PRESIDENTIAL YOUTH EMPLOYMENT INTERVENTION

employment & labour
Department:
Employment and Labour
REPUBLIC OF SOUTH AFRICA

IDC

National Pathway Management Network

Expression of Interest (EOI) -Call 4 of the Innovation Fund

Frequently Asked Questions
Issued: August 2026

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A. Registration for the Webinar

1. **Where can I find the link to register for the Webinar?**
   Please use the links below to register for the webinar which best suits your schedule
   - 21st August at 10:00 NPMN Innovation Fund 4th Call for Proposal Webinar 1 **OR**
   - 27th August at 12:00 NPMN Innovation Fund 4th Call for Proposal Webinar 2

   Thereafter the system will generate an invitation. Webinar registrations will close 30 minutes before the start of the webinar (Please check your spam as well).
   The recordings will also be made available on IDC's website

2. **Are the webinars compulsory?**
   No, however, attendance is encouraged as it is an opportunity to gain a deeper understanding of the objectives of this funding round. You have the opportunity to attend one of the two webinars and can also access the recording on the internet.

B. Eligibility

1. **Who is eligible to make a submission for this EOI?**
   All duly registered organisations in South Africa that meet the eligibility criteria (See Sections 4.3 to 4.5 of the EOI document). The application is open to all sectors of the economy.

2. **Do we have to submit all the documents with our application?**
   Yes, each document listed as an eligibility requirement must be submitted, otherwise the application will not be considered. These are:

   i. Proof of registration: Applicants must be organisations that are duly registered with CIPC (for NPCs, Ptys/ Pty (Ltd) or Department of Social Development for NPOs)
   ii. Brief organisational profile-1 page
   iii. Key staff profile-1 page
   iv. Applicants must include a comprehensive "Theory of Change" clearly articulating how project activities will achieve the project objectives and enable monitoring and evaluation.
   v. Matched funding
      - Private organisations, i.e. Pty, Pty Ltd, for-profit State-owned Company- Proof of cash matched funding on a 1:1 basis for private organisations. For organisations that are in the process of applying for funds, provide correspondence from the 2026 calendar year to confirm same
   vi. Confirmation that your organisation has a track record of implementing a similar project (s) for at least three (3) years. This is to be supported by
      - at least two (2) relevant reference letters **AND**
      - at least one (1) funder report /evaluation report not older than 3 years

Reference letters should contain sufficient detail about the project and performance of the organisation. Reports should include the project description, theory of change, funding utilised, and outcomes achieved

vii. Applicant's latest signed **audited or reviewed** financial statements and for the two (2) prior years, i.e. for the last three (3) years. Organisations will be requested to submit management accounts not older than 3 months during the DD phase

viii. A high-level budget which clearly specifies:
- Cost associated with training
- Costs associated with other youth support
- Stipends/ incentives offered to youth during the training period
- Project administrative costs
- Costs associated with operations
- Monitoring and evaluation costs
- ***For youth-led/ youth owned organisations only-***
  - Costs associated with capacity building of the organisation
- ***For applications that are implementing Enterprise Development designs only***
  - Costs associated with business development, mentorship and market access
  - Enterprise support funding including back-office support costs

ix. A schedule detailing the expected jobs to be created/ microenterprises to be supported and how the young people will be accessed

x. A statement confirming how your project addresses the impact criteria below

xi. ***For applications that are implementing Enterprise Development designs only***
- Confirmation of co-funding partnerships irrespective of the type of entity
- Confirmation of industry/ value-chain partnerships

xii. A completed Application Form and Submission checklist.

3. **Can we submit compiled financials while we work on preparing the reviewed financials?**
   No, only audited or reviewed annual financial statements will be accepted. Financials should be audited or reviewed for at least three (3) consecutive years. Management accounts not older than 3 months may be requested during Stage 1 assessment.

4. **Our financials show that we have negative equity, will this be a problem?**
   Yes, such organisations will not be eligible.

5. **Do we require matched funding for this funding round?**

Cash matched funding is only an eligibility requirement for private organisations, i.e. Pty/ Pty (Ltd) and is required on a 1:1 basis. This principle is to be adhered to irrespective of the type of project being implemented.

It is not an eligibility requirement for other types of organisations but applications that are able to raise cash matched funding will be more competitive on that element.

6. **Why is the difference between matched funding eligibility requirement for private organisations and the co-funding eligibility requirement?**
   If an NPC or NPO or Trust is implementing an ED project, there is a co-finding requirement. It must be in the form of cash, though we will accept ratio lower than 1:1. This is acknowledgment that ED projects require diverse funding pools to be able to meet the needs of the participating entrepreneurs. Thus, we encourage applicants to crowd in other funders to partner with the Innovation Fund to meet their ED objectives.
   If an applicant is a private entity doing an ED project, they, in any case, need to provide matched funding on a 1:1 basis.

