



AFFORD BUSINESS CENTRE WEST AFRICA (ABC WA) DIASPORA FINANCE (DF)

DIASPORA FINANCE ACCELERATOR (SENEGAL)

PROSPECTUS

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1. INTRODUCTION

- 1.1 This prospectus (the “Prospectus”) has been designed to give you the necessary information about the Diaspora Finance Accelerator (the “Accelerator”). The Accelerator is a key deliverable under AFFORD Business Centre (West Africa) - Diaspora Finance (ABC-DF) and aims to develop the African social economy by investing in social enterprises in Africa. The Prospectus will guide you in understanding if we are able to fund your enterprise/organisation, and will help you to be compliant in the completion and submission of the application form and a business plan. It also provides information on how we assess your application, and what happens next if you are successful. This Prospectus also contains the terms and conditions governing Accelerator applications and AFFORD’s participation in financing/grant projects, which must be accepted for us to proceed your application.
- 1.2 To indicate your understanding of and compliance with the terms and conditions, **please sign the final page of the Prospectus and return it to us together with your application**. Your application will **not** be considered if you do not return a signed copy of this Prospectus.

2. WHAT IS ABC WEST AFRICA DIASPORA FINANCE?

- 2.1 ABC West Africa (ABC W/A) is co-funded by the Swiss Agency for Development and Corporation (SDC) and AFFORD UK. ABC Diaspora Finance (ABC-DF) is a major programme within the ABC W/A programme. It is a blended space offering a combination of grants and alternative financing such as loans and equity. ABC W/A brings together a series of programmes, schemes and initiatives aimed at promoting, stimulating and harnessing diaspora investment opportunities for job and wealth creation. The aim of this is to be a catalyst for efficient and effective development of the African social economy. ABC-DF addresses the following issues, which hinder diaspora entrepreneurs and investors, as well as local entrepreneurs:
 - a) Limited access to capital and high cost of borrowing;
 - b) Inadequate information about local market conditions and opportunities;
 - c) Inadequate access to business support in transnational investment;
 - d) Lack of structured or diverse investment products; and
 - e) Local barriers to investment and growth.
- 2.2 The ABC-DF provides diaspora and local entrepreneurs and businesses with full access to quality business development support services to optimise the viability of their projects
- 2.3 **Expected Impact of ABC-DF:**
 - a) A key outcome of ABC-DF is to increase and diversify diaspora investments in small and medium-sized enterprises (SMEs), particularly social enterprises in Africa.

- b) ABC-DF encourages investment and entrepreneurial activities that lead to the creation of quality and sustainable jobs and thereby contributes to the social and economic empowerment of Africans.
- c) ABC-DF will provide tailor-made assistance to SMEs, comprising training and cash investment (in the form of grant match-funding & low-interest loans) together with Business Development Support (BDS) totalling [€400,000] to 100 Europe-based African diaspora and local organisations operating in any of the four West African countries, Benin, Nigeria, Ghana, and Senegal. These organisations will be selected through the Accelerator and a competitive selection process.
- d) ABC W/A will kick-start the diaspora finance programme in 2022 with a provision of €200,000 in grant match-funding.
- e) This prospectus is focused on Senegal with a total provision of €100,000 (in grants and loans).

3. WHAT IS THE DIASPORA FINANCE ACCELERATOR?

3.1 **The Diaspora Finance Accelerator** will facilitate access to finance for innovative and viable diaspora and local enterprises that have the capacity to create sustainable employment in niche, emerging and diverse market sectors.

3.2 **The objectives of the Diaspora Finance Accelerator** are as follows:

- a) To identify investment ready businesses (diaspora and local) and those in need of further business development support within the target group;
- b) To help to establish viable and sustainable businesses with growth potential;
- c) To assist project funders in selecting and targeting investment to viable businesses;
- d) To encourage diaspora and local businesses to embrace the culture of business planning; and
- e) To provide a suitable platform to attract further investments

4. THE ACCELERATOR & ABC DIASPORA FINANCE AVAILABLE

4.1 **Key Areas of Business/ Project Viability:**

The ABC Diaspora Finance (“ABC-DF”) will be awarded to project proposals that:

- a) are innovative and aim to solve existing or future problems;
- b) demonstrate market viability;
- c) demonstrate financial viability
- d) demonstrate management viability;

- e) create and sustain jobs (inc. seasonal jobs);
- f) demonstrate job creation in the value chain;
- g) raise environmental awareness and promote sustainability;
- h) actively encourage youths and women participation;
- i) utilise or plan to utilise technology, social media and strong partnership working;
- j) can be scaled up and replicated; and
- k) have a positive social impact and help communities.

