



Call for Expressions of Interest (Eoi) and Feedback from Fund Managers for the Small Business Growth Initiative (SBGI)

I. Background

The Bank of Zambia, in collaboration with the National Advisory Board for Impact Investment (NABII), has designed a credit guarantee scheme to introduce risk sharing in the financial sector. This facility is expected to contribute to unlocking access to affordable credit, especially to Micro, Small, and Medium Enterprises (MSMEs). Rigidities in the credit market have been one of the long-standing challenges that have affected effective implementation of monetary policies, achievement of financial inclusion objectives and constricted MSMEs from achieving their potential.

The facility which, shall be called the Small Business Growth Initiative (SBGI), will be rolled out on a pilot basis and shall comprise a guarantee facility that will support lending to MSMEs on a portfolio basis, training that will offer technical assistance (TA) to both financial service providers and the recipients of credit as well as a dedicated Learning Lab for data collection and analysis. Beyond the pilot stage, an alternative equity facility shall be included that will provide financing to funds, factoring, and leasing companies.

The Bank of Zambia wishes to launch an **Open Call for Expression of Interest** (the "Call") to identify a Management Team – to support the delivery of the Pilot Phase of the SBGI and, subject to a long-term contract, manage the SBGI's subsequent operations. The objective of this Call is to gauge interest and eligibility of potential SBGI Fund Managers as well as to test core tenets of the proposed terms and conditions.

Expressions of Interest (EOIs) are invited from potential Fund Managers wishing to be shortlisted for continued dialogue and possible participation in the SBGI – whether as an intact team or from a qualified individual fund manager capable of building a suitable team.

The SBGI Manager will be responsible for, among other responsibilities:

1. Deploying and managing SBGI Apex initial capital.
2. Raising, deploying and managing additional third-party capital, including debt and equity.
3. Deploying and managing guarantees and subordinated debt, among other instruments.
4. Selection (approvals and declines) and on-boarding of Participating Financial Service Providers (PFSPs), in line with the eligibility criteria approved by the Board.

5. Oversight of qualified loan portfolios from PFSPs, ongoing fund operations, and performance monitoring.
6. Financial and impact reporting to the Board and relevant stakeholders and in collaboration with the Learning Lab functions.
7. Operation of the Learning Lab, including data aggregation, Impact Measurement and Management (IMM) reporting, and regulatory learning.
8. Outsourcing and oversight of technical service providers and management of the Technical Assistance Facility, including budgeting, disbursement, and outcome tracking.
9. Communications and stakeholder engagement.

II. SBGI Fund Manager Expression of Interest and Market Feedback

A. Fund Experience and Mission Alignment

1. Please describe briefly your relevant experience and lessons learned in: Setting up and managing investment vehicles, including direct funds and fund-of-funds structures.
2. Deploying financial instruments such as subordinated debt, guarantees, equity, leasing instruments, and technical assistance facilities, particularly where investments were channeled to financial institutions.
3. Managing relationships with key stakeholders, including market regulators, government departments, Development Financial Institutions, or other public sector actors.
4. Experience in structuring investments into financial institutions (e.g., banks, Micro finance Institutions, leasing companies), including lessons learned from managing risk, aligning incentives, and achieving development impact.

Note that vis-a-vis the above, experience in Emerging and low-income Frontier Markets (especially sub-Saharan Africa) will be an added advantage.

B. Operationalisation & Fund Design

5. Please share any suggestions for the operationalisation of the SBGI, such as on the delivery model, staffing needs, preferred operational systems.
6. What would be your hiring strategy to build the required team and skills including timing of hires, contracting and/or logistics concerns? Please indicate details of individuals you have already identified as potential candidates for the team.

C. Impact, ESG, and Learning

7. Please describe any relevant experience you have with establishing and overseeing IMM frameworks, including any specific recommendations with respect to this SBGI and its intended funders.
8. Please comment upon your experience with the objectives of the Learning Lab, and share any comments or concerns.

D. Fundraising and Scale-Up

9. Please describe your experience or capacity in raising capital from third-party investors (e.g., Development Finance Institutions (DFIs), and local institutions).
10. Please share your advice for the SBGI with respect to investor management, specifically within blended finance structures.

E. Performance and Incentives

11. Please share any suggestions on potential metrics to guide performance-based compensation or impact-linked incentives for a fund of this type.
12. Can you outline your potential top performance risks (in order of priority) in implementing a facility such as the SBGI Fund, and mitigation strategies?

Technical Assistance

13. Please share your experience working with Business Development Service (BDS) providers and with managing TA disbursements from a dedicated TA funder, overseeing and reporting upon capacity building interventions, and monitoring financial performance of TA grants.
14. Do you have recommendations based on practical experience in structuring appropriate TA grants, for example pure grants, matching grants, reimbursable grants, for investees?

G. Governance and Compliance

15. Please highlight any potential conflicts of interest you might have in running the SBGI and how you would manage them, including – for example – if you would be responsible for running other funds and/or if you would be unable to devote your full capacity to the SBGI.
16. Please share any suggestions for managing governance – or other issues – that may arise in managing a public-private partnership.

Deadlines and Next Steps

17. Please note that this Call for Expressions of Interest and feedback is not a Request for Proposal (RfP). However, we do expect that individuals who respond to this EoI during the Open Call Period will be considered in the formal RfP process.
18. Please submit your EoI before 9th September 2025, by e-mail to: Secretariat@nabii.org.zm or through the office of Mr. Lackson Zulu, Assistant Director Macro prudential Policy and Contingency Planning at email: lazulu@boz.zm or Mr. Mundu Mwila Analyst, Financial and Economic Statistics at email: mmwila@boz.zm , with the subject link, “Small Business Growth Initiative Fund – Fund Manager Expression of Interest: [name of the Applicant]”
19. The deadline applies to the receipt of the e-mail by the interim SBGI team as stated above. An acknowledgement of receipt will be sent to the relevant Applicants by the interim SBGI team via e-mail, which shall state the confirmation that the EoI was received before

the deadline. The submission of Expressions of Interest will only be considered as effective once this acknowledgement of receipt has been sent.

Applicants are encouraged to make requests for additional information in advance of submitting the EoI if needed by no later than 1st September 2025. Any request for additional information should be submitted to interim SBGI team (Secretariat@nabii.org.zm) who will endeavor to respond as soon as possible.