Challenge Call 6

Challenge Fund for Youth Employment | Concept Note Form

**CHALLENGE
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Contents

Introduction: The Concept Note Form

All organizations interested in applying for CFYE's technical and financial support are required to develop and submit a Concept Note.

The concept note has been provided in a PDF document format for reference only. This is to help you develop drafts and review internally. However, you will be required to submit answers to the questions in the Concept Note by filling out an online form on CFYE's Applicant Portal. This online form is structured almost exactly as this word document.

CFYE's Applicant Portal can be accessed via this hyperlink.

Section 1 – Eligibility Declaration

The first step of your application process is an Eligibility Quiz to ensure your project's concept is meeting the minimum criteria set in response to the Call for Solutions in the country you are applying in.

The Eligibility Quiz is a mandatory step of the application process to unlock the Concept Note form.

Section 2 - Lead Organisation's Profile

If you are aiming to deliver your proposed project in a consortium, the section below captures information about the organisation that will lead the Consortium.

	Question	Response
1	Full Legal Name of the Contracting Organisation *(This will be the organisation leading the project consortium)*	
2	Trade / Brand Name of the Contracting Organisation (If different from above)	
3	Full legal name of local entity in country of implementation (if applicable)	
4	Physical Address	
5	City	
6	Country	
7	Contact Number	

	(Please share only 1 contact number for the organisation)	
8	Website of the Organisation	
9	Email Address (*This can be a general contact email address for the organisation, if available*)	
10	Country of Registration	
11	Year of Establishment	
12	Full Name of Primary Point of Contact within the Organisation	
13	Position/Job Title within the Organisation	
14	Contact Number of Primary Point of Contact *(Share only 1)*	
15	Email Address of Primary Point of Contact	
16	Sector *(Select only one. Response to be based on primary area of operation of the organisation. For definition, please refer to the* **Guidance Pack**. *List of sectors is provided in the Guidance Pack as well.)*	
17	Sub-Sector *(List of sub-sectors provided in the Guidance Pack)*	
18	Type of organisation *(Select only one. Response to be based on primary mode of operation of the organisation.)*	☐ For Profit Company ☐ Development Project/Donor Funded Project ☐ Social Enterprise ☐ Local NGO ☐ International NGO ☐ Business Association ☐ Enterprise Support Organisation / Business Accelerator / Incubator ☐ Impact Investor ☐ Angel Investor / Venture Capital Fund / Private Equity Fund ☐ Financial Institution ☐ Education / Training Organisation ☐ Consulting Firm ☐ Matchmaking Agency

19	Total number of employees of the organisation in country *(Response in digits only. Specify the number of employees of your organisation who are based in country only)*	
20	Of the total number of employees in-country, how many are male? *(Response in digits only)*	
21	Of the total number of employees in-country, how many are female? *(Response in digits only)*	
22	Of the total number of employees in-country, how many are under the age of 35? *(Response in digits only)*	
23	Provide a brief summary about your organisation. This should include an overview of its vision, mission and description of current business activities in country. *(Limit your response to a maximum of 300 words. Do not add any tables or graphics. Responses longer than 300 words will not be accepted by the online form)*	
24	What is the annual revenue of your organisation? Please state the annual revenue of the most recent past 3 years. Your response currency must be Euros.	2020: _____ 2021: _____ 2021: _____
25	Have you previously applied to the Challenge Fund for Youth Employment in other countries or previous challenge calls? If so, please indicate which country you have applied for previously.	☐ Yes ☐ No If Yes, indicate which country you have previously applied for: _____

Section 3 – Consortium Information

This section is only relevant if your proposed project will be delivered in a consortium

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	Question	Response
1	**Is your project going to be delivered through a consortium?** *(Yes/No response)*	☐ Yes ☐ No
2	**What is the total number of organisations in this consortium?** *(**Include** the lead organisation in this total)*	
3	**Provide a list of names of consortium partners who will be most actively involved in the delivery of the project.** - ***Do not*** *include the name of the primary applicant.* - *Include legal names of organisations*	1. _____ 2. _____ 3. _____ 4. _____
4	**Add Links of the Consortium Partner Websites**	1. _____ 2. _____ 3. _____ 4. _____

CHALLENGE FUND FOR YOUTH EMPLOYMENT

Section 4 – Project Profile

1. **Proposed Project Name** *(Be as concise as possible)*
[Response text here]

2. **Targeted Sector for the project** *(What sector do main business activities of your project fall under. These are based on the list of sectors identified as a priority in the country scoping reports)*	
3. **Project sub-sector** *(What sub-sector do main business activities of your project fall under)*	
4. **Proposed Project Duration** *(Specify the total project period in months)* **Note: should not exceed 24 months*	
5. **Links to multimedia** (videos, photos, brochures) related to your project You are encouraged to share photos, videos and other multimedia of your organisation and/or proposed projects. If there are any photos or videos specific to the project's approach you present in this Concept Note, that will be helpful for the reviewers.	

Section 5 – Technical Overview of Solution

1. **Have you carefully read the scoping report available on CFYE website before providing your responses in this section?** *(Please review CFYE's report that lays out the outcome of our recent scoping study and identifies key opportunity areas for the fund)*	☐ Yes ☐ No

2. Have you carefully reviewed the **main principles of CFYE available on the website** before providing your responses to this section? *(It is essential that you carefully review CFYE's principle that define the priorities for the Fund)*	☐ Yes ☐ No

3. *Executive Summary of Proposed Project*

Provide a summary of the proposed project. Identify what challenges will it address, what's the proposed solution and what activities will you deliver through the consortium?

(Limit your response to a maximum of 150 words)

[Response text]

4. *Project's Overview, Approach and Potential Impact*

Provide an overview of your solution, describing what the key objectives are.