4.2 Expected Project Outcomes:

To be considered for ABC Diaspora Finance, an applicant's business plan must demonstrate that their proposed project will be able to deliver outcome 1 and at least one of the remaining three outcomes (2-4):

Outcome 1: create ten new quality jobs; **and**

Outcome 2: Build on and enhance existing initiatives; *and/or*

Outcome 3: Increase economic activity and sustainable livelihoods; *and/or*

Outcome 4: Contribute to improving the policy environment and conditions for doing business.

Outcome 1: create ten new quality jobs:

4.3 **All proposed projects must create a minimum of ten sustainable jobs.** Proposed projects that simply sustain current roles do not qualify as projects that create new jobs for the purpose of meeting this outcome. However, in the context of COVID-19, proposed projects that look to revive businesses impacted by the pandemic, and sustain or recover jobs in a fragile economy, will be considered.

All jobs must:

- a) be sustainable in the short-to-medium term (minimum six months) and have measures in place to ensure longevity (minimum six months);
- b) pay wages and salaries that must meet either national or sector minimum wage;
- c) require between 35 and 48 hours per week to be worked (note that this does not apply to seasonal jobs in specific sectors such as agriculture, which will be considered separately);
- d) be formalised by a contract detailing terms and conditions including pay and notice of termination;
- e) offer prospects for personal development such as on the job training;
- f) allow employees to have the freedom to express their views and concerns;

- g) must apply equal opportunities principles and ensuring fair treatment for all in employment (including and not limited to pay); and
- h) evidence the payment of taxes.

Outcome 2: Build on and enhance existing initiatives:

4.4 The proposed project should seek to put systems and processes in place for sustainability, future scaling-up and replication. This can also include projects that seek to be centres of excellence, where they are well-established, well-grounded, make maximum social impact, and become learning models and good examples in their own right. One example could be developing an internal quality management system or increasing the efficiency of an existing cooperative by providing equipment or improving access to markets.

Outcome 3: Increase in economic activity and sustainable livelihoods:

4.5 The proposed project must:

- a) seek to provide job skill enhancement to new employees and/or focus on inclusiveness that enhances economic activity, for example, focusing on women and young people as entrepreneurs; and
- b) seek to advance a sector by introducing an idea that improves efficiency, increases competition and makes a difference in the lives of people.

Outcome 4: Improve policy environment and conditions for doing business:

4.6 The proposed projects must, among other things, seek to:

- a) successfully apply innovative solutions to overcome local barriers to investment and growth;
- b) use ICT effectively to innovate and improve productivity and efficiency; and
- c) target areas neglected/under-served by the government;

Core Business Sectors for Investment:

4.7 The ABC Diaspora Finance will be awarded to businesses operating in labour-intensive sectors, which include (but not limited to) the following:

- a) Agriculture/agri-business;
- b) Education & training;
- c) Health management;
- d) Water, sanitation and hygiene;
- e) Small and medium scale manufacturing;

- f) Distribution, retail and hospitality;
- g) ICT/Creative Industry;
- h) Food;
- i) Green economy;
- j) Energy & power.

Local contents and partnerships:

- 4.8 (For diaspora businesses), the proposed project must have significant and demonstrable input into the design and delivery from local African partners (“Local Partners”). For instance, the proposed business should be predicated upon a business model in which projects are delivered on the ground in partnership with Local Partners, or where the business already has a well-established team and an office on the ground.
- 4.9 In the case of a manufacturing business, it is highly preferred, where possible, that raw materials, equipment and furniture are sourced locally.

The ABC Diaspora Finance available:

- 4.10 The total finance available for ABC W/A is €400,000. This call for applications will provide maximum grant value of €200,000. Each diaspora or local business (the “Applicant” or “you”) may apply for finance of €4,000 (70%), provided the applicant can deliver match-funding of €1,714 (30%) minimum in cash.
- 4.11 Each Applicant may only apply to enter the Diaspora Finance Accelerator Programme once for a funding. An Applicant who is closely connected to any other Applicant may, in AFFORD’s discretion, be ineligible to apply. For avoidance of doubt, an Applicant cannot apply both in their individual capacity and as a representative of a business.
- 4.12 There are no restrictions on which budget line the match-funding is applied to but it must form part of the overall budget. For diaspora businesses, no more than 20 per cent of the funds may be spent in the country of business registration for project related costs. This might be reconsidered in exceptional circumstances where it is clear that the local African community will benefit from a significant percentage of funds being spent in the country of business registration, and where the business plan successfully demonstrates the rationale for spending funds in the country of business registration.
- 4.13 Cashflow and business plans need to be agreed with AFFORD before AFFORD will make any cash payments. Payments will **ONLY** be made in instalments against agreed milestones and if the agreed cashflow is being met. AFFORD will not provide the full amount of any grant upfront, and will withhold ten per cent of the overall grant until submission of a satisfactory final report and review.