C. Application Process

1. **What is the application process for interested parties?**
   For this EOI, applicants are to submit the documents listed in Section B2 above (a replication of Section 4.3 of the EOI). Templates may be downloaded from this link- https://www.idc.co.za/innovationfund/ .

   The fully completed forms together with necessary supporting information and documentation must be submitted to innovationfund@idc.co.za before **15:00 on 16 September 2026** (extended from *17:00 on 10 September 2026*). Late applications will not be accepted.

2. **What is the adjudication process?**
   A team or account manager will be allocated to review the documentation submitted and this will first be assessed against eligibility requirements. Ineligible applicants will be notified of the outcome.
   Applications that are deemed eligible, the application will be assessed against the impact criteria and against other applications to select the most competitive applications in this round.
   The most competitive applications will receive a request for detailed information between September and October, for which they will have 7 days to respond. Should the requisite information not be provided, this project will be de-prioritised and replaced with another project.

   It is our intention to communicate with all applicants, but should it happen that there is no communication within 6 weeks of the closing date, please assume your application was not successful.

3. **When will we be notified of the outcome of the EOI?**
   We expect to finalise contracting by 31 January 2027. We thus request that if your application proceeds to Stage 1 that your teams are agile and able to respond to the teams within the stated turnaround times.

4. **May we apply as a consortium?**
   Yes, partnerships and consortia are encouraged provided that the contracting party is a juristic person meeting the eligibility criteria, and the roles of consortium partners are clear at the onset and institutionalised in an agreement.

5. **What are the funding parameters?**
   Grant sizes may range from R3.5 million to R12 million.

6. **Is there a budget template we should use?**
   No, there is no budget template as we allow applicants to design their own budget depending on the amount they are applying for. The items listed in B2. viii above must be clear.

7. **Can one organisation apply for funding for more than one project?**
   Yes, provided there is capacity to manage, deliver and resource the projects as distinct projects and there is no double dipping or duplication in reporting outcomes, i.e. there is a clear distinction between the programmes and no overlap of participants or funding.
   Should this be the case, be mindful of the eligibility requirements for Enterprise Development projects which differ to the general or youth owned/led stream.

8. **If my organisation is a current/ previous recipient of other PYEI/ PES programme funds, will we be eligible to apply?**
   Yes, provided that they have met the 80% performance requirement and that there is capacity to manage, deliver and resource the projects as distinct projects and there is no double dipping or duplication in reporting outcomes, i.e. there is a clear distinction between the programmes and no overlap of participants or funding.

9. **If we are unable to make a submission in this round, can we apply in the next round?**
   Yes, however, any further funding rounds will be dependent on available funding, and the terms and requirements may be different.

10. **Can we apply for Stage 1 if we are unsuccessful or did not submit at EOI stage?**
    No, only successful submissions at EOI will be invited/ eligible to make a Stage 1 application.

D. Impact criteria

1. **Can we apply to implement the project on our own as an organisation?**
   This is allowable, however given the emphasis on partnerships in the NPMN, the application will not be competitive on the partnership element.

2. **How will sustainability be assessed for projects or NGOs?**
   All applying entities will be assessed as a going concern at the selection process and at the completion of the project. Thus, organisations are expected to be able to at least cover operational costs (that are not related to projects) over the life of the project even in the absence of the Innovation Fund (IF) grant.

   Youth participant sustainability will be assessed by the security of income derived from the job or other income over the short to medium term. Thus, the income earning opportunity should not be due to the IF grant but as a result of the IF grant.

3. **What can we count as jobs?**
   We will not consider Work Integrated Learning Internships as jobs and earning opportunities will be assessed over a 12-month period. Please refer to Annexure A and B of the EOI for guidance on what would be considered decent earning opportunities for young people and enterprises.

E. Implementation

1. **What is the expected start date for successful projects?**
   Due to the competitive nature of the process, all successful projects will be expected to have a start date not later than 1 March 2027.

2. **We offer a training programme over 12 months before the young people can secure income opportunities/ job opportunities. Will this be problematic?**
   The Innovation Fund is focusing on rapid delivery of outcomes thus projects with extended training periods will not be competitive. The EOI requires all intake to be finalised within 6 months of project commencement, with training completed within 3 months of intake.

3. **Are there any limitations to what the budget can cover?**
   No, however, the bulk of the budget should be channeled towards activities that have tangible outcomes which results in young people transitioning to income earning in the shortest possible period and not just to cover organisation overheads. This should be read in conjunction with the section 4.5 “Ineligible applications” of the EOI document.