Your response should clearly explain how your objectives are aimed at addressing youth challenges, especially young women, in terms of access to new or better employment opportunities. Your response should be in line with the challenges outlined in the Scoping Report.

Provide an overview of the context you are operating in, and the barriers that have until now prevented the problem from being solved. Please use data or other evidence to support your answer.

(Limit your response to a maximum of 500 words)

[Response text]

5. *Project Activities and Milestones:*

What are the specific activities that your project will be undertaking to achieve the above objectives?

Clearly outline how the expected results will be achieved within the Challenge Fund timeframe through these activities. Describe the different phases of your project's implementation highlighting the main milestones.

(Limit your response to a maximum of 500 words)

[Response text]

6. *Business Model*

Describe the business model of your proposed project.

How will the business generate revenue, demonstrating the commercial and operational viability of your business model, and highlighting the estimated demand for the product/service offered by your project?

Please share supporting information (estimated financial projections) to demonstrate the commercial and operational viability of this business model, and the assumptions underpinning the demand for products/services offered by your project.

(Limit your response to a maximum of 500 words)

[Response text]

7. *Quantifying Potential Impact:*

Please specify the number of jobs that your project will support, in each of the 3 job categories: **Create, Match, Improve**. Each young person should only be counted in one of the three categories.

(Refer to the description and details of three categories i.e. Match, Create and Improve, as given on CFYE website and below.

Create: Young people take up work or a job/role that has been newly created as a result of the intervention. This may be a direct or indirect result of the creation of new enterprises, enterprise growth, access to finance, or entrepreneurship supported by the CFYE. This category includes new self-employed entrepreneurs (or self-employed individuals engaging in entirely new lines of work, unrelated to what they were previously doing).

Match: Young people are hired into decent jobs (that existed independent of CFYE), through CFYE-supported matching services, youth-targeted HR strategies, or through their own initiative following a CFYE-supported skills development intervention

Improve: Young people experience improvements in the quality of the work/role/jobs they already have, in terms of income, working conditions or job security due to a CFYE-supported intervention, such as firms upgrading their employment policies and practices. This category may include both wage-paying jobs and self-employment.

	Match	Create	Improve
Male			
Female			
Total			

8. *Lead Organisation and Consortium Capability*

Demonstrate your organisational capacity (as an independent applicant or as a consortium – as applicable) to implement this project, citing clear examples of similar initiatives the lead organisation and/or other consortium members have launched.

(Limit your response to a maximum of 300 words. Responses should demonstrate a clear link between the core business operations and proposed project. Where available, indicate long-term buy-in for this project and CFYE Fund from senior management of your organisation(s) and/or the company board. Responses should also

demonstrate that there is sufficient internal capacity to deliver the project and that project partners are complementary. Specific attention should be paid to capacity and capabilities related to the specifics of the applicable window.)	

[Response text]

9. ***Anticipated Contribution of the Challenge Fund:*** In your self-assessment, how does CFYE's support add value to your proposed project?	☐ Without CFYE support, our project would not be likely to progress at all for different reasons e.g. because it is too high-risk, there is no established commercial case or no additional funding is available.
	☐ It is likely that with CFYE support, the project will be better designed, proceed more quickly, or reach more young people than it otherwise would have.
	☐ CFYE support will likely make it easier to progress the project, although it will be difficult to demonstrate how the project resulted in specific identifiable change compared to what would have happened.
	☐ There would be no significant difference and the project would proceed as originally envisioned, with or without CFYE support.

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Section 6 - Financial Information

Sources and amounts of co-funding must be supported by proof at the Business Case stage, if applicant passes Concept Note stage successfully.

1	**What is the expected total value of the project budget?** *(Specify In Euros)* (Include the value of all contributions made by CFYE applicant, consortium and third-party sources)	*To be specified in Euro.*
2	**What is the value of the grant you are requesting from the CYFE?** *(CFYE can fund up to 50% of total project value - Specify In Euros)*	*To be specified in Euro.*
3	**Indicate where the sources of co-funding are generated from** *(Choose all that can apply)*	☐ Loan ☐ Public donor funding (government) ☐ Private donor funding ☐ Funding from the Lead Partner ☐ Funding from Consortium Partners ☐ Venture Capital / Impact Investment Fund ☐ Funding from private sector company Other (specify) ------------------------------

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Declaration

1	As the Lead Organization, we can confirm that all information provided to the Challenge Fund is accurate. We understand that if there is any deliberate misrepresentation, this will lead to disqualification of our application in this Challenge Call immediately and bar us from applying for the Challenge Fund again.	☐ Confirm Declaration

----------End of Form----------

Challenge Fund for Youth Employment

Guidance Pack for Concept Note Development

Call 6 | May 2023 | Version 2.0
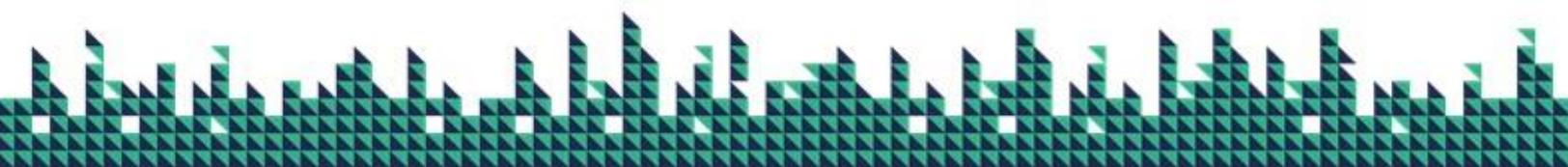
Table of Contents