Discretionary Finance:

- 4.14 AFFORD has the power to award discretionary grants to projects considered useful for impact, pilots, and to encourage the overall success and future development of the ABC W/A Programme. For any discretionary award to be made, the Chair of AFFORD will be involved in the selection and appraisal process. An applicant has no right to apply or be considered for a discretionary grants.
- 4.15 AFFORD has the power to award discretionary grants of up to €4,000 to a business that, in AFFORD's opinion, is not yet considered to be suitable for immediate investment or is otherwise not eligible for an ABC W/A finance. If such discretionary grant is awarded, the grant should be used for the purposes of enabling the business to become "investment-ready". Following such discretionary grant, if the business, in AFFORD's opinion, is considered suitable for investment, AFFORD may, in its absolute discretion, consider the Applicant for an alternative source of finance under **clause 11**.

Required Documents:

- 4.16 Before any ABC Diaspora Finance is made, AFFORD requires the following of the diaspora applicant:
- a) A signed partnership memorandum of understanding (MoU) between the Applicant and their Local Partners(s); and
 - b) Proof of each Local Partner's legal status;
 - c) Proof that each Local Partner has been trading for 2 – 5 years.
- 4.17 AFFORD may also, in its discretion, require references from two reputable referees for each Local Partner.
- 4.18 There are no limitations on how many Local Partners an Applicant can work with. However, it is important to bear in mind that the more Local Partners you have, the more resources and time you will need to spend on building relationships and strong partnerships. ABC reserves the right to request a review of the number of Local Partners and if necessary, require an Applicant to reduce this number. Where an Applicant works with more than one Local Partner, one Local Partner must be designated as being responsible for receiving the monies transferred for the project.

5. CONSORTIUM BIDS

- 5.1 Although AFFORD strongly encourage applications from consortia/groups/alliances of diaspora and or local organisations, only one organisation may lead in the preparation and submission of the application (the "Lead Organisation").
- 5.2 The Lead Organisation will be responsible for project management activities, including management of the finance and reporting.

- 5.3 The Lead Organisation must be a registered organisation in Europe or any one of the four target countries. Other members of the consortia can be unregistered groups or (diaspora/local) individuals as well as registered charities or companies. The consortia may consist of between two and five members, including the Lead Organisation.
- 5.4 There is no requirement for members of consortia to have worked together before. It is, however, expected that that a strong consortia bid will have outlined clear roles and responsibilities that recognise and identify the strengths of each partner.
- 5.5 A lead partner organisation or consortium member can only participate in one application for funds.
- 5.6 The €1,714 (30%) matched-funding may be provided by either the Lead Organisation, one of the partners or the partnership as a whole.
- 5.7 The Lead Organisation completing the application form must be the same organisation that will receive the funds, manage the project and act as the accountable body throughout the course of the project.

6. ELIGIBILITY

6.1 Lead organisations must answer 'yes' to **ALL** the following questions to be eligible to apply:

- a) Are you looking for finance of € 4,000 to deliver an innovative and sustainable social enterprise solution?
- b) Are you able to match the ABC-DF with at least 30 % (i.e. €1,714) of the total contribution?
- c) Is your proposed project operating in any of these countries: Benin, Senegal, Ghana, Nigeria?
- d) Will the project be implemented by Local Partners/colleagues (or local staff/beneficiaries/ consultants)?
- e) Are you a UK/Europe registered charity, Private Limited Company, Community Interest Company (CIC), Charitable Incorporated Organisation (CIO) or Scottish Charitable Incorporated Organisation? Or the equivalent of any of the above in your country of residence or in the four target countries?
- f) Has your company/charity been registered or active for at least 2 years?
- g) **(If not registered in Benin, Ghana, Senegal or Nigeria)** is your organisation an African diaspora organisation or is your organisation majority African diaspora controlled? This means that your organisation must have a majority of trustees who define themselves as being of African heritage, who live in the UK/Europe/Africa (irrespective of citizenship) and retain emotional, financial and cultural links with their country and/or the African continent.

