

Frequently Asked Questions

General Development Fund Questions

- **Does PepsiCo plan to expand the Development Fund to other countries in Sub Saharan Africa?**
 - We are excited about the launch of the Development Fund (the “Fund”) and the opportunity to improve the South African food and agricultural system. At this time, the Fund will be centered around the unique opportunities within South Africa.
- **Which provinces/specific areas are the Fund covering? Will it be providing greater preference to specific areas, e.g., Eastern Cape, Western Cape, Northern Cape, Limpopo, etc.?**
 - There is a regional preference for the agricultural development pillar: Western Cape, Northern Cape, Gauteng, Kwa-Zulu Natal, Free State, Mpumalanga, and Limpopo. However, we do not have a preference for education or SME development program locations.
- **Who is managing the Fund?**
 - PepsiCo is in the process of determining the structure and management needs of the Fund.
- **What is the duration of the Fund? What period does this application cover?**
 - The Fund will run for 5 years beginning March 23rd, 2021. This application is for pilot projects in 2021 with a preference for extending effective programs and partners beyond the pilot stage into 2022.
- **Will the Fund have a termination date?**
 - Currently, the Fund will have a termination date of March 2026. However, the Impact Fund may take on a longer-term structure where returns are recycled to extend the life of the capital.

Application-Specific

- **Can we apply as a group of specialty partners, or as a consortium? How can we indicate that on the RFA?**
 - Yes, you will be able to apply as a group or consortium of specialty partners. Partners may choose a "Lead Applicant" to submit an application and to express fully in the application that they have entered into an MoU or joint venture with other entities (such group or consortium affiliation having to be evidenced by written (constitutional) documents in the event the group or consortium is selected to receive funds).
- **There are three areas for investment, agricultural development, SME enterprise development and education: Can an organization participate in just one or multiple pillars or submit multiple applications?**

- An organization can apply to one, two or all three of the development pillars. Some applicants have a particular expertise, while others have solutions across all. Please select the most compelling concept. As noted, if you would like to act as a second partner on another application, that is allowed. However, we will only accept one application per “lead” partner.
- **Does PepsiCo prefer a new project, or can we apply proposing an existing project?**
 - We are open to both new or existing projects, and welcome existing projects with demonstrated success.
- **How many specialty partner applicants will be shortlisted? How many partners will be selected for the overall Fund?**
 - We do not have hard limits on the number of partners shortlisted and will select finalists as needed to meet the Fund needs for the first year. Keep in mind that the Fund will be executed over a 5-year period. Applicants may be contacted in future rounds if there is an alignment of priorities.
- **Can you clarify and provide some examples around what you mean by “cost for impact” within the RFA proposed costs section?**
 - Our intention is to understand the illustrative costs required from the Fund to have the impact you state in your application. If you are for example suggesting “number of farmers trained” as a definition of success or KPI, it is helpful for us to understand the unit cost of training a farmer over the lifetime of the program.
- **We understand that the submission date is 26 February 2021. What is the closing time and which time zone will be used?**
 - We will accept applications until 12pm SAST on the 26th of February 2021 via email to sadevelopmentfund@pepsico.com

Eligibility

- **Is the Fund only looking for partners in South Africa? Can non-South Africans apply?**
 - Proposed projects will need to be based in South Africa, but non-South Africans are eligible to apply. International collaborations should clearly articulate the value to the South African food system. For organizations with international offices, please provide both the head office (global) details or local organization’s details.
- **South Africa has 9 provinces, will the Applicants be expected to play both at national and provincial levels?**
 - We expect to select partners at both levels and welcome all types of organizations to apply.
- **Is the Fund interested in service providers that offer monitoring, evaluation, and learning services or project management services to the Fund?**

- PepsiCo is in the process of determining the monitoring, evaluation and learning plan as well as management needs at the level of the Fund. Specific scopes would be developed for a separate tender process.
- **Does PepsiCo want other organizations to commit similar amounts (R600 MM)? Are partners required to bring in co-funding?**
 - PepsiCo will be investing R600 MM in the 3 areas of investment specified. While we are looking for partners who can bring expertise, inputs, capital and other resources to the partnership, it is not a requirement to match 1:1 funding.
- **Are there any minimum requirements for applicants?**
 - Yes, the applying entity needs to be legally registered, although not necessarily in South Africa, and capable of referencing a publicly available history of operation/success. In addition, we will be looking for BEE contribution levels, as applicable.
- **What is the difference between a specialty partner and a beneficiary of the Fund?**
 - A specialty partner is an entity that provides a service to extend the mission of the Fund. A beneficiary receives that service from the partner or receives a loan directly from the Fund.
- **Can a specialty partner apply to become a beneficiary? If so, what is that process?**
 - Yes. The specialty partner can provide services to the Fund as well as be a beneficiary as approved on a case-by-case basis. If you are seeking business service support or a loan from the Fund, we will have a separate in-take process later in the year.

