



BEYOND ADVOCACY FUND

Guide for identifying and selecting projects for funding

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ACRONYMS

ASISA	Association for Savings and Investment South Africa
BAF	Beyond Advocacy Fund
BASA	Banking Association South Africa
BLSA	Business Leadership South Africa
FET	Further Education and Training
NECT	National Education Collaboration Trust
NDP	National Development Plan
USAID	United States Agency for International Development

Background to and Purpose of the Fund

The Beyond Advocacy Fund (BAF) was established in terms of a Memorandum of Collaboration signed between USAID and BLSA in November 2013. The Fund, which is co-financed by matching commitments of US\$1.5m each from USAID (in cash) and BLSA (in cash or in-kind contributions), will operate for an initial period of three years, which is extendable depending on the performance of the Fund, the availability of resources and initiatives which reflect the purpose, principles and criteria that underpin its operation.

The BAF was conceived as a tool to help address South Africa's major development challenges by catalysing BLSA's members to work with the Government of South Africa on collaborative projects that address SA's most pressing development challenges¹. The Fund aims to promote partnership-based approaches between government and business to identify, test and replicate innovative and lasting solutions to major development challenges the country confronts. The work of the BAF should be closely aligned to the development and poverty reduction goals and approaches outlined in the National Development Plan.

Operating Principles and Approach of the Fund

The following principles will guide the operation of the BAF and its funding activities:

1. *Proposals demonstrate **constructive partnership** between the public and private sector.*
2. *Proposals target **systemic change** in current systems, models or practices that will result in enhanced efficiency, productivity, skills, job creation, income, or other positive outcomes.*
3. *Proposals are **pragmatic and feasible** in design and clearly describe the specific outcomes to be achieved by the proposed intervention.*
4. *Proposals demonstrate the **capacity and political will**, from both the public and private sector, exists to support the initiative and its expected outcomes.*
5. *Proposals demonstrate a **clear plan for execution and sustainability**, including the necessary financial resources to implement the project and to sustain project outcomes, including the identification of specific resource partners.*

Although the BAF's Memorandum of Collaboration identifies a number of 'priority areas' for BAF investment², the Fund will not be prescriptive about the sectors from which applications will be entertained. The Fund's principals will, either directly or through the Advisory Committee (see the section on Governance below), will guide the sectoral and/or thematic focus of the Fund, to the extent this is needed.

¹ USAID – BLSA Memorandum of Collaboration: II Background, p.1.

² These combine fairly focused potential intervention areas (effective learner teacher support materials, enhanced teacher qualifications, improved leadership and management capacity of principals and school management teams; improved linkages between vocational/technical colleges to business sectors, better management of FET colleges etc.) with broad platforms (the National Infrastructure Plan and the Presidential Infrastructure Coordination Commission), national developmental priorities (youth employment), good governance, as well as systemic concerns to 'promote competitiveness' across the economy. (USAID/BLSA Memorandum of Collaboration, Section III. A)

The operation of the Fund will be based on a proactive, demand-driven and flexible interpretation of its guiding principles. It will respond opportunistically to good ideas that emerge in the course of its implementation.

Eligibility and Funding Criteria

Beyond the overarching principles to which all submissions must broadly conform, applicants to the BAF will need to demonstrate their relevance, value and impact in terms of specific funding criteria. These criteria have been designed to ensure that different proposals are subjected to a rigorous and consistent review process consistent with the aims of the Fund. Before proposals are assessed in terms of their impact, they need to be eligible.

Eligibility

To be eligible for funding by the BAF, proposals need to evidence co-funding by the applicant(s), whether individually or as a consortium. The own contribution of the applicant can be measured in terms of cash or in-kind commitments, where the latter reflects the market value of human resources, equipment, research etc. that will be devoted by the applicant(s) to the fulfilment of the initiative. To be considered as co-funding, both cash and in-kind contributions must be new, and cannot refer to sunk investments, costs already incurred or research that has already been completed.

Competitive Criteria

Eligible proposals will all be assessed according to the following competitive criteria, which are designed to test the relevance and value of different proposals in fulfilling the BAF’s goals:

COMPETITIVE CRITERIA (in no particular order)	SCORE (1-5)*
1. Represents a priority development issue - preferably within the framework of the NDP	
2. Potential for catalysing systemic change – informs new approaches, models, policies etc. for resolving priority development challenges	
3. Scope for replication and reaching scale - beyond the period of the BAF intervention	
4. Reflects additionality - in terms of <i>new</i> ideas, resources, approaches – compared with what would have happened anyway	
5. Reflects strong shared ownership and scope for sustainability - reflected by strong institutional interest and ownership between all the key parties (public and private) responsible for the initiative, demonstrated institutional capacity and potential for a long term institutional home	
6. Bang for buck - the extent to which the initiative leverages co-funding.	
TOTAL (out of 30)	
% that total score represents	

- *Scoring:
- 1: Does not achieve the objective.
 - 2: Only superficially links with the objective
 - 3: Links reasonably well to the stated objective.
 - 4: Links strongly with the objective.
 - 5: Addresses the objective completely.