- h) Does your organisation aim to tackle poverty and injustice in Africa and does your organisation have, as part of its stated object, that commitment?
- i) Will the proposed project that you require the ABC Diaspora Finance for be completed within 18 months?
- j) Do you consent to becoming a member of the AFFORD Business Club (the “Business Club”)? As previously mentioned, to receive finance, you must be a member of the Business Club for at least the entire period of the ABC Diaspora Finance.
- k) Do you have a business/organisation bank account in the name of the applying business/organisation and financial procedures that comply with the banking and financial rules and regulations that relate to your organisation?

For example, in the UK, if you are a registered charity, you will require at least two people who are unrelated and do not live at the same address to sign cheques or make a withdrawal.

Your business/organisation bank account needs to be with an established financial institution or bank that is able to provide acceptable and auditable bank statements. ABC-DF reserves the right to verify the legitimacy of the financial institution/bank details provided and, where necessary, require you to make compliant banking arrangements as a condition of the Finance.

- l) Do you have two external referees, not associated with your organisation, who can validate your application?

6.2 By entering the Accelerator, you confirm that you:

- a) are eligible to apply and receive such Finance,
- b) hereby warrant that all information to be submitted by you in your entry is and will be true, accurate and complete in every respect.

6.3 AFFORD reserves the right to verify any information contained in your entry and/or your eligibility to enter the application process.

Who we cannot fund

6.4 The Lead Organisation cannot be:

- a) an organisation that is not established or registered in the UK/Europe/Africa; or in any of the countries in the ABC W/A programme; or
- b) in the case of individual applicants, a non-UK/non-Europe/ or non-national of any of the countries in the ABC W/A programme.

6.5 AFFORD is unlikely to fund Applicants that are in poor financial health.

6.6 AFFORD will not consider any application that is made on behalf of another organisation.

Number of Applications

6.7 An Applicant may only submit **one** application for the ABC Diaspora Finance in each funding round.

Disqualification

6.8 AFFORD reserves the right to disqualify any Applicant at any stage if any information submitted turns out to be misleading or untrue, if the Applicant's conduct is contrary to the terms, spirit or intention of the ABC Diaspora Finance Programme, or if the involvement of AFFORD or a particular finance-holder in the proposed project might create the appearance of a conflict of interest that would make any financing inappropriate.

6.9 AFFORD also reserves the right to disqualify any Applicant at any stage where an Applicant's dealings with AFFORD involve behaviour towards staff and associates of AFFORD that is unreasonable or abusive in any way.

6.10 AFFORD generally reserves the right to disqualify any Applicant at any stage where AFFORD has had prior dealings with the Applicant or a person connected with the Applicant, or where AFFORD learns of any conduct by the Applicant or a person connected with the Applicant, which leads AFFORD to have reasonable doubt about the Applicant's future compliance with the conditions.

6.11 Note that any member of AFFORD staff, present or former (those employed by AFFORD in the last two years), should refrain from applying for the Programme whether as an individual or as a member of another organisation, as such application is likely to give rise to a conflict of interest, which would result in the disqualification of the application.

6.12 AFFORD's decision on the issue of disqualification is final.

7. THE APPLICATION PROCESS

7.1 The process for applying for an ABC Diaspora Finance is as follows:

- 1. Attend a Diaspora Finance Accelerator Roadshow / awareness workshop and AFFORD Business Club membership registration.**
- 2. Complete and submit a Pre-Qualification Questionnaire (PQQ) / "Stage 1 Application"**
(If shortlisted):
- 3. Complete the core modules of the Accelerator programme**
- 4. Complete and submit a Business Plan / "Stage 2 Application" AFFORD assesses your application**

5. **AFFORD issues a Conditional Grant Offer Letter to acceptable applicants**
6. **You and AFFORD sign Final Grant Offer Letter**
7. **Your Project Starts**

Attend a Diaspora Finance Accelerator Roadshow / awareness workshop and AFFORD Business Club membership registration:

- 7.2 All Applicants of the ABC Diaspora Finance Programme must consent to becoming basic (bronze) members (at no cost) of the AFFORD Business Club and complete membership application form to be submitted with the Pre-Qualification Questionnaire (PQQ) ("Stage 1 Application").
- 7.3 Business development support, mentoring and coaching will be delivered through the AFFORD Business **Club** (ABC) and will run parallel to the application process. Applicants will receive business development support to strengthen their applications, and, if successful will continue to receive mentoring and coaching from the Club's business advisors.
- 7.4 Business Club members who are unsuccessful in obtaining finance will continue to have access to appropriate business support services.
- 7.5 To upgrade to silver or gold membership, the annual fee for Business Club membership for SMEs starts from £120 (this fee is subject to [annual] review).

