

GSMA ECOSYSTEM ACCELERATOR INNOVATION FUND

Terms and Conditions - Round 3

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OBJECTIVES

The GSMA Ecosystem Accelerator Innovation Fund (“the Fund”) supports innovative start-ups in emerging markets to achieve sustainable growth and improved socio-economic impact. The Fund is looking for start-ups willing and able to work with mobile operators and projects which advance the United Nations Sustainable Development Goals (“SDGs”). The objectives of the Fund are to:

- Establish partnerships between mobile operators and start-ups in order to increase the reach of innovative mobile services to low-income citizens.
- Test business models with the greatest potential for growth and impact in Asia-Pacific and Africa.
- Provide lessons and examples on the ways in which mobile is driving positive socio-economic change.

The Fund is supported by the UK Department for International Development (DFID), the Australian Government, the GSMA and its members.

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ELIGIBILITY

The Fund is sector-agnostic and open to post-revenue start-ups using mobile technology to solve local challenges and who are registered and operating in Asia-Pacific and Africa (see 3). Available grants will fund projects for 9 to 12 months. [See infographic.](#)

To be eligible to apply, start-ups must meet the following criteria:

- Use or be planning to use mobile technology strategically.
- Have clear and measurable socio-economic impact, in particular: targeting low-income citizens, rural populations, women and/or youth (see 4).
- Have the potential and appetite to form strategic partnerships with mobile operators.
- Have active users and revenue in at least one market.
- Be registered and operating in the country of project implementation. The start-up must also be registered in the country where they will receive the grant money (if not the same as the implementation country). Be fully compliant with relevant business licensing, taxation, employee and other regulations in all countries of operation.
- Be compliant with all applicable laws including upholding/adhering to fundamental human rights, UK Modern Slavery Acts, Gender Equality Act, Child Protection Policies ([here](#)) and all international labour standards.
- Have 50% matching funding for the total grant amount (see 7).

During the selection process, we will also ensure start-ups have:

- Adequate financial systems to report regularly to the Fund and, if required, undergo an external audit.
- Adequate internal human resource capability to implement the proposed project within the planned timeframe.

We particularly encourage the following start-ups to apply ([see infographic](#)):

- Start-ups that can demonstrate how they will advance the SDGs, for example, working on Education and Youth, Job Creation, Public Services, Smart Cities or the growth of local Micro Small and Medium Enterprises.
- Female founders, and start-ups with good representation of women at all levels of the organisation.
- Local founders supporting local talent.
- Start-ups that are using the following mobile technologies: *Internet of things, USSD, SMS, IVR, Big Data Analytics and Mobile Money etc.*

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GEOGRAPHY

The Fund is open to projects from start-ups registered and operating in Africa and Asia-Pacific.

Africa: Angola, Benin, Burkina Faso, Burundi, Cabo Verde, Cameroon, Central African Republic, Chad, Comoros, Congo Dem Rep., Congo Rep., Cote d'Ivoire, Djibouti, Egypt, Equatorial Guinea, Eritrea, Ethiopia, The Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Morocco, Mozambique, Niger, Nigeria, Rwanda, Senegal, Sierra Leone, Somalia, Swaziland, São Tomé and Príncipe, Tanzania, Togo, Uganda, Zambia, Zimbabwe.

Asia: Bangladesh, Bhutan, Cambodia, Indonesia, Lao PDR, Myanmar, Nepal, Pakistan, Philippines, Sri Lanka, Vietnam.

Pacific: Cook Islands, Fiji, Kiribati, Marshall Islands, Federated States of Micronesia, Nauru, Niue, Palau, Papua New Guinea, Pitcairn Islands, Samoa, Solomon Islands, Timor-Leste, Tokelau, Tonga, Tuvalu, Vanuatu.

Note: Additional due diligence checks may be required for some markets.

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SOCIO-ECONOMIC IMPACT

Through the grant application process, applicants will be asked to identify, clarify and demonstrate how they are positively contributing to the [Sustainable Development Goals \(SDGs\)](#).

During application and before being awarded a grant, start-ups will set and agree measurable socio-economic targets for the grant-funded project. Examples include: number of beneficiaries reached by the product or service, jobs created or unlocked income, hours of teaching delivered etc.

Throughout the life of the grant, start-ups must demonstrate, report and verify they are promoting sustainable development outcomes in their community, market and/or region.

These measures will also be tracked for up to 2 years after the end of the grant.

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TYPE OF SUPPORT AVAILABLE

The support package includes:

- Grant funding (see 6 & 7) between GBP100,000 and GBP250,000 (AUD180,000 and AUD450,000).
- Mentoring on the use of mobile technology.
- Facilitation of relationships with mobile operators.
- Bootcamp (a programme of expert-led sessions and targeted networking) and regular offline clinics led by subject-matter experts.

Beyond this support, the selected start-ups will also benefit from enhanced visibility through the programme's insight publications, learnings through exchange with other portfolio start-ups and networking opportunities with the programme's stakeholders.

