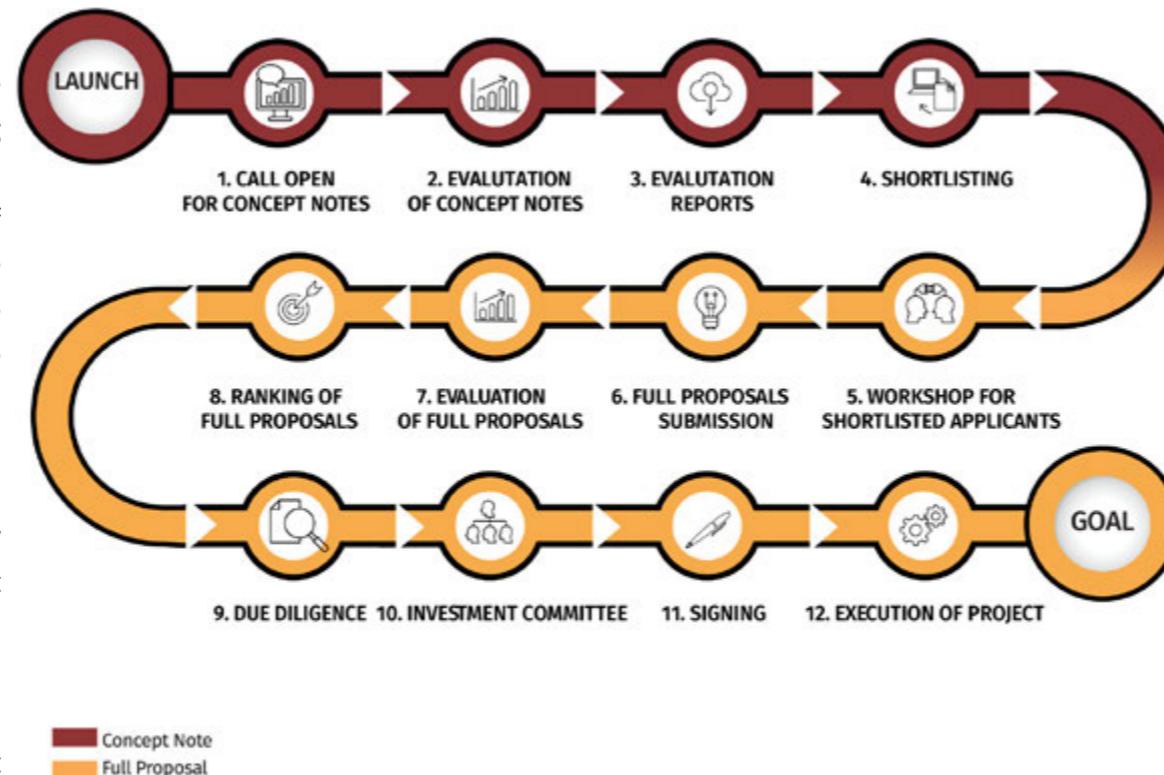
#### 3. EVALUATION REPORTS

SIFA will further prepare an assessment report of the shortlisted Concept Notes.

The assessment report will be sent to the SIFA Investment Committee.

#### 4. SHORTLISTING

Upon No-Objection, the Leads of the shortlisted applicants are notified of the outcome of the evaluation procedure and invited to submit Full Proposals by a letter signed by the AUDA-NEPAD approximately 4 weeks after the Concept Note application deadline.



### FULL PROPOSAL STAGE

#### 5. WORKSHOP

A Full Proposal workshop will be organized only for applicants whose Concept Notes have been shortlisted to support them to develop their Full Proposal. All details of the Full Proposal process will be provided in the workshop.

#### 6. FULL PROPOSAL SUBMISSION

Only the invited applicants can submit a Full Proposal in the online management system using the same log in credentials. The Full Proposal must include a detailed implementation plan, budget, proposal-specific results framework, detailed technical design or specifications and an operational and maintenance plan. Formats for supporting documents (implementation plan, budget and results framework) will be provided to shortlisted applicants.