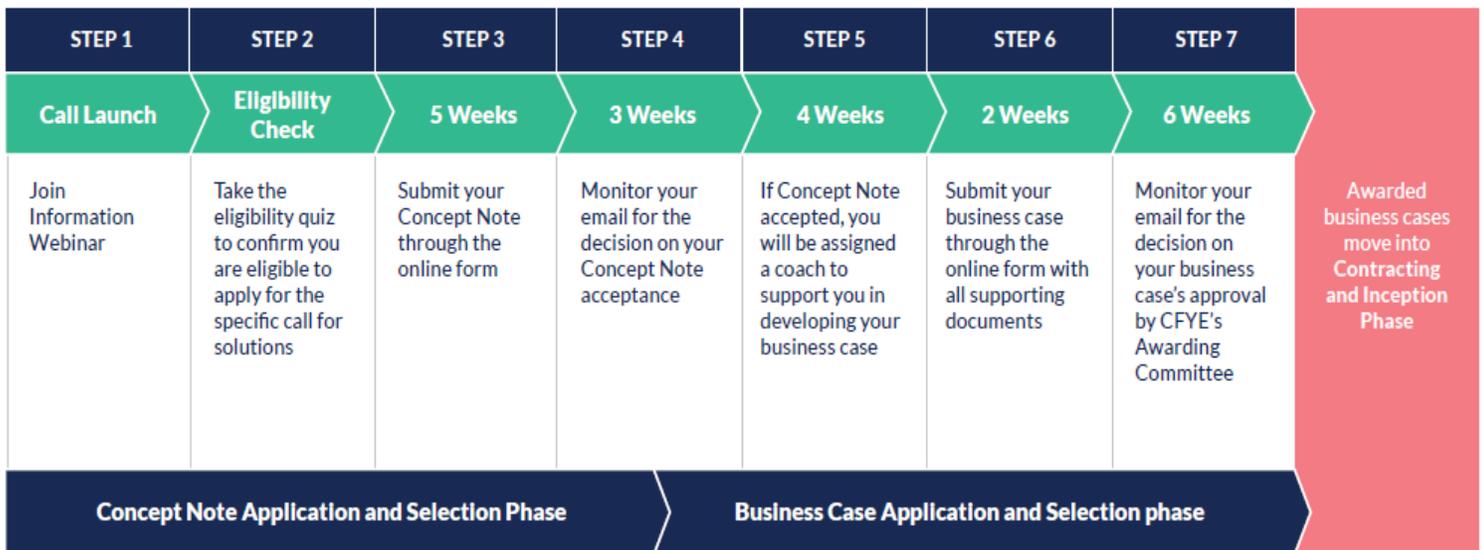# I.   OVERVIEW AND PURPOSE OF THE CONCEPT NOTE

All organizations interested in applying for CFYE's technical and financial support are required to develop and submit a Concept Note.

Once submitted, concept notes will be assessed by a panel of experts. Successful applicants will be invited to submit a full business case which should describe the pathway to results, the budget and the financing strategy, among other details. The contribution of the Challenge Fund will be up to 50% of the total project value.

The concept note has been provided in a PDF document format for reference only. This is to help you develop drafts and review internally. However, you will be required to submit answers to the questions in the Concept Note by filling out an online form on CFYE's Applicant Portal. This online form is structured almost exactly as this word document and can be found **HERE**.

For more details on the application and selection process, please refer to the **CFYE Application & Selection Brochure** found on the country-specific Call for Solutions page.

A general guide to the Application Process:

STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	
Call Launch	Eligibility Check	5 Weeks	3 Weeks	4 Weeks	2 Weeks	6 Weeks	
Join Information Webinar	Take the eligibility quiz to confirm you are eligible to apply for the specific call for solutions	Submit your Concept Note through the online form	Monitor your email for the decision on your Concept Note acceptance	If Concept Note accepted, you will be assigned a coach to support you in developing your business case	Submit your business case through the online form with all supporting documents	Monitor your email for the decision on your business case's approval by CFYE's Awarding Committee	Awarded business cases move into Contracting and Inception Phase

Concept Note Application and Selection Phase	Business Case Application and Selection phase

II.   CFYE GUIDING PRINCIPLES

Actively targeting young women: The Challenge Fund for Youth Employment makes a deliberate point of creating equal opportunities for young women in the job market.

The Role of the Private Sector: We actively welcome partnerships and consortium responses to this challenge. While we welcome ideas and responses from any organization, we are looking for market-based solutions so there is an expectation that all projects will involve at least one partner from the private sector.

Additionality: Given the emphasis on market-based solutions, we will only consider working with Implementing Partners presenting ideas that would not be possible without support from the Fund. We are not in the business of funding existing operations, or 'business as usual'.

Direct Youth Engagement: Putting youth at the center of the solution by actively involving youth, and especially young women, is a pre-requisite for being considered as an Implementing Partner of the Fund.

Taking an integrated approach: Matching supply and demand is a critical element of the Fund's design. Each project should have a clear, integrated matching component.

Sustainability (long term prospects): As part of the design of each project/investment, prospective Implementing Partners will be required to demonstrate how their initiatives will become independent of external grant funding as part of their business cases and proposals.

Decent Work: We are not simply talking about putting youth to work; all CFYE projects must create opportunities for youth to benefit from decent employment. ILO refers to decent employment as work that "is productive and delivers a fair income, security in the workplace and social protection for families, prospects for personal development and social integration, freedom for people to express their concerns, organize and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men.

III.   GENERAL GUIDELINES

Before embarking on completing this form, please note the following important notes:

1. *Less is more* - Strictly follow the word limit specified for each question.
2. Write concisely using *clear language* and plain English.
3. Try *not to use acronyms* - if you need to, make sure to spell them out the first time.
4. Clearly *show how your project aligns* with and advances CFYE's guiding principles (see further reading).
5. *Cite evidence* wherever possible to illustrate *why* your project is needed, especially evidence based on direct interaction with your youth target group.
6. Cite evidence to *show that your approach has worked before*, by including examples of your consortium's *previous experience* successfully implementing similar approaches.
7. Be *clear when outlining your youth and gender inclusion approach*, explaining how you will go beyond the youth and gender sensitivity or work towards youth and gender-transformative approaches.
8. Read the provided **guidelines** carefully and refer to them throughout the application process.
9. Where essential, you may **use figures or diagrams/photos** to make your point. These can be attached separately.
10. Any actual, potential, or perceived **conflict of interest** and the suggested mitigation plan should be declared to the Challenge Fund for Youth Employment at the point of submission of this Concept Note.
11. You may be contacted by the Challenge Fund team to provide further information so please reconfirm that the contact email address entered in the form is correct.