Each criterion will be weighted equally and will be scored on a scale of 1 – 5, as is defined above. Applications will be scored according to their fulfilment of these criteria. A minimum score of 15 (or 50%) will need to be achieved for funding consideration. In instances where BAF resources are inadequate to fully fund competing funding applications, they will be awarded to those that achieve the highest scores – bearing in mind that there may be key weaknesses within certain criteria which may counteract an overall high score that a project proposal may achieve

Not all proposals will necessarily address all the proposed criteria, and this should not detract from their relevance to the BAF's objectives. The criteria are proposed as important considerations against which ideas and proposals to the Fund should be systematically considered – so as to maximise and measure relevance and impact. As long as proposals achieve the minimum score in terms of their intended or likely impact, they should be eligible for funding consideration – even though they might score weakly or not at all in relation to individual criteria.

The relevance of these criteria increases in the context where competing BAF proposals are being considered against one-another, due to funding limitations. The criteria then serve as a consistent means of adjudicating between competing proposals for limited funds.

Each member of the Steering Committee³ will score each proposal separately. The separate scores will form the basis for a discussion by the Steering Committee, resulting on an agreed final score per proposal. This will then be included in the submission of a project proposal shortlist to the Advisory Committee, who will interrogate and discuss the submissions and make the final funding decision. Any funding conditions or further proposal development requirements will be captured alongside the final score sheet and will inform the basis on which approved or pending applications are funded or developed.

The adjudication process and its results will be synthesised by the BAF manager. Any funding conditions stipulated by the Advisory Committee will be summarised and communicated by him/her to the respective project applicants.

Each application to the BAF should be submitted in terms of the finalised proposal form (see Annex A below) the completion of which should be facilitated and overseen by the BAF manager, before it is submitted to the Advisory Committee.

Completed proposal forms, along with any relevant attachments should be submitted to the Advisory Committee at least five working days before their formal consideration. Exceptions to this rule may be accommodated where proposals are being considered by means of a Round Robin process, as agreed by the Advisory Committee. Review and approval time-scales for such assessments will be determined on a case-by-case basis, as agreed by the Advisory Committee.

Promotion and Origination

The success of the BAF depends on its proactive promotion and marketing by all relevant BLSA and USAID staff to and within the various fora and bilateral platforms through which they engage different private sector, government and other statutory counterparts. Project origination is also framed at various levels: First, in terms of the BAF foundation document which sets out the guiding principles and objectives. Next, the objectives and focus areas are defined more narrowly in the annual plan which allows partners to pro-actively identify and shape projects to achieve the objectives. Finally, projects can be identified on an ad-hoc basis and originate opportunistically with the various forums the partners participate in.

³ The Steering Committee consists of representatives of BLSA, Genesis and USAID, who are not members of the Advisory Committee.

The BAF manager will develop and lead the BAF marketing and promotion strategy. The strategy will be approved by the Advisory Committee, and its implementation will be supported and guided by the Fund's principals and their relevant staff.

Unless there are compelling reasons to the contrary, the BAF should avoid pursuing open calls for proposals around specific themes or sectors, given the limited funds available to research and define the focus of such calls (an important requirement for their success) and the BAF's limited capacity to promote, administer and process such open calls. This may change in light of emerging opportunities and partnerships, and depending on the future size of the Fund.

While remaining highly opportunistic in relation to new ideas and possibilities, the Fund's promotional activities should initially focus on:

- a. Targeted engagements with BLSA-linked or independent intermediaries, and existing bilateral fora (e.g. the Presidential Business Working Group, the National Treasury's Business Forum of Private Sector Participation in Infrastructure Funding, the BLSA's Human Resource Development Council, the Energy Intensive User Group, amongst others) which are directly linked to the BLSA and its engagement with the SA Government in shared areas of priority interest.
- b. Pre-existing initiatives and institutions, whether within or outside of the BLSA's public sector engagement frameworks, whose focus and orientation mirrors the aims and outcomes of the BAF. This might include BAF-aligned initiatives coordinated by independent agencies such as BASA, ASISA, the National Treasury (such as the Jobs Fund), and independent initiatives such as the Vumelana Advisory Fund. It should accommodate private sector-led initiatives (such as NECT and Harambee) which offer scope for partnership with the BAF in areas of shared interest.
- c. The BLSA's own institutions, in the form of the BLSA's Council, individual members, associations or related bodies which might respond to the BAF's vision and purpose with good ideas and proposals worthy of facilitation and support.

These engagements should be supported by basic BAF information materials, and may require the completion of targeted research assignments, whether completed internally or outsourced, in relation to specific funding opportunities that arise. .