Complete and submit a PQQ:

- 7.6 A completed PQQ must be submitted [online here](#) by midnight CET on **05 June 2022**. Late submissions will not be accepted. Only one application per Applicant can be submitted. AFFORD reserves the right to disqualify any applicant as set out above.
- 7.7 AFFORD will acknowledge receipt of all applications within five working days. AFFORD may need to contact you by post or email, following receipt of your application for additional information.
- 7.8 AFFORD will endeavour to make a decision on your suitability to progress to the next stage within twenty working days from the date of submission.
- 7.9 To ensure the progression of an application, Applicants are required to respond promptly to any emails or post communication from AFFORD within five working days.

Complete and submit a Business Plan:

- 7.10 Where a PQQ has been submitted and is successful, AFFORD will invite the Applicant to submit an application ("Stage 2 Application") together with a business plan and detailed financial projections. The completed application form, business plan and detailed financial projections should be emailed to abc@afford-uk.org
- 7.11 All Applicants making a Stage 2 Application must attend the application and business plan workshop. At the end of the workshop, each Applicant will be assigned a personal business adviser ("PBA") to assist with the preparation of their business plan.

- 7.12 The PBA will be appointed in consultation with the Applicant, based on their sectoral expertise and experience.
- 7.13 Once the PBA has been appointed, the PBA cannot be changed.
- 7.14 Note each Applicant's participation in the application process is at their own cost. The Applicant will not be reimbursed for any ancillary costs of making their application or obtaining/providing any additional documents.

AFFORD assesses your application:

- 7.15 As a part of the application, AFFORD will invite the Applicant to present their business proposal to a panel of judges, consisting of experienced business individuals (the "Panel").
- 7.16 The Panel is responsible for the assessing of the Applicant's business proposal. The Panel's feedback and score is considered by AFFORD, among numerous other factors, when a final decision regarding the applicant's application is being made.
- 7.17 AFFORD aims to communicate the final decision to the Applicant within twenty working days of when the Applicant presented to the Panel.

Conditional Grant Offer Letter:

- 7.18 A successful Applicant will receive a conditional grant offer letter (the "Conditional Grant Offer Letter") setting out AFFORD's terms and conditions, which includes the submission of outstanding or additional documents in support of your application (set out in section 7 below). The Applicant must comply with these conditions to progress their application.
- 7.19 All documents will need to be obtained and/or submitted at the Applicant's own cost within the prescribed deadlines. All submitted documentation will be carefully checked for accuracy and authenticity. AFFORD may use its discretion when assessing the fulfilment of your conditions and the documents provided and will communicate to the Applicant, where necessary, whether any alternative documentation would suffice.
- 7.20 If the Applicant does not satisfy the conditions set out in the Conditional Grant Offer Letter, AFFORD reserves the right to withdraw their conditional finance offer. The Applicant is not eligible to apply for the same finance round again.

Final Grant Offer Letter:

- 7.21 On satisfactory completion of the due diligence process set out in the Conditional Grant Offer Letter, the Applicant will receive a final grant offer letter (the "Final Grant Offer Letter"). The final grant offer must be accepted within the deadline provided or AFFORD reserves the right to withdraw their finance offer. Where AFFORD withdraws their finance offer the Applicant is not eligible to apply for the same finance again.

Conditions of the ABC Diaspora Finance and Project Start:

- 7.22 On satisfactory completion of the due diligence process, the Final Grant Offer Letter and Conditions of the finance must be signed and returned to AFFORD. Note that AFFORD may ask the Applicant to submit an interim work programme, an updated cashflow, which should include details of how the money will be expended. If the interim information provided is satisfactory, AFFORD will arrange for the disbursement of the money through the Applicant's nominated bank.
- 7.23 The successful Applicant may start their project on receipt of the Final Grant Offer Letter. Please note that the Final Grant Offer may contain additional conditions, such as the receipt of satisfactory reports by AFFORD and the fulfilment of the outstanding conditional offer requirements.

Marketing of Applicants and projects

- 7.24 AFFORD may publish some or all of the Applicants (successful or otherwise) on AFFORD's website and/or on social media together with a description of their projects. The Conditions of Finance for successful Applicants will request that applicants cooperate fully with AFFORD's marketing efforts.