12. The Challenge Fund for Youth Employment **(CFYE) reserves the right to**:

    a) Accept or reject any concept, and to annul the call for concept process thereby rejecting all submissions at any time prior to the award of a contract at its sole discretion;
    b) Reject any application which, in the programme's opinion, gives, rise, or could potentially give rise to, a conflict of interest;
    c) Cancel or modify the process at any time whether before or after the deadline for submission;
    d) Reject any submission that does not comply with the content requirements as outlined in this document; and
    e) Adjust the scope and parameters of the call for concepts and / or the evaluation criteria at any time before the deadline for submission.

13. A concept, proposal or any relationship between the parties will not be deemed as accepted or concluded unless and until a contract is signed between the proposed Implementing Partner and Palladium Europe BV.

IV.   INSTRUCTIONS FOR COMPLETION AND SUBMISSION OF THE CONCEPT NOTE

1. Instructions for Submission through the CFYE Applicant Portal

The CFYE Applicant portal allows you to display and edit your organization's information and submit your Concept note. **The applicant portal can be accessed HERE.**

STEP 1:

If you have been in contact with CFYE previously, your organization will likely already have an account registered. Please attempt to log in using the email address of the primary contact who was in touch with CFYE.

If you have not been in contact with CFYE or if you do not find your account, you may register a new one. Please ensure to fill your organization and contact information thoroughly in this case.

STEP 2:

Navigate to the "Eligibility Quiz" tab. Only once you have selected and confirmed that your project meets the minimum criteria, you will be able to go to your Concept Note application. It may take several seconds for the Concept Note to appear. If it does not appear, try to refresh your page.

STEP 3:

Navigate directly to the Concept note tab to start your Concept note application. Once you click on the Concept note tab, you will be directed to a page with multiple sub-tabs. Each tab constitutes a section of the Concept note similar to the PDF document that has been provided to you. You must complete all sections and answer all questions, including the "Final Questions" at the end of the form. There are no optional questions in the Concept note stage. Incomplete applications are at risk of being discarded.

STEP 4:

After completing all tabs of the Concept note, you should navigate to the final one called "Submission", where you must click on "Submit" and sign the declaration. Once that is clicked, you will no longer be able to edit any of your previously submitted answers.

Important Notes:

2. After submitting answers to each section / tab, you must "Save Answers" each time, otherwise the data will be lost if you navigate to another tab. You may click Save Answers as often as you like to ensure that your ongoing form is securely stored.

3. The form and each tab may take several seconds to load and save. Allow some time for each load and save dialogue box to complete.

4. Each qualitative question will include a word limit on the online form. The answer box will show an error if the word limit has been exceeded.

5. Instructions for Completion

Before providing your responses in the Concept Note sections, please make sure you carefully:

1. **Read the scoping report available on CFYE's website**
2. **Check that you meet the eligibility criteria set of your Country**

V. GUIDANCE ON RESPONDING TO THE CONCEPT NOTE APPLICATION FORM
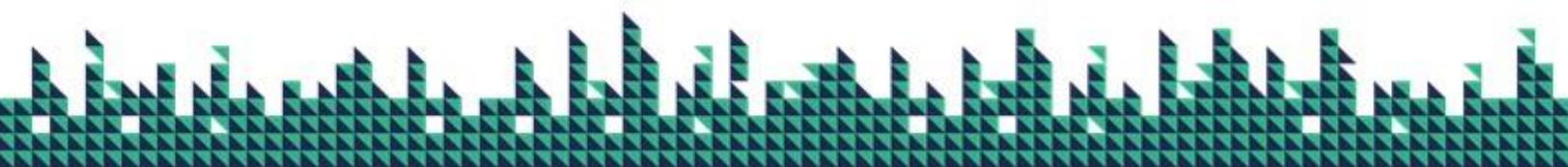
Section 1 – Eligibility Declaration

The first step of your application process is an Eligibility Quiz to ensure your project's concept is meeting the minimum criteria set in response to the Call for Solutions in the country you are applying in.

The Eligibility Quiz is a mandatory step of the application process to unlock the Concept Note form.

Sections 2 and 3 – Organizational Profile and Consortium Information

This section captures information about the organization that will lead the Consortium so please make sure that details provided are accurate and have been carefully reviewed.

In this section you will provide basic information about your organization and its employees. While most of questions and requests for information are straightforward, key elements to be mindful of are given below:

- **Full legal name of the organisation**: This is the full name of the organisation under which it is legally registered with the relevant authorities. This name is essential to conduct basic-level due diligence on the organisation.

- **Trade / Brand name of the Contracting Organisation**: In case this is different from above field, please specify the trade name of the lead applicant.

- **Consortium** : This section is not mandatory if you do not have consortium partners

- **Website / Social Media profile**: This is your organization's social media profile that effectively showcases its activities and work. You may mention multiple platforms if relevant.

- **Primary Point of Contact**: Please make sure the contact details provided are correct as this will be used for all future communications with CFYE.

- **Sectors and sub-sectors**: Use the list of sectors and sub-sectors given in the drop-down to identify the sectors which are most relevant and in-line with the key business activities of your organization. The full list of sectors and sub-sectors is provided in the annex to this guidance note below.

Section 4 – Project Profile

- **Project Name:** this would be the name of your project moving forward. Please be as concise as possible.