#### STEP 7. - 12. TO BE EXPLAINED DURING WORKSHOP

## DUE DILIGENCE/VERIFICATION

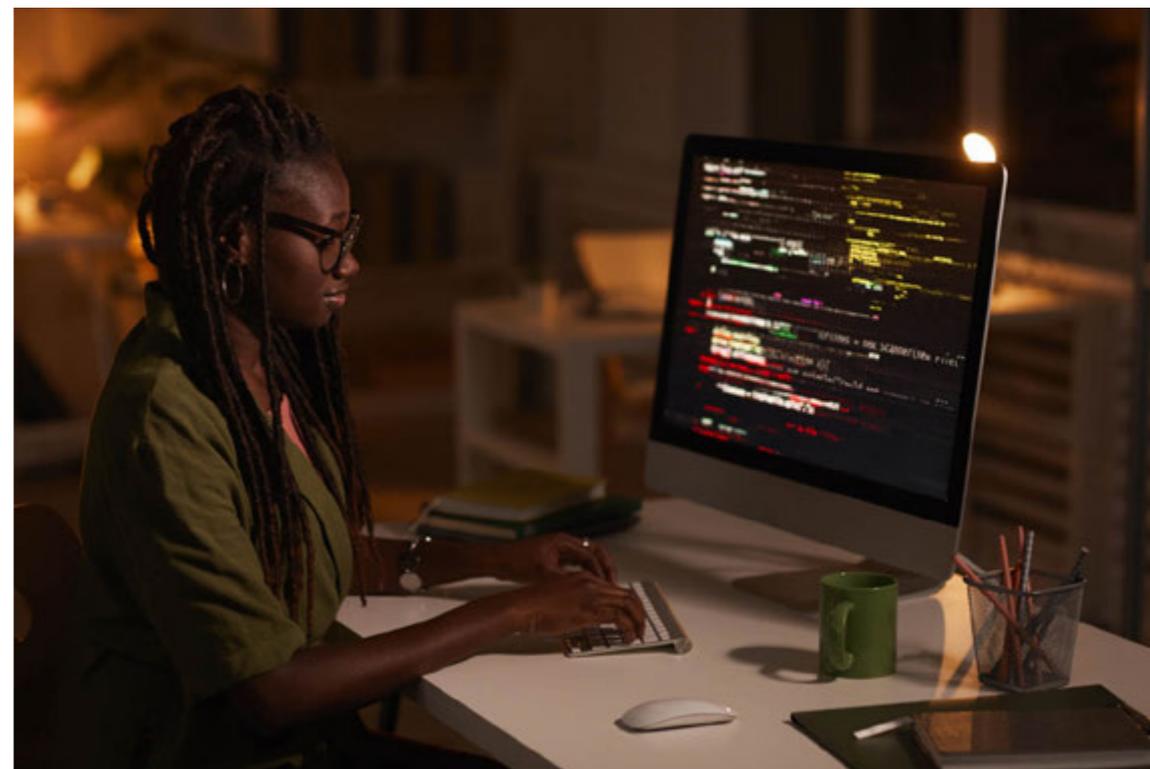
The SIFA Financing Facility team will carry out due diligence/verification visit on the shortlisted applicants (in particular the Lead) to verify the following information:

- The registration status
- The organisational and financial capacity
- The technical validity of the proposal e.g. proposed construction or rehabilitation or specification of the equipment, where applicable

The due diligence/verification will be done mainly on site but may in rare instances also be conducted remotely. The applicants will be informed via e-mail - with receipt and read acknowledgment – of the planned on-site due diligence visits.

After the final evaluation, AUDA-NEPAD will send the shortlisted Full Proposals to KfW for No-Objection. Upon No-Objection, the shortlisted Full Proposals are presented to the SIFA Investment Committee for approval and final selection of the winning proposals. The Leads of the winning Applicants are then officially informed by a letter signed by AUDA-NEPAD inviting them to negotiations and signature of Implementation Agreements. The Implementation Agreements will be signed between the Applicants and AUDA-NEPAD. All Applicants will be informed of the outcome of the final evaluation.

While implementing a SIFA funded grant, the Grantees are required to follow all approved rules and guidelines on financial management, procurement and environmental, social, health and safety safeguards.



