



Fund for Resilience and Prosperity

Empowering SMEs to create dignified and fulfilling work for young people



Agriculture



Climate Impact



Digital Economy



Health

About the Fund

Mastercard Foundation Fund for Resilience and Prosperity is a seven-year, US\$ 126 million Fund that aims to support Small and Medium-sized Enterprises (SMEs) across the agriculture, climate impact, digital economy and health sectors in 20 countries in Sub-Saharan Africa. The main objective of the Fund is to unlock enterprise growth for the purpose of catalyzing, scaling-up and sustaining the creation of dignified and fulfilling work opportunities for young women and men with limited financial means. The Fund will therefore target SMEs with moderate to high growth potential and innovative SMEs (including women-led SMEs) that have high impact potential within the target sectors. These SMEs should have business models that are aligned to the creation of work opportunities for young women and men with limited financial means, including refugees and those living with disabilities.

Fund interventions

The Fund aims to address a broad spectrum of SME-specific challenges as well as macro issues using four interventions:



Challenge Fund

Offering direct financial support to address the resource flow barriers faced by SMEs looking to scale-up and, in turn, create and sustain employment opportunities for young women and men.



Connect

Providing investor readiness support to the portfolio of selected SMEs and negotiating partnerships with potential financiers to ensure sustainability and growth.



Technical Assistance

Adding value beyond financial support through technical assistance and capacity building to address the barriers concerning human capital and access to markets.



Convening and Influencing

Convening relevant stakeholders to encourage an enabling business environment that drives systematic change and address the issues that impede the creation of work for young women and men.

Thematic Sectors

The Fund will focus on SMEs that are implementing their solutions in 4 key sectors.



Each of these sectors will have challenges that SMEs can apply to for a chance to be selected as Fund participants. All other Fund interventions will also focus on supporting the selected SMEs or enabling the related sector ecosystems in support of work creation for young women and men.

Countries of Focus

The Fund will be aiming to support SMEs in 20 countries in Sub-Saharan Africa:

Benin, Botswana, Burundi, Cameroon, Côte d'Ivoire, Democratic Republic of Congo, Ethiopia, Ghana, Kenya, Malawi, Mozambique, Nigeria, Rwanda, Senegal, Sierra Leone, South Africa, South Sudan, Tanzania, Uganda, and Zambia.



Frequently Asked Questions

What is Mastercard Foundation Fund for Resilience and Prosperity?

Mastercard Foundation Fund for Resilience and Prosperity is a US\$ 126 million Fund established in 2023 that aims to support Small and Medium sized Enterprises (SMEs) across four sectors in 20 countries in Sub-Saharan Africa.

What is the objective of the Fund?

The objective of the Fund is to unlock enterprise growth for the purpose of catalyzing, scaling-up and sustaining the creation of dignified and fulfilling work opportunities for young women and men with limited financial means. Through several sector-specific rolling challenges, the Fund will target entities that have innovative and scalable business models with significant potential to create jobs, supporting them to create sustainable impact.

Why launch the Fund for Resilience and Prosperity?

Dignified and fulfilling employment for young men and women remains a significant challenge in Africa, in both urban and rural settings. The number of people living in urban areas in Africa has been growing steadily and is forecast to increase further in the coming years, leading to a significant rise in unemployment. Mastercard Foundation Fund for Resilience and Prosperity will go a long way towards addressing the urgent need to create employment and income uplift opportunities at scale for youth in 20 Sub-Saharan countries. This program aims to build on the success, learnings, and principles of the Fund for Rural Prosperity program and leverage this to enhance the resilience and prosperity of rural and urban young men and women through job creation.

How will the Fund be managed and governed?

KPMG Development Services Limited is the Fund Manager contracted to design and manage the Fund. The Fund monitoring, evaluation and learning Partner is Triple Line Consulting. Triple Line will support with the monitoring, evaluation and learning aspects of the Fund portfolio.

Is this a second phase of Mastercard Foundation Fund for Rural Prosperity program from the Mastercard Foundation?