- **Proposed Project's duration:** We want to **know when the project activities will start and end**. The start date indicates the commencement of project activities. In case of on-going projects that will be supported, this indicates the commencement of activities funded/supported by the Fund. The maximum timeframe of a project that can be supported by CFYE is 24 months (2 years).

- **Project Sub-Sector:** This needs to be based on your project's *key activities.* This answer does not need to be reflective of the lead organization's sector or sub-sector.

- **Link to Multimedia:** Please include a live and working link to a shared folder or a social media platform where your multimedia is saved or through an online link. The multimedia can refer to your organization or your project or both. The more recent the multimedia is, the better. Make sure the link is working for a public audience, that it is in a shareable format outside your Organisation, has a decent quality as much as possible, and that its access is not password-protected.

Note: Please note that by sharing this multimedia, you also provide us with consent to use them in presentations and marketing. Please contact CFYE Team to know more about the possible uses of the material you will provide us.

Section 5 – Technical Overview of Solution

Explain the main reasons why your project needs CFYE funding and how it would advance your project further

⚓ Executive summary of the proposed project:

This question should address the summary of your proposed solution in a way that is as straight-forward and to-the-point as possible. The Executive Summary should explain what your project is trying to achieve, what issue is it trying to solve and a brief description of how it will achieve its set objectives.

⚓ Project's Overview, Approach and Potential Impact:

Provide an overview of the solution, describing what your objectives are. We expect you to succinctly and specifically describe the **exact nature of the problem you are trying to address**. This involves laying out the key objectives of your project and what you are trying to achieve, specifically after describing who your target audience is and how your targets are aimed at addressing youth challenges. You would also provide an overview of the context you are operating in, and the barriers that have until now prevented the problem from being solved. We strongly encourage you to use data or other evidence to support the points you are making.

Begin by summarizing the current problem:

- ⚓ **Be precise**: what specific problem(s) are you trying to fix?
- ⚓ **How big** of a problem is this/are these today?

Make sure your objectives are realistic and achievable. We are looking for ambitious projects, but there is no point in promising numbers you can't achieve.

⚓ Project Activities and Milestones

Provide a summarized answer to how your workplan would look like in terms of grouped activities. At the Concept Note stage, there is no need to provide a break down of all your project activities. Think about overarching milestones that would need to be delivered in order to achieve the project's intended outcomes. If there are specific phases to your project's implementation, please specify in clear terms which milestones would need to be achieved at which phase.

⚓ Business Model

Your response should include a brief description of the demand of your product/service, the type of customers you are targeting and their aspirations/needs, the competitive advantage of your product/service, and potential barriers to market entry. Share any estimated financial projections to demonstrate the commercial and operational viability of this business model, and the assumptions supporting the demand for products/services offered by your project.

Your response should demonstrate a robust project idea that is backed up / or part of by a resilient and sustainable business model.

⚓ Quantifying Potential Impact

- Be sure that the numbers match the targets you provided in your project description. Inconsistencies will raise questions among reviewers.

- Be realistic rather than optimistic, and don't forget to account for attrition or other types of anticipated 'failure'. Very few interventions produce a 100% success rate.

- If you are not sure which job outcome category to use, please refer to the table below:
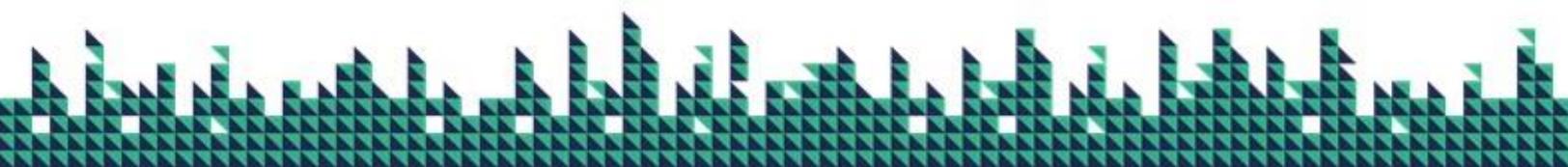
Job Outcome Categories: Definitions, Characteristics and Examples

Definition and Characteristics	Examples
Create: A young person takes up work or a job/role that has been newly created as a direct or indirect result of the project. • This is often a result of enterprise growth (following business development support or access to finance via CFYE), leading to new hiring in the supported enterprise. It can also occur indirectly, where others in the value chain (e.g. suppliers or distributors) add new jobs to meet demand of the growing supported enterprise. • May also result from entrepreneurship interventions leading to new self-employment. In such cases the person benefitting should not have been generating income through self-employment in the same general activity /sector before the project (this would instead be considered 'improve').	• A digital financial services company is supported to scale up its agent model (to enrol new customers to use its digital wallet), and hires and trains young people to work as agents and area managers. • An urban auto mechanic company sets up a franchise model through which young people are trained and supported to start their own auto repair franchises in rural areas. • A project trains young people as clothing designers, and provides mentoring and loans for them to start up their own enterprises. • A health-tech business accelerator invests in and provides BDS support to start-up and scale-up enterprises in the health sector, which then grow and create between 10-50 new jobs each.
Match: Young people are hired into decent jobs, through project-supported matching services or through their own initiative following a project-supported skills development intervention. • Jobs should exist independent of project interventions (they may be new jobs, but if the project itself did not contribute to creating that job, it should be counted as a 'matched' job) • Resulting from efforts such as: matching or career development services; youth-targeted HR strategies; supply-side interventions focused on training or improving employability	• Young people who complete project-supported IT/app developer training are hired as programmers by project partners (tech companies). • Young people who use a project-supported job matching platform for career advice digital CVs, and to complete training on interviewing, get a job through the platform. • A textiles company sets up its own training institute to meet the growing demand of its operations, training cohorts of young people in specific skills required and offering jobs to successful trainees.
Improve: Young people experience job quality improvements in the work/role they already have, as a result of a project intervention. Improvements may be related to wages and incomes, working conditions, or job security. • Often results from existing businesses making changes to terms and conditions for current employees (I.e. firms upgrading their employment policies and practices), • May also result from projects to increase income/productivity or improve other working conditions of self-employed individuals. Note: *If your project involves specific activities/interventions designed to sustain existing jobs*	• Young employees of supported SMEs have their jobs formalized (e.g. going from having no formal agreement with their employer or an oral agreement, to a written contract specifying the terms of employment, with clear process around performance review and salary increases), leading to greater job security. • Artisans are enrolled on a project-supported ecommerce platform, enabling them to increase sales/income by 50%. • Self-employed farmers experience increases in net income following interventions to boost productivity or diversify income streams within their current farms (e.g. by introducing new technologies or adding new crop livestock varieties) • Workers in a garment factory go from having inadequate preventive measures to protect them from