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FUNDS AVAILABLE

The funding will be in the form of a grant which should be used for a specific project. The Fund will therefore not be taking any equity against the funding; it will however closely oversee the monetary usage of the grant and only disburse funding based on milestones achievements. Incremental fund payments will be dependent on the start-up delivering proof that mutually-agreed milestones/targets have been completed/achieved.

The three types of projects the Fund is interested in are:

- Type 1 - Launch of new product or service; a project where a brand-new value proposition is developed and launched.
- Type 2 - Expansion into a new market; a project which launches an existing product/service into a new market.
- Type 3 - Scaling-up an existing product; a project to extend the reach/customer base of an existing product/service in the same market it was originally launched in.

Applicants are expected to submit and justify their requirements for the project to be funded, as well their reasons for the funding amount requested:

- The amount can be between **GBP100,000** and **GBP250,000** (**AUD180,000** and **AUD450,000**).
- The funding requires a certain level of matching from the applicant (see 7).
- The duration of the project can be between **9** and **12 months**.

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MATCHING CONTRIBUTIONS

The Fund requires a matching contribution from the applicant in order to demonstrate interest and trust from the wider investor community. Acceptance of match funding is subject to approval by the Fund:

- Applicants must provide a matching of at least 50% of the amount requested. *For instance, if a start-up is requesting £200,000 from the Fund, a contribution of at least £100,000 from other sources is required.*
- Matching contributions are also expected to be used towards the proposed project.
- Ideally, applicants should have received the matching contributions between:
 - 1st March and 1st August 2018
- The Fund might consider matching contributions:
 - Received between 1st September 2017 and 1st March 2018
 - Expected to be received between 1st August and 1st November 2018
- Matching contributions can be made 'in cash' and/or 'in kind':

TYPE OF MATCHING ACCEPTED	DESCRIPTION	EVIDENCE ACCEPTED	EXAMPLE (SOURCES)
IN CASH	Direct financial contributions to the project from the applicant and/or third parties such as venture capital firm, impact investor, mobile operator, incubator/accelerator etc.	Signed MoU or contract, a bank statement and letter confirming the total amount disbursed or to be disbursed by the other party/ies. Evidence submitted to the Fund of matching commitments must include all conditions, timescales and any other considerations.	May include funding from: <ul style="list-style-type: none"> • Cash reserves/revenue Investment funding (equity finance) • Impact investment • Crowdfunding • Grants (from governments, foundations or NGOs)
IN KIND	In kind matching includes any significant and quantifiable contribution to the project that is not financial. Applicants must be able to quantify and demonstrate what results any matching given in kind will achieve for the proposed project.	In cases where in kind matching is offered, the Fund will discuss with the applicant how best to agree the match funding commitment and valuation. For example: a contractual agreement of support from a local incubator (providing the equivalent monetary value of the service).	May include: <ul style="list-style-type: none"> • Use of goods, services and facilities (such as software) • Provision and access to equipment • Technical assistance

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COMMITMENTS FROM SUCCESSFUL START-UPS

If selected, applicants must be committed to:

- Sharing project data with the GSMA Ecosystem Accelerator programme. All data will be treated confidentially, unless agreed otherwise between the start-up and the programme.
- Reporting regularly on socio-economic impact and commercial performance through mutually agreed KPIs
- Participating in lesson learning and experience sharing activities for internal and public audiences.
- Travelling to GSMA or other key events where relevant. Part of the funding given shall be allocated to specifically cover these travel expenses.
- Participating in DFID, DFAT or other donors' annual review process.
- Providing demo material of the product or service to the GSMA (expenses can be covered).

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APPLICATION
PROCESS

Applications will be assessed through a **2-stage application process**, which is then reviewed by an independent Fund Panel.

Pitch stage - The first stage will involve completing a short online “pitch” questionnaire, to be reviewed by the Fund Manager and GSMA. The deadline for submitting pitches is **15th April 2018**.

Proposal stage - The top pitches that meet the objectives of the Fund, and where the applicant is eligible, will be invited to develop a proposal setting out the full business case for the project. Applicants will receive support from the GSMA in developing their proposal; this support will likely include an advisory/due diligence visit to the applicant. Selected pitches will be notified early **May 2018**.

NOTE: A successful pitch does not imply that the subsequent proposal will be funded.

Fund Panel - An independent panel of experts (‘Fund Panel’) will appraise proposals based on the submitted material as well as recommendations from the GSMA and the Fund Manager. We expect the final decision from the Fund Panel to be made in **September 2018**. The Fund Panel is expected to select 12 to 18 start-ups to the portfolio.

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OTHER

A Fund Manager, Coffey International Ltd, plays a managerial, compliance and advisory role, executing decisions on behalf of the Fund.

For any further questions related to the Fund, please see the website gsma.com/eainnovationfund.
Contact us: fundmanager@gsma.com

APPLY NOW