Given the fairly wide funnel of initiatives that might be pursued within the above engagement framework, the Advisory Committee may frame individual funding rounds in terms of specific thematic or sectoral focus areas, thereby enabling a focused engagement with counterparts around specific BAF-related opportunities. However, the Fund should remain open to good ideas and opportunities that may emerge at any time and which reflect its purpose and criteria.

Overall, the Fund must remain demand-driven and opportunistic around priority issues rooted in substantive engagements between the BLSA and its public counterparts, and which conform to the criteria that define the Fund's purpose and operation.

The Advisory Committee

Functions of the Advisory Committee

The primary role of the Advisory Committee is to review, approve or reject project applications. Tasks related to this function include:

- To review project applications submitted to the committee. This could involve requesting further information from the applicant, or approving the appointment of an outside technical expert to assess the application if warranted.
- To approve or reject applications, along with the stipulation of any conditions that should apply.
- To decide on the value of grants, the conditions associated with its disbursement, and the associated reporting requirements.

The Advisory Committee is also responsible for approving the final version of the BAF Guide and any amendments that may be introduced over time. The Guide and any amendments to it should be formally adopted by the Advisory Committee and the decisions minuted.

Meetings of the Advisory Committee

The fund manager is responsible for convening meetings, which will be held when the Advisory Committee is required to assess and select projects for funding. Advisory Committee meetings should be scheduled in advance, on a quarterly basis. By exception, project approvals may be undertaken by round-robin, on the proviso that members of the Advisory Committee are provided with complete proposal forms, including the finalised scorecard by the Steering Committee.

Decision Making

Decisions regarding the approval or rejection of applications will be based on a scorecard method, where the final score attained by a project determines its approval or rejection, and its ranking in relation to other projects (unless there is agreement that the final score is not a good reflection of the strength or weakness of the project in question). Decision-making is by consensus. Where consensus is not possible, the project should either be rejected or deferred for subsequent consideration, based on guidance provided by the Advisory Committee. To be quorate, Advisory Committee meetings must include a (delegated) representative of both USAID and the BLSA.

Chairperson:

The representative on the Advisory Committee from the BLSA will chair the Advisory Committee.

Minutes:

The fund manager will be responsible for keeping minutes of the Advisory Committee meetings. In particular, the fund manager will document reasons for approval or rejection of applications and any suggestions or conditions made by the Advisory Committee. These will be communicated to applicants, via the fund administrator, by the fund manager.

Annex A: BAF Proposal Form

BAF PROPOSAL FORM

1. PROJECT NAME:

2. SHORT PROJECT DESCRIPTION:

3. PROJECT SPONSOR / INITIATOR & IMPLEMENTING AGENT / PARTNER(S):

4. FUNDING REQUEST & SPONSOR CONTRIBUTION:

4.1 Total project value:

4.2 Funding period:

4.3: Source & application of funds

Key Project elements	Sponsor Contribution	BAF Contribution (cash and kind)
TOTAL		

5. MOTIVATION:

5.1 Project overview

5.2 Alignment with BAF funding criteria (criteria are weighted equally):

COMPETITIVE CRITERIA (in no particular order)	SCORE (1-5)*
1. Represents a priority development issue - preferably within the framework of the NDP	
2. Potential for catalysing systemic change – informs new approaches, models, policies etc. for resolving priority development challenges	
3. Scope for replication and reaching scale - beyond the period of the BAF intervention	
4. Reflects additionality - in terms of <i>new</i> ideas, resources, approaches – compared with what would have happened anyway	
5. Reflects strong shared ownership and scope for sustainability - reflected by strong institutional interest and ownership between all the key parties (public and private) responsible for the initiative, demonstrated institutional capacity and potential for a long term institutional home	
6. Bang for buck - the extent to which the initiative leverages co-funding.	
TOTAL (out of 30)	
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 - 4: Links strongly with the objective.
 - 5: Addresses the objective completely.

6. Project ownership and implementation capacity (private & public):

7. Key dependencies & risks:

8. EXPECTED TIMELINES

Timeline:

Key Milestones/Deliverables	Date	Date	Date	Date	Date	Date	Person-Days
Inception	▼						
Phase 1							
Phase 2							
Etc.							
Etc.							
Close-out						▼	

9. EXPECTED OUTCOMES AND IMPACT

9.2 Outcomes – the key outcomes expected to be realised as a result of the project’s implementation:

9.3 Impact – the expected impact in relation to the the goals of the NDP and the principles of the BAF:

DECISION BY ADVISORY COMMITTEE:

Approved ☐ Turned down: ☐ Referred-back: ☐

Comments and conditions: _____

Chairperson Signature: _____ DATE: _____

NAME: _____

ATTACHMENTS – as relevant

ANNEXURE 1

ANNEXURE 2 etc.