(ones that are at risk of being lost due to Covid or other market factors), you may include these in the 'Improve' category, as this represents a form of improving job security.	workplace hazards, to having appropriate measures routinely in place (e.g. policies, personal protective equipment, training, incident reporting and follow up etc.), and report feeling safer.

Section 6 - Financial Information & Guidance

Below are the financial principles that CFYE follows. In summary, the below are certain thresholds that cannot be exceeded at the time of your Business Case submission of a project budget.

- **Co-funding amount** is a minimum 50% of the total project value
- **Co-funding in the form of in-kind contribution** cannot exceed 30% of the total co-funding
- **Capital Investment covered by CFYE** cannot exceed 33% (1/3) of the CFYE investment
- **Indirect costs covered by CFYE** must be a maximum of 20% of the CFYE investment

Leverage and Co-Investment: CFYE aims for a portfolio that has a 1:2 (33%) leverage outcome on average, meaning that every 1 EUR provided by CFYE is matched with 2 EUR from other sources. At the same time demonstrating additionality is crucial for obtaining a CFYE contribution. Projects that can demonstrate that their proposed intervention carries more risk (proof of concept, scaling a new innovation) and scores high on additionality can propose a lower leverage outcome. **The minimum to remain eligible for funding through CFYE is a 1:1 leverage outcome**. Similarly it is also possible to request a lower contribution from the CFYE, thereby showing a higher than a 1:2 leverage outcome. The need for demonstrating additionality remains, regardless of the amount and percentage requested.

Sources of Co-Funding:

a. Co-funding from the **private sector**: this is the most preferred source of co-funding and should formulate the bulk of the investment raised.

b. Co-funding from **partners of the consortium** is allowed and the contributions should ideally be in line with the activities that the consortium members are delivering as part of the project.

c. Co-funding may be raised from **project revenue**, in which case, a financial plan must be submitted at Business Case stage to demonstrate feasibility from a cashflow perspective.

d. Co-funding raised from **loans**: CFYE contribution cannot be used to pay back other loans incurred before. If creating a financing vehicle for beneficiaries of the project is one of the project's activities, CFYE contribution can be used for this, as long as it is supported by a strong business case, including proper financial projections. CFYE contribution cannot be used to pay back other loans incurred before.

e. Co-funding cannot be raised from other **Dutch-Funded programmes**. It is not allowed by the Dutch government if it is non-refundable capital, however if it is changed to refundable capital (loan) it could be possible.

f. Co-funding from **international donor funders or philanthropic organizations** is accepted, however not preferred. It is advised that it is kept at minimum compared to the total co-funding raised from elsewhere.

Capital Investment: Capital investment is preferred to **remain below 1/3rd (33%)** from CFYE contribution value. When Capital Investment relates to PP&E (Property, Plant & Equipment), note that it is expected that only depreciation costs over project period are included and not the full acquisition costs only (unless this can be explained in detail - for example lifetime of the asset is equal to project period and no residual value is expected). If creating a financing vehicle for beneficiaries of the project is one of the project's activities, CFYE contribution can be used for this, as long as it is supported by a strong business case, including proper financial projections, and validated by reasoning as to why it is additional for CFYE to fund this capital.

In-Kind Contributions: In- Kind contributions should not exceed 30% of the Co-funding amount. Cash contributions and investments are considered to be indicative for private sector interest and commitment. A few examples of in kind
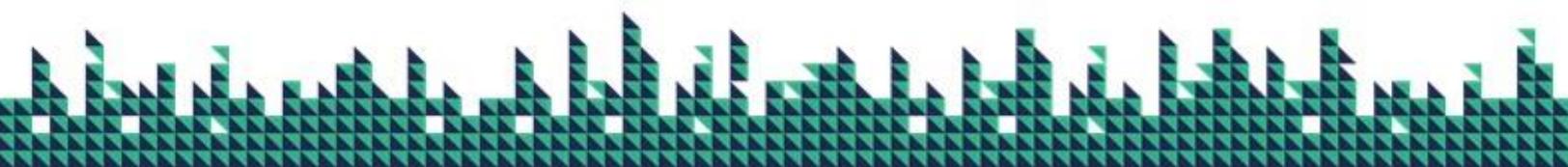
contributions include time spent on a specific activity by persons who are not paid for that specific activity, vehicles already purchased and used before that can also be used for the proposed project, use of office space which is already owned by the entity, etc. These in-kind contributions represent a value which can be used as matched funding. However, this value needs to be calculated properly based on a best estimate and the applicant must be able to show underlying details / assumptions of this calculation.

Value for Money Principle: (ie. Maximizing cost effectiveness). The Value for Money approach works to increase the sustainable benefits, while reducing the costs of activities (and resources) as much as possible and always carry out a clear assessment of all alternatives before taking action, considering opportunity cost. Cost per job is not the only element that will be considered in the value for money assessment. There is a large variation in the cost per newly created job. This is very much depending on the nature of the job created (formal/informal, employed/self-employed, etc), and this is why other elements, as mentioned in the decent work definition, are also part of the assessment.