Fund Allocation

- **Is there a range of the number of projects and initiatives that PepsiCo is looking to work with and a minimum or maximum of funding per project?**
 - There is no minimum for funding request. The maximum is outlined by the tribunal conditions for each pillar and projects are determined based on criteria alignment with the Fund.
- **Is there a ceiling to the proposal budget, indirect rate caps or level of detail that is required to be submitted with the application?**
 - We do not expect to see line-item details for the budget, rather illustrative totals in the table provided as well as a cost per unit impact, if available. In terms of the ceiling 20% of the ZAR 600 million funding will be dispensed in the first year of launching the Fund. However, we do plan to diversify the funding across a variety of projects in each of the three pillars.
- **What is the funding timeframe that we can apply for, 1 year or the full 5 years?**
 - Concepts can span for 5 years, however, please keep in mind that the co-creation process will focus on designing a pilot that can show evidence of success within a year's time before scaling.

- **Should the application be successful what are the timelines for disbursing funding, the documents mention Q3, is this in the first calendar year?**
 - Yes, we aim to begin disbursing funding in June/July 2021.

IP-Related

- **Can I expect confidentiality of my project proposal throughout the process?**
 - Yes, your applications will only be reviewed by the Fund Review Committees and thereafter stored in a secure location.
- **What are the branding policies of PepsiCo for selected projects? Will they be co-branded or exclusively by the funder or project organization?**
 - This will be determined on a case-by-case basis, but we are open to all three options: co-branded, PepsiCo-branded, and project-organization-branded.

Fund Management-Specific

- **For Fund management services do you have B-BBEE requirements as part of the selection/evaluation criteria?**
 - Yes, we will be evaluating contribution levels as well as evidence of past success enabling historically disadvantaged populations.
- **Are you explicitly structuring or supporting impact investment funds? Would you consider supporting the broader range of impact funding mechanisms, including debt, impact bonds or outcomes funds?**
 - We are open to blended mechanisms and plan to explicitly structure the Fund to maximize non-financial performance measures. The Fund will be using strategic grants along with debt funding.

Agriculture and Crop-Specific

- **Is the focus only on farmers that produce PepsiCo's Tier 1 and Tier 2 crops for the agricultural development pillar?**
 - Yes, we feel our capabilities are best suited to support growers who produce crops within the PepsiCo supply chain. However, please note that the supplier does not need to have a contract with PepsiCo in order to apply for support from the Fund.
- **What if my crop is not listed as a preferred crop?**
 - You may still apply to be a beneficiary of the Fund. However, we are concentrating on partners who are able to offer support services and expertise in the preferred crops. We appreciate that there may be other roles to play and therefore are open to considering food security angles.
- **Who are the target beneficiaries? (Existing farmers brought to scale or new entrants to farming?)**

- The Fund will offer support for emerging farmers at all stages of development. This includes new entrants looking for mentorship, training and access to inputs as well as existing farmers looking for capital to scale.

ESD

- **Will the Fund consider proposals that do business within the PepsiCo ecosystem of companies? Must the supplier development beneficiaries be linked to the PepsiCo supply chain?**
 - We are looking to support both suppliers as well as enterprises that are inside and outside of the PepsiCo value chain.
- **How many SME beneficiaries do you require to be developed in each region?**
 - We have no regional requirement and hope to support as many SMEs as possible given the budget available.

Education

- **Do you offer funding for projects centered around basic education?**
 - We are focusing on access to higher education, workforce development, and addressing key skills gaps within the South African food system.

PepsiCo's Vision and Objectives

- **What targets have PepsiCo set to measure the impact of the Fund?**
 - Direct and indirect job creation as well as enhanced local procurement will be key measures of impact. Other indicators will be determined on a project-by-project basis.
- **Do you have examples of similar PepsiCo projects that are succeeding? Are there project charters available for perusal?**
 - The Landscape Programs listed on [PepsiCo's Palm Oil Policy](#)
 - The latest from the [Greenhouse](#)
 - Partnerships around [capacity building in Egypt](#)
- **What phase of planning is PepsiCo currently in with regards to the Fund?**
 - We have aligned on the design of the Fund (i.e., types of programs and objectives) and we are now in the stand-up phase.