



KEY LEARNINGS FROM DECLINED PROJECTS DURING THE JOBS FUND'S 12TH FUNDING ROUND

A review of the Jobs Fund's recently concluded 12th Funding Round provided valuable insights into why applications were successful as well as the reasons why applications were not successful. While many of the proposals demonstrated strong developmental intent and innovation, they revealed critical gaps that future applicants can learn from.

1. Value for Money

Several applications struggled to demonstrate cost efficiency, with a high cost-per-job relative to benchmarks and disproportionate allocations toward administration and management rather than to direct beneficiary support. In some cases, the financial sustainability and cost structure of the business or value chain model were insufficient to justify the requested investment level. This highlights a critical principle that applicants should remember: impact is not only measured by the number of jobs created, but by how efficiently resources are translated into meaningful outcomes.

Key question for applicants: *Can you demonstrate, with evidence, that your cost per job is efficient relative to comparable interventions, and that the benefit flow of your intervention is primarily to your targeted recipients?*

2. Implementation Capacity

Closely linked to value for money was the issue of implementation capacity. Several proposals presented compelling concepts but lacked the operational depth required to execute at scale. This included the absence of detailed implementation plans, unclear delivery models, and a lack of formalised agreements with key partners. Without clearly defined roles, systems, and processes, even the most promising ideas carry significant delivery risk. Fundable projects are those that demonstrate not only what will be done, but also precisely how it will be delivered, by whom, at what cost, and within what timeframe.

Key question for applicants: *Have you demonstrated, with documentary evidence, that you and your delivery partners have the capacity, systems and agreements in place to implement this project as described?*

3. Financial Viability and Funding Risk

Financial viability and funding risk also emerged as a recurring constraint. Some applicants presented fragile financial positions or were unable to provide sufficient assurance regarding matched funding, particularly where loan-based financing was required. The absence of binding co-funding agreements and limited evidence of repayment capacity under conservative scenarios raised concerns about long-term sustainability. This reinforces the need for financial models that are resilient, credible, and able to withstand real-world pressures beyond best-case projections.

Key question for applicants: *Have you secured, or can you credibly demonstrate the path to securing, the matched and co-funding your project requires, and have you modelled what happens if outcomes fall below expectations?*

4. Sustainability of Job and Income Outcomes

Another critical theme was the sustainability of job and income outcomes. While many proposals aimed to create employment, fewer demonstrated that these opportunities would translate into sustainable livelihoods. In some instances, projected incomes fell below sustainable thresholds or were subject to seasonal fluctuations, with no clear mitigation strategies in place. There was also limited evidence that jobs or income streams would persist beyond the grant period. This was particularly true of projects in agricultural or seasonal sectors. Increasingly, the emphasis is no longer only on job creation, but on sustained economic participation that improves livelihoods over time.

Key question for applicants: *Can you show, with evidence, that the jobs and incomes your project creates will be sustained at meaningful levels after the grant period ends?*



5. **Additionality**

The concept of additionality remains central to the Jobs Fund’s investment approach, and several applications did not sufficiently demonstrate this. Where projects were already being implemented with other funding sources, or where there was no clear funding gap, the rationale for the Jobs Fund’s support was weakened. Similarly, models that appeared viable only under grant funding, without a pathway to commercial sustainability, did not meet the threshold for catalytic investment. Applicants must clearly articulate how the Jobs Fund’s resources unlock impact that would not otherwise occur.

Key question for applicants: *What specifically does the Jobs Fund’s grant make possible that would not happen otherwise, and how does it catalyse impact beyond what existing or commercial funding can achieve?*

6. **Market Demand and Commercial Viability**

Market demand and commercial viability are equally critical. Several proposals lacked credible, binding off-take agreements or relied on underdeveloped market assumptions. Early-stage or pilot models without evidence of proof of concept and/or of scalability further limited confidence. Sustainable job creation is inherently linked to real economic demand, and proposals must demonstrate a clear and validated pathway to market.

Key question for applicants: *Do you have credible, ideally binding, evidence of market demand for what your beneficiaries will produce or provide, and have you clearly mapped out and tested how each part of your results chain will work in practice?*



7. **Quality, Completeness, and Credibility of Evidence**

The quality, completeness, and credibility of evidence also played a significant role in appraisal outcomes. Missing documentation, unsupported assumptions, and weak data inputs undermined the ability to assess impact. In particular, gaps in demand analysis, recruitment strategies, and monitoring and evaluation systems made it difficult to verify projected job creation and income outcomes. Strong applications are characterised by evidence that is both comprehensive and verification-ready.

Key question for applicants: *Is every significant claim in your application supported by credible, complete, and verifiable evidence, and do you have systems in place to track and report on your outcomes?*

8. **Legal and Regulatory Compliance and Governance Strength**

In addition, legal and regulatory compliance, as well as governance strength, emerged as non-negotiable elements. In several cases, compliance gaps in on-lending models remained unresolved, and beneficiary protections were insufficiently articulated. This was especially evident in cases involving new entities without a demonstrated track record. The Jobs Fund places significant weight on the institutional capability, credibility and governance capacity of applicants. Organisations implementing at scale with public funds must be able to demonstrate that they have the governance structures and track record to do so responsibly.

Key question for applicants: *Have you obtained independent legal advice on the compliance requirements applicable to your model, and can you demonstrate that these have been fully addressed?*

Key question for applicants: *Does your organisation have the governance structures, track record, and institutional systems appropriate to the scale and complexity of what you are proposing?*



9. Social Impact Potential

Finally, while many proposals articulated strong social intent, there were instances where impact claims were overstated or insufficiently substantiated. The pathway from intervention to measurable, scalable impact was not always clear. This underscores the importance of grounding thinking, evidence, and preparation ambition in evidence and designing interventions that can deliver tangible, verifiable outcomes at scale.

Key question for applicants: *Can you substantiate your impact claims with evidence, and do you have a clear, realistic pathway to delivering measurable impact at the scale you are proposing?*

WHAT STRONG APPLICATIONS GET RIGHT

The 12th Funding Round also included strong applications that advanced through the appraisal processes. What distinguished them was not the absence of risk or complexity, but the quality of their thinking, evidence and preparation in addressing those risks head-on. Prospective applicants should consider the following:

- ★ Make the additionality case explicit. Do not assume it is self-evident that your project needs a grant. Show precisely what the Jobs Fund's grant would make possible and what would not otherwise occur.
- ★ Demonstrate organisational readiness, not just organisational ambition. Appraisers look for evidence that your team, systems, and partners can deliver what you are promising.
- ★ Be honest about risk and show how you will manage it. The Jobs Fund understands that development work involves risk; it requires applicants to demonstrate that they have carefully considered what could go wrong and have credible plans to mitigate and/or manage downside scenarios.
- ★ If you successfully reach Stage 3, you must have more than letters of support. Matched Funding, Partnership Agreements must, as far as possible, be finalised.
- ★ Have clarity on the impact you want to achieve, your measurement indicators and evidence to support your claims.

Engage with the Jobs Fund Team we can provide clarity and guidance on our funding criteria and the application process.

For more information, please contact the Jobs Fund Team at jobsfund@treasury.gov.za or visit our website: www.jobsfund.org.za