Business Development Support

- 7.25 AFFORD will provide business support to enable the development of an applicant's proposed project into a viable business plan. To ensure project sustainability, all successful Applicants ("Grantees") will be supported regularly through a tailored and well-co-ordinated programme of business development support throughout their project. This support may be delivered to applicants/ successful grantees and on a group and individual basis. Grantees (and, if applicable, their Local Partners) will also receive ongoing mentoring support throughout the diaspora finance period both in the UK/Europe and in the targeted African country. Recipients of the finance are required to engage with their mentors throughout this process.
- 7.26 Support in the UK/Europe will be provided by the AFFORD Business Club. Support in the targeted countries will be provided by AFFORD's in-country institutional partners.
- 7.27 Institutional partners are also required to support grantees with monitoring and evaluation (M&E), which forms a core part of the finance. All grantees are expected to work with AFFORD's institutional partners to obtain quality M&E in addition to adhering to the specific conditions stipulated in the financing agreement.
- 7.28 Where there is any doubt regarding information obtained from AFFORD employees or its agents/ partners, or other participants, please refer back to these terms and conditions. Alternatively, please contact our ABC support team at abc@afford-uk.org

Reporting requirements and project completion

- 7.29 The Grantee will be asked to complete and submit a financial and narrative end-of-project report exactly one month after you complete your project, telling AFFORD how the money has been spent and what has been achieved.
- 7.30 The Grantee will also be required to submit quarterly and interim financial and narrative reports during the diaspora finance period.
- 7.31 AFFORD reserves the right to visit, telephone or ask to see original receipts to check how the recipient of the finance has spent the funds. The recipient of the finance must complete the project **within 18 months of the project start date.**

Timing

- 7.32 AFFORD reserves the right, in its absolute discretion, to extend any of the applicable deadlines in this Prospectus, Conditional Grant Offer Letter or Final Grant Offer Letter.

8. SUPPORTING DOCUMENTS AND CHECKS

- 8.1 An Applicant that receives a Conditional Grant Offer Letter will need to provide the documents/information below to be in receipt of a final offer.
- 8.2 Please note that it is the Applicant's responsibility to ensure that the documents provided are correct, meet AFFORD's standards and are submitted within the applicable deadlines. To avoid any disappointment, AFFORD advises Applicants to collate the necessary documentation early in the application process. AFFORD is happy to respond to an applicant's queries.

Where these documents assist the Panel to reach their decisions, AFFORD will request relevant documents prior to conditional offers being made.

- a) Details of two work-related and external referees;
- b) The Applicant's registration document (e.g. Charity registration, incorporation certificate, etc.);
- c) The Applicant's constitution, memorandum of association and articles of association demonstrating their charitable/not for profit/ social purpose;
- d) Details of the Applicant's asset lock if you are a CIC;
- e) Evidence of the Applicant's employers' liability insurance policy certificate (only required where the applicant has employees in England, Scotland or Wales) or equivalent in other parts of Europe as is relevant;
- f) Evidence of public liability insurance (if the applicant holds or is likely to hold public events);
- g) Evidence of other relevant insurance;
- h) Evidence of the Applicant's match-funding. If this has already been secured

- (i) evidence of the 30 per cent. match funding, and
 - (ii) other match funding;
- i) The last two years' annual report and financial/accounts;
- j) Information on your Local Partners:
 - (i) A validated and signed partnership memorandum of understanding (MoU) between the diaspora organisation and their Local Partner(s);
 - (ii) A constitution, memorandum of association and articles of association for the African partner; and
 - (iii) Proof of the Local Partner's legally registered status; and
 - (iv) Two years' annual accounts; and
 - (v) Local partner business bank account; and
- k) Any other documents or information as requested.

8.3 AFFORD will also check:

- a) details of the Applicant's trustees/directors on the UK Charity Commission, Companies House or other country relevant regulatory website; and
- b) details of your Local Partner(s) on relevant regulatory website;
- c) for verification of local businesses, where relevant, visits to the business address and interviews with management may be necessary.

8.4 The Applicant will not be reimbursed for the cost of obtaining and supplying any of the required documents.

9. FINANCE & EXPENDITURE GUIDELINES

What the ABC W/A Diaspora Finance CAN pay for:

9.1 The ABC W/A Diaspora Finance may be applied to the following costs:

- a) Project activity costs;
- b) Staffing costs related to the delivery of the project;
- c) Machinery & equipment – strictly for business use;
- d) Rent & rates;
- e) Office furniture; and/or

- f) General business overheads.

