



Get to Know the Jobs Fund Series

Welcome to the *Get to Know the Jobs Fund* series. In this series we will focus on: the Challenge Fund as an innovative funding instrument; why in 2011 the Jobs Fund was conceptualised as a Challenge Fund; how the Fund operates; who it targets and partners with; the funding rounds; the four funding windows; the importance of Monitoring, Evaluation, Reporting & Learning; and Replicable & Scalable job creation models.

#3 - Jobs Fund Funding Rounds: Evolving from the General to the Specific

The Jobs Fund was established in 2011 to inspire innovation in the face of several challenges government was experiencing, including the lack of innovative and flexible public instruments to leverage private sector resources and test solutions to social challenges. The National Treasury recognised the versatility of the Challenge Fund instrument in addressing a wide range of social and economic challenges through collaboration. **The Jobs Fund was established with a broad mandate to work across sectors and systemic barriers** and was allocated R9 billion in grant funding for this purpose. For more detail on how Challenge Funds operate, refer to the [Get to Know the Jobs Fund Article #1](#), and for more detail on the Jobs Fund Partnerships refer to the [Get to Know the Jobs Fund Article #2](#).

To catalyse innovation and investment on behalf of a range of economic stakeholders the Jobs Fund intervenes in the labour market from both the labour demand and labour supply sides, through four funding windows:



Pathwaying youth into jobs through the effective matching of workseeker to employer or workseeker to business opportunity (supply of labour).



Co-financing critical missing infrastructure to improve the business environment for SMMEs/farmers and employment-linked investment (demand for labour).



Building institutional capability by improving operational efficiencies & removing barriers to doing business - scaling up the potential for job creation (supply of and demand for labour).

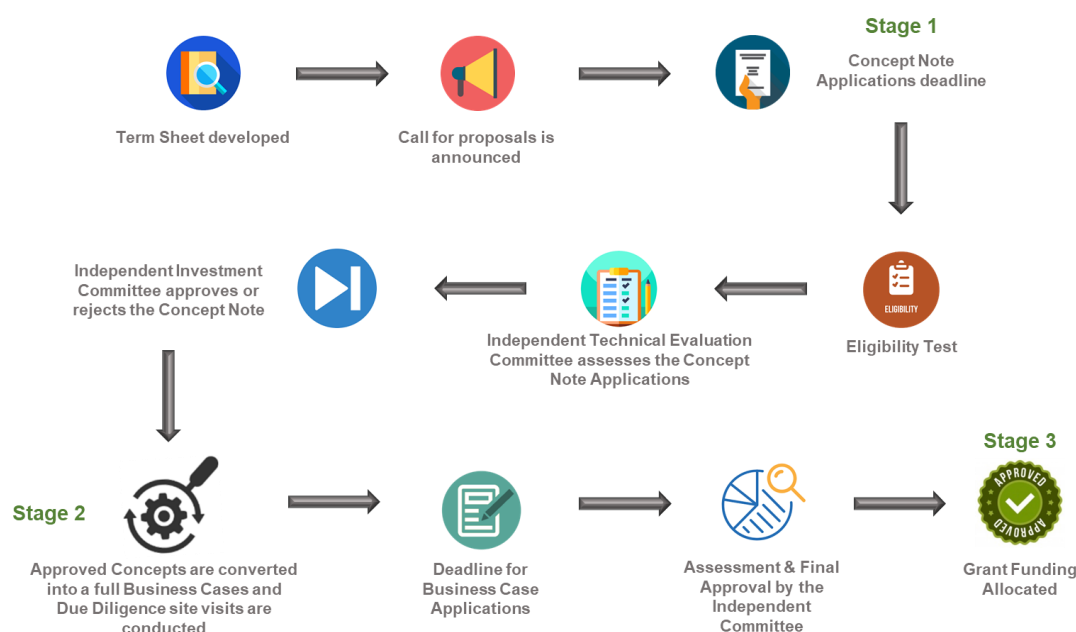


Supporting entrepreneurship & growing sustainable SMMEs/farmers in the informal and formal sector through business support and financing (demand for labour).

Since the Jobs Fund's inception, it has concluded 8 calls for proposals, which are otherwise known as funding rounds. For each round, a term sheet is developed which describes the theme of the funding round, the eligibility and impact criteria, the process of applying and how the assessment of applications will take place. The Jobs Fund application and approval process is conducted in three stages which are described below:

Stage 1: Concept Note Application

Project applications are submitted online and screened for eligibility. Eligible applications are scored against the impact criteria as outlined in the term sheet and ranked within each funding window. Competitive concept notes are considered by the independent Technical Evaluation Committee and the Jobs Fund Investment Committee in turn makes the final decision on whether or not a project will be invited to submit a full Business Case Application.



