

Competition Service Provider (CSP) Consultancy

Frequently Asked Questions (FAQs)

1. What type of finance does AECF through its competitions avail to enterprises?

AECF provides its investees with either repayable loans, grants, or a mix of both. This is normally defined in the term sheets for each competition.

2. What are the ticket sizes that AECF provides to its investees?

The amount of funding that AECF can award to a single business is between US \$25,000 and US \$2 million, although this amount may vary depending on the competition. Normally, the ticket sizes are defined by each competition's term sheet and two ticket size categories are normally defined (\$25-100k and \$100k-2M). The programs that are to be launched in 2022 will have both ticket size categories.

3. For each of the competitions that AECF runs, how many concept notes/applications/proposals in are expected?

From previous experience, each round of competition on average yields 50 to 200 concept notes or applications though this is highly dependent on the competition, sector, and market/country. There have been rare instances where a single competition has yielded 700 concept notes, but this is rare.

4. Does AECF have a specific target in terms of the number of applications reaching the Investment Committee (IC) stage in each of the competitions?

No, we do not define a specific target as we know that the applications that reach IC stage are dependent on each competition window and its target. With that said, the ideal scenario is to have at least 10 applications in each window reaching the IC stage.

5. For the 7 competitions that will be run in 2022 what are the number of successful grantees projected?

This is highly dependent on the competition but on average each competition will have 10 to 20 grantees (for the growing business) and an average of 90 for the small businesses.

6. How are the calls for proposals/applications in the 7 competitions projected for 2022 going to be spaced out?

The calls for proposals are highly dependent on the individual projects' implementation phase. In the coming months, we expect competitions every two months or so.

7. Is the CSP expected to run the "calls for applications/proposals" in the various markets/countries?

No. The marketing of competitions and the process of obtaining applications from potential investees will be conducted by AECF. The CSP only comes in once applications have been received.

8. Is the application process for the competitions that AECF runs automated?

Yes, AECF has a grant management system where applicants can upload and submit their applications. In rare circumstances and depending on the countries of focus, applications have been either submitted physically or through a dedicated email address.

9. Does AECF have templates and tools for undertaking the pre-screening, screening, and due diligence of applicants?

Yes, AECF already has templates that it uses for pre-screening, screening, and due diligence.

10. For applications reaching final due diligence stage – is the CSP expected to contact the applicant and travel to undertake this due diligence?

The CSP is permitted to contact the applicant for purposes of undertaking due diligence. Depending on the business, travel may be necessary to the business site/location, though this will be assessed on a case-by-case basis. Some of the businesses are situated in rural areas away from capital cities and it is prudent to meet the entrepreneurs and see these businesses. Other businesses are situated in cities where virtual meetings can be easily set up.

11. Who assigns individual applications/deals for due diligence analysis to CSP team members for assessment?

The CSP Team Leader will work closely with the AECF Lead person and they will agree on ways of working and assignment of tasks.

12. In which language should Investment Memos be drafted?

Even when applications are received in French (for example in Benin and Burkina Faso), the CSP is expected to develop Investment Memos in English only.

13. Will the CSP be expected to be present at the Investment Committee (IC) meetings?

Yes, the CSP is expected to be present at IC meetings.

14. Will there be any in-person presentations by the applicants to the CSP?

No. Apart from due diligence, all other communication with potential investees should be virtual, on e-mail or through teleconferencing.

15. Will feedback to unsuccessful applicants be sent to all applicants or only to the longlisted ones?

Feedback will be shared to all applicants.

16. What is the payment schedule for this consultancy?

Payment is based on deliverables for each competition which will be communicated by the AECF Lead Person.

17. Given the competitions will be based in different countries, are there any budget guidelines you can provide?

This cannot be shared at this stage, the CSP consultant is to provide a competitive budget for our review.