



Skills Initiative for Africa
Financing Facility for Skills Development
Call for Proposals

NEPAD Planning and Coordinating Agency





I. Background

The **Skills Initiative for Africa** is an initiative of the African Union Commission (AUC) supported by the German Government to strengthen occupational prospects of young people. The growing extent of youth unemployment poses a fundamental challenge for the whole of Africa. In total, around 60 percent of the unemployed are under the age of 25 and young women are especially affected. Even though, the access to quality education and appropriate job opportunities are essential for the reduction of poverty, political stability and participation as well as sustainable development, educational programs with a practical orientation are still scarce in many African countries. The lack of educational opportunities results in both poor personal and occupational prospects and is one of the reasons why many young people choose to leave their homes in search of a more prosperous future. Many African partners have understood the significance of Technical and Vocational Education and Training (TVET) and have initiated a number of national programs. Nonetheless, a shortage of qualified teachers, scholarships and an adequate infrastructure as well as an absence of practical vocational curricula and missing or outdated technical and didactical equipment still pose significant challenges to the successful implementation of such programs. One of the biggest challenges is that the private sector often times does not get sufficiently involved in vocational education. The result is young people who graduate from vocational training but do not possess the skills that employers need. Therefore, one of the core principles of the Skills Initiative for Africa is involving employers in the conception and implementation of vocational education and training.

The centrepiece of the Skills Initiative for Africa is a Financing Facility for Skills Development to be implemented by the AU's New Partnership for African Development (NEPAD Agency) supported by the German Development Bank KfW. The objective of the Financing Facility is to strengthen the quality and innovation in practice-oriented training and further education through the implementation of sustainable, regionally relevant "skills development initiatives". Special attention will be given to the active contribution of employers and the private sector, the support for girls and women as well as students from low income groups. The Facility will provide non-repayable grant funding for skills development initiatives by public and private organizations.

Three funding windows will be opened for the Financing Facility targeting different types of skills development projects promoted by different types of partner structures.

- **Funding Window 1 (Large Investment Projects):** This window shall provide funding for large investment projects for skills development (financial volume of approx. EUR 3 million each) promoted by national skills development partners in the pilot countries.

✓ **Call will be launched in the second half of 2017. More information will follow.**

- **Funding Window 2 (International Window):** The second financing window to provide funding for large investment projects for skills development promoted by international partners in cooperation with national partners. The volume of the financial support of each of these projects is between EUR 1 and 1.5 million.

✓ **Call launched now!**



- **Funding Window 3 (Smaller Innovative/Pilot Projects):** This window serves to finance smaller, innovative (pilot) projects (financial volume limited to between EUR 0.2 and 1.0 million) promoted by national partners in the pilot countries. The window shall serve as an incubator to allow testing of pilot projects with potential for a larger regional impact in order to improve the quality and innovation in employment oriented skills development.

✓ **Call will be launched in the second half of 2017. More information will follow.**

II. Who will we fund?

For Funding Window 2, the Financing Facility for Skills Development will consider applications from international entities cooperating with a national partner in any of the pilot country. Pilot countries are Tunisia, Cameroon, Nigeria, Kenya and South Africa. Eligible international entities are understood as those, who a) do not have their headquarters in the project country or b) are local sub-organisations or subsidiaries of a large international company having their headquarters located outside of Africa. International entities could be (but are not limited to) international NGOs and Civil Society Organizations, International Chambers of Commerce, International Industry Organizations, International Private Sector Companies or International Educational Institutions. Also Public-Private Partnerships will be considered.

In order to be eligible, the international and national partners applying for funding must not only belong to one of the eligible categories of institutions but should also have a proven Track Record in the field of skills development. Furthermore, they shall have the required financial and organisational capacity for implementing the type and scale of project they propose.

III. What kind of projects will we fund?

A guiding principle for the selection of projects is their relevance in addressing common challenges of African Union member states in skills development. One of the biggest of these challenges is providing skills development with active participation of future employers and the private sector in general. Only when including these actors can skills development be relevant for increasing job perspective. Therefore, projects considered for funding have to be conceptualized or implemented with active participation or directly by the private sector. Furthermore, the projects shall give special consideration to the support of women and youth from low-income families.

The partner structures shall be responsible for developing ideas on how to best improve employment and income opportunities for young people through skills development and elaborate project proposals for initiatives to be submitted to the Financing Facility for Funding. Skills development funds may be used for (but are not limited to) investments in the construction, rehabilitation, extension and equipment of skills development facilities as well as the provision of general and targeted scholarship programs, training of trainers, image campaigns for skills development, ICT-based approaches to skills development and entrepreneurship/mentorships programs. Operating and maintenance costs cannot be financed through the financing facility.



Proposals shall be made only for **ready-to-be implemented projects** in the interest of timely implementation and quick and visible results. Prior concept development, first technical planning and budgeting has to be completing so that it can inform the project proposal.

Projects considered for funding must be implemented in one of the pilot countries and shall have a **minimum size** (financial volume) in the interest of the impact on the skills development landscape. Funding requests of 1.0 to 1.5 million Euro will be considered. In addition to this amount, at least 30% counterpart funding will be required by the international partner applying for funding. Projects proposing more than the minimum amount of counterpart funding will receive extra points in the evaluation of their proposal.

Proposals shall be submitted including a draft **concept for the operation and maintenance** of the skills development initiative, providing information on how the skills development initiative is proposed to be managed and how the operating cost will be covered.

Proposals shall not only focus on the primary investment measure (such as infrastructure measures) but include all **complementary measures** required to ensure the envisaged impact as well as the sustainability of the initiative or facility. This concerns issues such as dormitories or kindergartens for schools and colleges, equipment for training workshops, etc.

Project proposals shall explain how the envisaged improvement of access of **female students and students from low-income groups** to skills development will be supported/facilitated by the proposed measures and quantify the impact.

Project Proposals shall be **comprehensive** and present the measures to be funded in the prescribed format (template for project proposal) with the required level of detail and provide all requested supporting information.

IV. How will funding be managed?

The implementation of the winning projects will be undertaken by the applicants. With support and guidance from the team of the Financing Facility, applicants will be responsible for the procurement and tendering of goods and services according to the procedures defined for the Facility. Funds will be channelled directly from the Financing Facility to the service providers based on the invoices certified by the applicants and the Financing Facility and according to the progress of the project. The applicant will report on the progress of the project to the Financing Facility. Full roles and responsibilities in the implementation of the project will be agreed upon in implementation agreements to be concluded between winning applicants and the NEPAD Agency.



V. How can you apply?

After an initial registration, application material can be downloaded at <http://www.skillsinitiative-for-africa.com>. The completed application form along with supplementary documentation has to be submitted to applications@skillsinitiative-for-africa.com, applications close on May 30, 2017 at 18.00h, South African time.

VI. How are projects selected for funding?

The applications presenting the most convincing approach to addressing the described challenges in skills development and that meet best the outlined criteria and requirements under section III will be selected for funding.

The financing facility will review the application material undertake a preselection of promising projects. These projects may be contacted to provide more comprehensive information or may be invited for a (video) interview. Site visits may also take place. Based on the available information, the team of the Financing Facility will evaluate applications and will send a report to the Investment Committee, which is headed by the NEPAD Agency.

Winning projects will be made an offer with attached conditions for funding. If accepted, an implementation agreement, which will formalize roles and responsibilities for the planning and implementation of the selected projects and the rights and obligations of the contracting partners will be concluded between the applicant and the NEPAD Agency.

For further questions or information, please contact applications@skillsinitiative-for-africa.com.