Stage 2: Business Case Application

Business Case Applications are submitted online together with a project implementation plan and budget. These applications are again screened for eligibility and a comprehensive due diligence is conducted. Projects are considered by the independent Technical Evaluation

Committee that put forward recommendations on project competitiveness and innovation. Finally, each project is presented to the independent Investment Committee to make a funding decision.

Stage 3: Final Decision and Funding Allocation Stage

The Jobs Fund Investment Committee considers the competitive impact of the Business Case applications and the results of the due diligence during its deliberations on the allocation of grant funding. Funding is allocated and successful applications are contracted.

Funding Round Evolution

The first and second funding rounds were general calls for proposals, aimed at testing interest from the market and gauging the appetite of implementers and funders to partner with government to roll-out innovative employment creation initiatives. From Round 3 onwards the Jobs Fund designed more targeted funding rounds with tightly defined themes. Having an adaptive framework is essential in tailoring term sheets that directly respond to market trends and need. The eight funding rounds are highlighted below:

- 1** **The first call for proposals** was open from 1 June to 31 July 2011 and was a general call for proposals with 36 projects contracted.
- 2** **The second call for proposals** was open from 2 April to 31 May 2012 and was also a general call for proposals with 33 projects contracted.
- 3** **The third call for proposals** was open from 3 December 2012 to 15 March 2013 and was focussed on Enterprise Development and Infrastructure Investment windows. The aim was to 1) co-finance projects which support smaller enterprises or benefit smaller enterprises indirectly, such as facilitation of market linkages and supply chain diversification, and 2) co-finance light infrastructure investment projects which are necessary to unlock job creation potential in a particular area. Seventeen (17) projects from this round were contracted.
- 4** **The fourth call for proposals** was open from 1 October to 24 October 2014 and focussed on the scale up of existing Jobs Fund job creation models and only existing Jobs Fund Partners were permitted to apply. Two (2) projects from this round were contracted.
- 5** **The fifth call for proposals** was open from 12 January to 28 February 2015 and focussed on the agriculture sector across all four funding windows. This round aimed to support innovative approaches to supporting smallholder farmers by providing/enhancing access to existing markets and integration into agricultural value chains, facilitating training, as well as securing the viability and sustainability of the primary production activities. Thirteen (13) projects from this round were contracted.
- 6** **The sixth call for proposals** was open from 16 November 2015 to 1 February 2016 and focussed on supporting projects that aimed to use innovation to overcome the barriers to direct job creation. Fourteen (14) projects from this round were contracted across all four funding windows.
- 7** **The seventh call for proposals** was open from 19 December 2016 to 16 March 2017 and focussed on scaling inclusive job creation under the Support for Workseekers and Enterprise Development Funding Windows: 1) Overcoming specific barriers or binding constraints to participation and growth, 2) Overcoming barriers to participation by firms that are marginalised or historically excluded, 3) Delivering innovative private delivery of social services in education, health, housing, urban management, etc. Ten (10) projects from this round were contracted.
- 8** **The eighth call for proposals** was open from 22 March 2018 to 24 May 2018 and focussed on Catalysing Inclusive Economic Growth. Proposals were invited from entities that could demonstrate that, with government funding, they would be able to stimulate demand for sustainable employment. Proposals were accepted under the Enterprise Development, Support for Workseekers and Infrastructure windows. Twenty-one (21) projects from this round were contracted.

Of vital importance in the call for proposals process is the identification of potential partners (i.e. potential grant applicants) who have the requisite capacity and experience to contribute to solutions to the problem statement posed in the term sheet. As the Jobs Fund is a learning Fund, the evolution of the funding rounds was also based on good practice gleaned from the previous calls for proposals, which evidently included lessons on the implementation capacity of partners. The experience in the first two rounds thus led to a decision to set out clearer eligibility and selection criteria that would ensure that the most promising concepts and credible partners were taken forward.

Although the R9 billion that capitalised the Jobs Fund in 2011 has now been fully allocated, the current portfolio of projects will be implementing until 2025/26. In addition, in September 2021 the Jobs Fund, through GTAC, was appointed by the Presidency as the Fund Manager for the Presidential Youth Employment Intervention and will be responsible for the appointment of the National Pathway Manager and the roll-out and implementation of two new Funding Rounds on behalf of the Presidency, the Department of Employment and Labour (DEL), and the National Youth Development Agency (NYDA). These are:

- The National Pathway Management Network (NPMN) Innovation Fund (DEL), and
- The National Youth Service programme (NYDA).

Both funding rounds opened on 29 October 2021 and closed on 25 November 2021.

Further detail on the Jobs Fund's work in support of the Presidential Youth Employment Intervention will be included in upcoming *Get to Know the Jobs Fund* articles.



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