## GENERAL RULES

- Concept Notes and Full Proposals received after the submission deadline will be rejected.
- Concept Notes and Full Proposals must be submitted online in the SmartME system. No other form of submission is allowed.
- Concept Notes and Full Proposals shall be submitted in English or French language.
- All financial information included in the Concept Notes and Full Proposals shall be in EURO (or converted to EURO).
- SIFA's grant decision is not binding until the Implementation Agreement with annexes has been signed with AUDA-NEPAD following successful negotiations. SIFA Financing Facility reserves the right to reject any Concept Note or Full Proposal until signing of the Implementation Agreement.
- All SIFA Project grantees must sign KfW anti-corruption declarations.

## APPLICATION SUBMISSION TOOL - SMARTME

The SIFA Financing Facility has established an online system/electronic tool (SmartME) for the preparation and submission of Proposals for both Concept Notes and Full Proposals. This tool is available for applicants at the SIFA website [SkillsAfrica.org](http://SkillsAfrica.org).

The SmartME system is utilised to manage the Calls for Proposal and offers various advantages to the applicants when used during the preparation and submission process.

- Applicants are able to log onto the system once the Call has been opened and apply directly online.
- An applicant can draft, complete and submit a Proposal during each stage of the application process without the need of having to store any documentation or lose any unsaved work.
- All additional documentation can be uploaded into the system, and remain available to the applicant as long as it is needed.
- Thus, all proposals (Concept Note and Full Proposal) must be submitted in the application format in the SmartME online management system.
- Submitting a proposal in hard (paper) copy, e.g. via e-mail, either at the Concept Note or Full Proposal stage is not permissible and will not be accepted. Nor is it possible to submit a proposal (application) only at the Full Proposal stage.
- The Smart ME system covers the whole Call for Proposals process from Concept Note to Reporting and Monitoring of selected Projects.

## REGISTRATION ON SMARTME

The registration on the Smart ME system is as follows:

- Follow the link to register for the SIFA Call for Proposals as given in the advertisement or type in the URL website [SkillsAfrica.org](http://SkillsAfrica.org)
- Register for the SIFA Call for Proposals by providing your first and last name, email address and your chosen password as well as your location. You may also be required to provide a mobile number for authentication.



- An e-mail with login credentials will be sent to the stated e-mail address.
- Sign into the system and begin developing your Proposal.
- Applicants can log out of the system at any time, and return to the same access point as all work will be saved, as it is entered.

## PRIVACY OF APPLICANT DATA

- All data entered into the SmartME system is secure.
- All the operations and practices regarding the collection, storage and processing of personal information are in accordance with the EU Data Protection Directive 95/46/EC and the Finnish law 22.4.1999/523 implementing the Directive.

## DISBURSEMENT OF GRANTS

- Payment for works and services rendered and goods supplied under a SIFA Financing Facility grant, will be done upon submission of evidence and proof of expenses.
- Full disbursement procedures will be made available to the selected winning Applicants/Grantees.

## PROCUREMENT OF WORKS, GOODS AND SERVICES

- The procurement of works, goods and services will be done in close collaboration with AUDA-NEPAD.
- Approved public procurement rules and procedures will apply, depending on the type of project and the project amount.
- All expenses related to the project implementation, including the accounting and procurement procedures, will be subjected to auditing by AUDA-NEPAD and KfW for compliance, with rules and conditions attached to the Implementation Agreement.
- The approved procurement rules and procedures will be made available to the selected winning Applicants/Grantees.

## REPORTING

Upon signing the Implementation Agreements, the applicants commit to report on a quarterly basis to the SIFA Financing Facility according to the results, activities and associated indicators stated in their proposal. This reporting will be done in the online management system (SmartME).

In addition, the SIFA Financing Facility may visit to collect additional information, stories, lessons learnt etc., and the applicants must commit to be available, and provide information if required. Visits may be unannounced.

## FURTHER INFORMATION

On the website [SkillsAfrica.org](https://SkillsAfrica.org) detailed information on the different funding windows and how to apply is displayed.

- Questions can be submitted in the contact form on [skillsafrica.org/contact](https://skillsafrica.org/contact).
- For general questions, consult the same page [skillsafrica.org/contact](https://skillsafrica.org/contact).
- For technical problems, login to SmartME, SIFA's online management system, and use the helpdesk.
- The helpdesk in SIFA's online management system responds to queries within 48 hours.