Percent of Variance Between Concept Note and Business Case stage: We understand that the budget that is submitted in the concept note is indicative, and there may be changes once a full proposal is formulated. However, any revised budget should meet the minimum eligibility criteria for CFYE. On average, CFYE will not accept a higher variance in the CFYE cost per job of more than 10% from the Concept Note to the Business Case stage.

Note: Eligibility criteria dictates that CFYE can fund up to 50% of total project value. If this amount is not matched in co-funding, CFYE cannot accept a proposal. The higher the leverage of the co-investment raised, the better.

# Section 7 – Upload Additional Supporting Documents

This is not a mandatory section. This option is provided to applicants if they wish to submit additional supporting documents to aid their Concept Note application such as (but not limited to) – graphs, illustrations, workplans, annual reports, marketing materials, consortium partner MoUs, organization award letters, funding agreements..etc.

Additional supporting documents can be uploaded in any format.

Section 8 – Review and Submit

The final step of the Concept Note submission is to review your application, confirm all information provided is accurate and correct.

Your submission will only be received if you click on the Submit button.
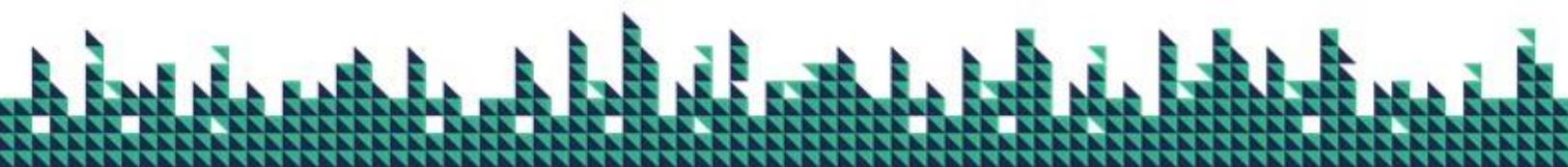
FURTHER GUIDANCE & CONTACT SUPPORT

We will be organizing an information webinar to share details of how you can submit your application to the Challenge Fund for Youth Employment in response to the Call for Solutions in your country. In this webinar, we will present the findings from our in-country scoping study and provide information for developing your Concept Note. In addition, we will also walk you through the submission process.

The webinar will be open to your organization and members of your consortium partners. Please go to your country page for more information about the Webinar's schedule and registration process.

If you experience any problems during the concept note development stage, please email us at the **Country-Specific email address** specified on the website for each Call for Solutions page, and we will be able to assist you with your application.

For Planning Purposes: Information & Documents Required at Following Stages of the Application Process

To better prepare applicants on what would be expected of them during the subsequent selection process, please find below a table summarizing the CFYE support journey from a call's launch until projects' close.

While the Concept Note provides key information about the project idea, the Business Case stage will be a more detailed process to capture the necessary information needed to make a full-informed decision on awarding projects.

Launch of the Call for Solutions	Development and Submission of Business Cases	Evaluation of Business Cases by CFYE's Selection Committee	Due Diligence, Contracting and Final Award	Project Delivery and Implementation	Project Close Out
1.5 months	1.5 months	2 months	1.5 months	Up to 36 months	3 months
You have 5 to 6 weeks to develop and submit a Concept Note after CFYE opens the call for solutions. *Please refer to your country-specific page on the website www.fund-foryouthemployment.nl for eligibility criteria*	Eligible applicants will be invited to submit a detailed Business Case. You will be assigned an expert CFYE coach for guidance. You will have 6 weeks to develop and submit a business case. Coaching sessions will be organized over 4 weeks within this development window.	CFYE will evaluate the Business Cases. You will be informed of the conditional selection decision 6 to 8 weeks after the Business Case submission deadline.	Conditionally selected entities will undergo extensive due diligence. Once this process is successfully concluded, contract negotiations and milestone development will be initiated taking 6-8 weeks, and leading to final contract award.	Delivering project activities and on-going monitoring spanning between 2 and 3 years.	This constitutes as the final step of CFYE's funding journey with the Implementing Partners

Following the acceptance of a Concept Note, shortlisted applicants will be invited to submit a full proposal – The Business Case. During the Business Case development stage, a coach will be assigned to each applicant to help them

align to CFYE's priorities, provide guidance on required technical aspects, and act as sounding board to the proposed ideas.

The Business Case stage will be denser than the Concept Note whereby the following aspects would be required in more detail at the submission stage or once Business Cases are shortlisted (includes but not limited to):

1. Project design and underlying assumptions to be provided

2. Problem analysis and understanding of the challenge to be demonstrated

3. Details on the sustainability and scaling opportunities for the project and outcomes

4. Details on understanding the social impact aspect (decency of the jobs, youth engagement, gender and environmental considerations).

5. Consortium Partners information to be provided in detail

6. Proof of co-investment to be submitted

7. Audited accounts to be submitted

8. A project-long budget of key activities with a cost breakdown based on incoming funding

9. Job outcomes to be broken down in detail with employment types, job categories, wage levels..etc.

10. Basic information about key directors/principles of the lead organization

The pre-awarded Business Cases would then move into the contracting stage where the following activities would take place (includes but not limited to):