What the ABC Diaspora Finance CANNOT be used for:

9.2 The ABC Diaspora Finance may not be applied to:

- a) Project activities outside of the targeted countries or the country of registration for the diaspora business;
- b) Any expenditure incurred on activities before the final letter confirming that the finance is approved;
- c) Costs of putting together your application and business plan;
- d) Contingency costs;
- e) Endowments (to provide a source of income);
- f) Items that mainly benefit individuals (for example equipment that is not used for business);
- g) Items that are purchased on behalf of another organisation which is not part of the consortia / lead organisation;
- h) Projects that cannot be completed within the duration of the financing period;
- i) VAT that you can recover;
- j) Activities outside of the law or against public policy, or anything that encourages ethnic, religious or commercial disharmony;
- k) Buildings (unless an integral part of the project idea); and
- l) Expeditions, exchanges, holidays, study tours.

Costs

9.3 The applicant shall bear their own costs incurred in connection with the preparation, application, due diligence and other pre-final offer activities. AFFORD reserves the right to ask the Applicant to provide further documentation in order to satisfy the eligibility criteria and Applicants will not be reimbursed for any expenses incurred to obtain such documents.

Match funding

- 9.4 The maximum finance available is €4,000. A minimum cash match-funding of €1,714 (30%) is required from all applicants. There are no restrictions on which budget line the match contribution is applied to, but should form part of the overall budget.
- 9.5 Formal approval and final offers to Applicants will be made on the basis that they have provided:
- a) realistic and viable financial forecasts clearly demonstrating the application of all funds required for the project;
 - b) evidence of the €1,714 unrestricted, available, match-funding.

Payment of Finances and costs

- 9.6 AFFORD will only release the initial instalment of the ABC W/A Diaspora Finance once all the conditions set out in the Conditional Finance Offer Letter have been satisfied. AFFORD will only release subsequent instalments of the funds:
- a) in accordance with the timetable set out in the Final Finance Offer Letter; and
 - b) if any further conditions set out in the Final Finance Offer Letter have been satisfied.
- 9.7 AFFORD will withhold payment of the final instalment of the funds until it has received the final report in accordance with the provisions set out at paragraph 4.14 of the Prospectus. If AFFORD does not receive the final report within one month of the end of the financing period, the Applicant will no longer be entitled to receive payment of the final instalment of the ABC Diaspora Finance. AFFORD may also contact the applicant to seek feedback and clarification on any points in the final report, to its satisfaction, before releasing the final instalment of the funds.
- 9.8 Where an Applicant requires payment of the final instalment of the ABC Diaspora Finance and/or any other outstanding costs that they are entitled to at the end of the financing period, the Applicant must submit a valid invoice to AFFORD within one month of the submission of their final report. If AFFORD has not received a valid invoice within the stated period, the Applicant will no longer be entitled to receive payment of the final instalment of the ABC Diaspora Finance and/or any other outstanding costs that they were previously entitled to.
- 9.9 AFFORD will not be liable for the payment of any amounts in addition to those set out in the Final Finance Offer Letter and this Prospectus. The Applicant is solely liable for any expenditure incurred in connection with the Project in excess of the ABC Diaspora Finance.

10. COMPLETING THE BUSINESS PLAN, BUDGET AND FORECASTS

10.1 All questions, tables and budget templates must be answered and completed as fully as possible. Incomplete PQQs, business plans, budgets or forecasts will not be accepted. Some helpful tips on following the business plan guidance, completing the form and excel budget and forecast template can be found here:

- a) Make sure that all the tables on **Key Business Information, Organisational data, Your project and ABC** have been completed fully and correctly. Where the information is not relevant, complete the box with 'not applicable', or **N/A**.
- b) All headings and sub-headings provided in the Business Plan Guidelines must be addressed. Questions that follow the headings and sub-headings are for guidance only and therefore should be applied to your project as is relevant.
- c) Business plans that are clear, concise and focused will be received favourably.
- d) **All three sheets in the excel budget template must be completed and returned in the same format as provided – investment needed, 3 years P& L forecast, and cashflow for 3 years.**
- e) All monetary figures provided must be in EUR (€s). If further information is provided in other currency, a conversion rate must be provided. We suggest the use of the European Union (the "EU") monthly conversion website http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/index_en.cfm
- f) Applicants **must** abide with the formats given for the business plan and for the budget template. For the budget template, Applicants can add one extra sheet if they wish. Any further changes or additions to the format will render your application incomplete.