Yes. Mastercard Foundation Fund for Rural Prosperity was an eight-year program established in 2014. That phase supported 38 participants from 15 countries in Africa, innovating and scaling financial products and services in support of the rural and underserved population with a large focus on agriculture. One major highlight of that phase is over 5.3 million people were enabled to have access to financial products and services, exceeding an initial target of 1 million.

As a result of the success and learnings gathered, Mastercard Foundation Fund for Resilience and Prosperity was established in 2023. While the objective of the Mastercard Foundation Fund for Rural Prosperity was financial inclusion for the rural and underserved population, the objective of the Mastercard Foundation Fund for Resilience and Prosperity is the creation of dignified and fulfilling work opportunities for young women and young men.

Who is going to benefit from the Fund?

The Fund aims to support SMEs across four target sectors to create dignified and fulfilling jobs for young women and men with limited financial means, including young people with disabilities, young refugees and displaced persons in the target countries. Young people, especially young women in Africa, will be the centre of focus of the Fund.

What kind of support is the Fund offering to selected SMEs?

The Fund will provide support to SMEs through four interventions:

- Challenge Fund intervention: Offering direct financial support to selected SMEs.
- Technical Assistance intervention: Adding value beyond financial support through technical assistance and capacity building.
- Connect intervention: Providing investor readiness support to the portfolio of selected SMEs and negotiating partnerships with potential financiers.
- Convening and Influencing intervention: Convening relevant stakeholders to encourage an enabling business environment that drives systematic change and address the issues that impede the creation of work for young women and men.

What type of financial support is the Fund offering to selected SMEs?

The Fund will provide grants to selected SMEs through the Challenge Fund intervention. The funding size and structure will be decided on a case-by-case basis after evaluating the applicant organisations and performing the necessary due diligence.

What sectors will the Fund focus on?

All interventions will support SMEs to create work opportunities for young women and men with limited financial means, including young people with disabilities and refugee youth in four sectors: agriculture, climate impact, digital economy and health.

Why focus only on four sectors?

The Fund is working with these specific sectors (agriculture, climate impact, digital economy and health sectors) because they have the significant potential to create youth economic opportunities at scale in Sub-Saharan Africa.

Which are the 20 focus countries of the Fund?

Benin, Burundi, Botswana, Cameroon, Côte d'Ivoire, Democratic Republic of Congo, Ethiopia, Ghana, Kenya, Malawi, Mozambique, Nigeria, Rwanda, Senegal, Sierra Leone, South Africa, South Sudan, Tanzania, Uganda and Zambia

Why focus on these countries in Africa?

The selected countries represent the biggest markets in Sub-Saharan Africa and collectively represent over 80% of the region's economy. They are also selected based on the high rates of unemployment particularly of the youth and represent the biggest need. Mastercard Foundation identified seven countries as a priority under the Young Africa Works (YAW) strategy. The remaining 13 countries were selected through an evaluation process identifying the countries with the most potential to sustain a vibrant ecosystem based on the assessment of challenges faced by SMEs in enterprise growth and job creation. The selection also provides a balance in investment across Africa's Anglophone, Francophone and Lusophone countries.

What are the chances of SMEs being selected for the interventions?

The Fund is seeking innovative, competitive business proposals in agriculture, climate impact, digital economy and health sectors and will provide financial support to the best ideas that meet the selection criteria. Each challenge is a competitive process, so applicants are encouraged to put their best effort into their proposals.

Does the Fund have specific funding allocations per country?

No, there are no set allocations per country. However, the Fund aims to have a geographically balanced portfolio of projects.

Does an SME need to be legally registered to apply?

Yes, SMEs applying must be legally registered and have been in operation for at least 3 years.

About the Challenge Fund intervention

What is the Challenge Fund intervention?

The Challenge Fund intervention will offer direct financial support to address the resource flow barriers faced by SMEs looking to scale-up and, in turn, create and sustain employment opportunities for young women and men.