1. Detailed due diligence assessment on the lead organisation

2. Budget negotiations to confirm final budget to be attached to contract

In some occasions, shortlisted Applicants may also be requested for an **interview** with members of the Country Team and/or the Selection Committee during the evaluation process of the Business Cases. The purpose of the interview is to provide members of the Selection Committee with clarity on some aspects that may have not been clear from the written Business Case submission.
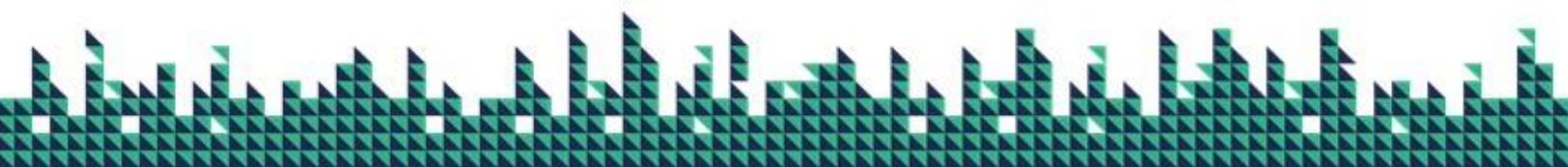
Pre-awarded applicants moving into the Contracting phase would be requested for a full **Due Diligence assessment** and contract negotiations.
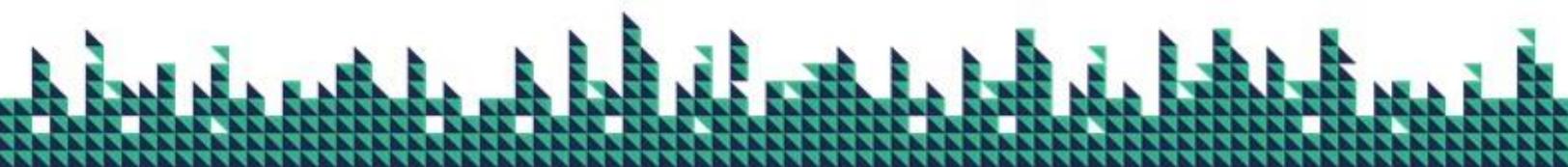
Annex: List of Sectors and Sub-Sectors

Subsector	Sector
Matching, selection and employment activities	Administrative, employment and support service activities
Office administrative, office support and other business support activities	Administrative, employment and support service activities
Real estate activities (incl. Rental and leasing)	Administrative, employment and support service activities
Security and investigation activities	Administrative, employment and support service activities
Services to buildings and landscape activities	Administrative, employment and support service activities
Agribusiness (incl. small scale processing)	Agriculture, forestry and fishing
Agriculture Technology (Agtech)	Agriculture, forestry and fishing
Crop and animal production, hunting and related service activities	Agriculture, forestry and fishing
Fishing and aquaculture	Agriculture, forestry and fishing
Forestry and logging	Agriculture, forestry and fishing
Creative, arts, cultural and entertainment activities	Arts, entertainment and recreation
Sports activities and amusement and recreation activities	Arts, entertainment and recreation
Recycling	Clean technologies, waste management and recycling
Sewerage	Clean technologies, waste management and recycling
Waste collection, treatment and disposal activities	Clean technologies, waste management and recycling
Water collection, treatment	Clean technologies, waste management and recycling
Primary and Higher Education	Education and research activities
Research activities	Education and research activities
Technical and Vocational Education and Training (TVET)	Education and research activities
Electricity, gas, steam and air conditioning supply	Energy (incl. Renewable), gas, steam and air conditioning supply
Renewable energy	Energy (incl. Renewable), gas, steam and air conditioning supply
Financial service activities, except insurance and pension funding	Financial and insurance activities
Financial technology (Fintech)	Financial and insurance activities
Insurance, reinsurance and pension funding, except compulsory social security	Financial and insurance activities
Food and beverage service activities	Hospitality, tourism and food service activities
Hospitality activities	Hospitality, tourism and food service activities
Travel agency, tour operator, reservation service and related activities	Hospitality, tourism and food service activities
Human health activities	Human health and social work activities
Residential care activities	Human health and social work activities
Social work activities	Human health and social work activities
Computer programming and consultancy	Information and communication technology (ICT)
Information service activities	Information and communication technology (ICT)
Motion picture, video and television programme production, sound recording and music publishing activities	Information and communication technology (ICT)
Programming and broadcasting activities	Information and communication technology (ICT)

Publishing activities	Information and communication technology (ICT)
Telecommunications	Information and communication technology (ICT)
Construction of buildings	Infrastructure and construction
Construction of infrastructure	Infrastructure and construction
Specialised construction activities	Infrastructure and construction
Manufacture of chemicals and chemical products	Manufacturing
Manufacture of computer, electronic and optical products	Manufacturing
Manufacture of food and beverages	Manufacturing
Manufacture of furniture	Manufacturing
Manufacture of machinery and equipment	Manufacturing
Manufacture of metal products, except machinery and equipment	Manufacturing
Manufacture of motor vehicles (incl. small parts)	Manufacturing
Manufacture of paper and paper products	Manufacturing
Manufacture of pharmaceuticals and cosmetics	Manufacturing
Manufacture of rubber and plastics products	Manufacturing
Manufacture of textiles and garments/wearing apparel	Manufacturing
Manufacture of wood and of products of wood and cork	Manufacturing
Other manufacturing	Manufacturing
Repair and installation of machinery and equipment	Manufacturing
Mining	Mining
Beauty, aesthetics and cosmetic services	Personal and household service activities
Household services (e.g. cleaning and cooking services)	Personal and household service activities
Repair of computers and personal and household goods	Personal and household service activities
Other personal service activities	Personal and household service activities
Activities of head offices, management consultancy activities	Professional activities
Advertising and marketing	Professional activities
Architectural and engineering activities, technical testing and analysis	Professional activities
Legal and accounting activities	Professional activities
Veterinary activities	Professional activities
Postal and courier activities	Transportation and storage
Transport (incl. Land, water and air)	Transportation and storage
Warehousing and support activities for transportation	Transportation and storage
E-Commerce	Wholesale and retail trade
Retail trade	Wholesale and retail trade
Wholesale trade	Wholesale and retail trade

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