11. ALTERNATIVE FUNDING

11.1 AFFORD may, in its absolute discretion, consider offering a discretionary grant under clause 4.15 or an alternate source of funding, to:

- a) successful Applicants;
- b) an Applicant that has been unsuccessful at any stage of the ABC Diaspora Finance application process; or
- c) any business that meets the same criterion as an Applicant but has not applied for a ABC W/A Diaspora Finance.

11.2 If an Applicant has previously received a discretionary grant under clause 4.15, AFFORD may, in its discretion, subsequently offer the Applicant an alternative source of funding as set out in this clause 11.

- 11.3 To enable AFFORD to make its decision regarding alternative financing, the Applicant must provide AFFORD with any necessary information requested.
- 11.4 The alternative sources of finance that AFFORD may consider include:
- a) a low-interest bearing loan, details of which will be made available to the Applicant if AFFORD decides to offer the loan; or
 - b) an equity investment by AFFORD into the Applicant's business; or
 - c) an instrument with conversion rights or characteristics of a loan and equity.
- 11.5 The terms and conditions of any alternative finance will be determined by AFFORD on a case-by-case basis based on information made available to AFFORD.

12. INSURANCE

Insurance of a Local Partner

- 12.1 It is the Applicant's responsibility to ensure that they (and their Local Partner) have adequate insurance in place. The insurance should include cover for any assets bought or events and activities run using the ABC W/A Diaspora Finance.

Employer's liability insurance

- 12.2 If any of the Applicant's employees are normally based in England, Scotland or Wales, the Applicant must have employers' liability insurance. If based in any other European country, an equivalent of this must be in place, or in compliance with the relevant employment law.

Other insurance

- 12.3 All Applicants must check and obtain the necessary insurance cover that may be required in the countries in which their projects are operating.

13. LIMITATION OF LIABILITY

- 13.1 Insofar as it is permitted by law, AFFORD, its agents or distributors will not in any circumstances be responsible or liable to compensate any of the participants or their Local Partners or accept any liability for any loss, damage, disappointment, personal injury or death occurring as a result of any entrant entering this application process, accepting the finance, except where it is caused by the negligence of AFFORD, its agents or distributors or that of their employees. Your statutory rights are not affected.

14. EQUAL OPPORTUNITIES

- 14.1 We actively encourage applications that represent a wide cultural reach and diversity in terms of age and gender.

15. GENERAL

- 15.1 This Prospectus sets out the terms of the ABC Diaspora Finance. Applicants acknowledge that, in entering into any agreement under this Prospectus, they have not relied on any statements, representations or warranties save those set out in the Prospectus and the following Conditional Grant Offer and Final Grant Offer Letters.
- 15.2 In the event of any dispute regarding these terms and conditions, the conduct or results of the ABC Diaspora Finance application, or any other matter relating to the application process, the decision of AFFORD shall be final.
- 15.3 AFFORD reserves the right to hold void, suspend, cancel, or amend all or any part of the ABC Diaspora Finance where it becomes necessary to do so. Any changes to these terms and conditions, or cancellation of the application process, will be communicated to the participants.

16. DATA PROTECTION

- 16.1 We will use the information you give us during assessment and during the life of the financing (if awarded) to administer and analyse funds and for our own research purposes. We may give copies of all or some of this information to individuals and organisations we consult when assessing applications, administering the programme, monitoring funds and evaluating financing processes and impacts. These organisations may include accountants, external evaluators, funders, partners and other organisations or groups involved in delivering the project.
- 16.2 We may share information with organisations and individuals with a legitimate interest in AFFORD's business development activities, applications and financing.
- 16.3 We might use personal information provided by you in order to conduct appropriate identity checks. Personal information that you provide may be disclosed to a credit reference or fraud prevention agency, which may keep a record of that information.
- 16.4 If you provide false or inaccurate information in your application or at any point in the life of any finance we award to you and fraud is identified, we will provide details to fraud prevention agencies, to prevent fraud and money laundering.
- 16.5 We might use the data you provide for research purposes. We recognise the need to maintain the confidentiality of vulnerable groups and their details will not be made public in any way, except as required by law.

17. LAWS

17.1 These general terms and conditions (and any specific terms provided in other documents) shall be construed in accordance with and governed by the laws of England and Wales.

17.2 Any disputes arising from these terms and conditions or any specific terms provided in other documents shall be subject to the exclusive jurisdiction of English courts.

For further information about this prospectus or application form, please email us at abc@afford-uk.org.

Signed on behalf of the participant

Date

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Signed on behalf of AFFORD

Date