Why provide financial support through a challenge fund?

A Challenge Fund mechanism provides an open and competitive way to engage the private sector to promote economic growth and community development. The Fund wants to encourage SMEs to pursue innovative, commercially viable ventures that benefit young women and men with limited financial means, including young people living with disabilities and refugee youth.

What is the format of the Challenge Fund competitions?

Each sector-specific challenge fund call for proposals will have its own format which will be communicated prior to launching it.

Challenge Fund application eligibility criteria

How does an SME apply to the Fund?

Potential applicants for the Challenge Fund intervention can register and access the application platform through the Fund website www.frp.org once the challenges launch.

Which language will the application be in?

The Fund will accept applications in English, French, and Portuguese.

Challenge Fund application eligibility criteria

Can an organization that is not-for-profit submit a proposal to the Challenge Fund?

No. Only for-profit, Small and Medium-sized Enterprises can apply.

Can an SME apply for Funding in all the four sector-specific challenges?

Yes. SMEs can apply in all four sector challenges with different applications per challenge that meet the specific eligibility criteria.

Can former Mastercard Foundation Fund for Rural Prosperity participants apply for Mastercard Foundation Fund for Resilience and Prosperity?

Yes, as long as their project relates to the objectives of the new Fund and they meet all other eligibility criteria.

Are current Mastercard Foundation Partners eligible to apply?

Existing Mastercard Foundation partners are eligible to apply only if they are applying for a different project other than the one supported directly by the Mastercard Foundation.

Challenge Fund participant 'matching contributions'

What will SMEs be required to contribute in the Challenge Fund?

Selected participants are expected to co-invest in the project to ensure risks are shared and incentives are aligned. 'Matching funds' refer to the participant's contribution to costs of implementing the project. The expected level of matching funds will vary with each project. However, all applications will be required to provide a matching or greater contribution to total project costs than the grant, either in cash, cash-equivalent or in-kind.

Challenge Fund grant awards

What is the standard grant award or range?

Each sector-specific challenge fund call for proposals will have its own range which will be communicated prior to launching it.

How will funds be disbursed to SMEs?

The payment mechanism for disbursing funds will be defined by the terms in a Participation Agreement and by project performance within the payment period as validated in a performance monitoring and measurement system.

Challenge Fund timelines

What are the time periods for the financial support?

The terms of the financial support will be stipulated in the Participation Agreement for each participant.

Impact measurement

How will a Fund-supported project's impact be measured?

- Impact will be measured through the specific and measurable outcomes that the proposed projects will achieve.
- How the project aims to create change (individual, community, institution and/or system change).
- The specific objectives and related activities that will drive towards the achievement of outcomes.
- How the project or business will impact and support young women and men, refugee youth, and/or young people living with disabilities to access, participate, and/or benefit equitably.

How will the SME know that it is making an impact?

Through the success of the project or businesses that receive funding and create jobs for young women and men, refugees, and youth living with disabilities.

Roles

Who will access and/or review the proposals?

Concept notes and business plans will be accessible to the Fund Manager, its Consultants and Partners, the Mastercard Foundation, and its agents. They will be reviewed by the Fund Manager and the Mastercard Foundation, as well as by an Investment Committee.

Who approves applications that are selected for funding?

All applications will be reviewed through a rigorous evaluation process incorporating the Fund Management team, an Investment Committee, and the Mastercard Foundation.

Who will own the intellectual property developed by the project?

If funding is awarded, a contract would include a clause which ensures that all project documentation and intellectual property remains the property of the participant business.

Contacts

Where can more information on the Fund be found?

For more information on the Fund, visit: www.frp.org. For contact details, select the contact link on the website, or visit the Fund social media channels.



Visit www.frp.org or
scan the QR code for
more information



**The Fund Manager for the Mastercard Foundation Fund for
Resilience and Prosperity is KPMG Development Services Limited**

In partnership with
Triple Line Consulting, the Monitoring, Evaluation and Learning Partner