GSMA

The GSMA Innovation Fund
for Impactful AI
Terms and Conditions

Contents

01. Objectives

Artificial intelligence (AI) and other emerging technologies have the potential to contribute to the United Nations Sustainable Development Goals (SDGs) and climate action by bringing innovative approaches to inclusive and sustainable development where it is most needed. While these technologies are already being deployed across many low- and middle-income countries (LMICs), there is not enough evidence of solutions that address the unique and pressing socio-economic and climate challenges of these contexts.

The GSMA Innovation Fund for Impactful AI ("the Fund") will provide grants and venture building support (see section 6) to small and growing enterprises[1] that leverage **AI and other emerging technologies**, in conjunction with mobile technology, to have a **positive impact** on the lives of people in LMICs.

The Fund has four objectives:

1. To de-risk innovation by testing innovative use cases, partnerships and business models that target low-income and vulnerable communities in selected geographies (see section 3.3)

2. To improve the sustainability and scalability of these digitally enabled solutions

3. To learn about the key enablers, risks and challenges of AI adoption for such solutions

4. To increase awareness of the role and potential of AI in LMICs and influence the development of enabling environments for AI-based socio-economic and climate impact driven innovations

The GSMA Innovation Fund for Impactful AI is funded by UK International Development from the UK government, and is supported by the GSMA and its members.

The views expressed do not necessarily reflect the UK governments' official policies.

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02. Focus of the Fund

The Fund is interested in solutions that demonstrate the transformative impact of innovative AI and supporting emerging technologies (e.g. computer vision, Internet of Things (IoT), remote sensing, drones, blockchain[2]) to tackle socio-economic and climate-related challenges.

The Fund is **sector-agnostic**, but priority will be given to applications that focus on one or more of the following:

— Digital solutions that leverage **contextual data** generated by emerging technologies for training and deploying AI-driven products and services

— Digital solutions that leverage **predictive and generative AI innovations** and show promise to scale and deliver positive socio-economic and/or climate-related impacts

— Digital innovations across the value chain, including:

  • AI-driven innovations that directly reach low-income and vulnerable populations and aim to advance socio-economic development and climate action (e.g. HealthTech, AgriTech, ClimateTech, FinTech, EdTech)

  • AI-driven **deep-tech, ecosystem-level** innovations [e.g. multimodal large language models (LLMs), edge computing, machine learning, big data] that support local and regional ecosystems for last-mile innovators to deploy AI solutions

Priority will also be given to the following applicants:

— Applicants whose organisations are female-founded and/or female-led and/or have good representation of women at all levels and whose proposed project actively reaches female users.

— Applicants whose organisations are locally led or have a strong presence in their country of implementation and a commitment to supporting/upskilling and promoting local staff.

— Applicants who clearly articulate how their solution can generate positive socio-economic or climate-related impact for vulnerable individuals and/or communities, and have proactively taken steps to measure change. In the case of climate-related impact, we are especially looking for a clear articulation of how the solution builds resilience to the impacts of climate change, including through activities that strengthen biodiversity.

— Applicants who have an existing project and want to integrate AI in conjunction with emerging technologies or who have a project that has already integrated AI/emerging technologies and want to scale/grow it.

— Applicants who use mobile technology at the point of service delivery (e.g. voice, SMS, USSD, digital payments, retailer networks) and/or to enable services (e.g. data-driven partnerships for mobile big data).

— Applicants who demonstrate what business and partnership models are required for innovative digital solutions to be adopted sustainably and at scale.

— Applicants who demonstrate potential and appetite for strategic partnerships with mobile network operators (MNOs) and clearly articulate the value proposition of their business models for MNOs and how a short- or long-term partnership could help scale these business models. Applicants who already have a Memorandum of Understanding (MoU) or established relationship with an MNO will be of particular interest.

— Applicants who have not received prior GSMA or UK International Development grant funding. Applicants who have received prior grant funding will need to strongly demonstrate the additionality of the new grant and how it is substantially different from the one that was funded before.

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2. The Fund is interested in blockchain applications such as decentralised AI model training and sharing, data transparency, data interoperability and integrity.

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03. Eligibility to apply to the Fund

To be eligible to apply to the Fund, applicants must meet all of the following criteria:

3.1   Leverage digital technology, especially mobile, to deliver solutions

— Be able to demonstrate how AI and other emerging technologies (e.g. mobile big data, IoT, remote sensing, computer vision, blockchain, drones), in conjunction with mobile technology, will be leveraged to deliver the solution described in section 2.

3.2   Entity type

— Be a for-profit private sector small and growing enterprise in a low- or middle-income country.

— Have active users and commercial revenue (users and revenue from any products or services) in at least one eligible country (see section 3.3 Geography).

— Be an existing entity registered and operating in the country of project implementation at the time of application (whether domestic or foreign-owned or a joint venture). In cases where responsibility for service delivery lies with a downstream partner (see section 4) rather than with the applicant (e.g. service delivery by a local government), it may be acceptable for the applicant to be registered in a country other than that of project implementation (see geographic restrictions in section 3.3).

*Please note that only **one** organisation can apply for funding and become a grantee. It must be the organisation that is in charge of delivering most of the outputs of the proposed project.*

3.3   Geography

— Propose a project that is implemented in a country/countries that is/are eligible to receive official development assistance [as per the OECD Development Assistance Committee (DAC) classification] in the following regions: Africa, South Asia and Southeast Asia and the Pacific.

The list of eligible countries in these regions, and details on additional due diligence checks in certain countries, can be found in the FAQs.

Please note that as a 501(c)(3) organisation, the GSMA Mobile for Development Foundation Inc. is obliged to comply with the sanctions, laws and regulations of the United States and other sanctions regimes as may be applicable. These sanctions and laws and other legal or regulatory regimes may restrict the GSMA from distributing grant funding to certain entities or regions as indicated in the FAQs.

3.4   Current market presence

Have an existing entity registered and operating in the country (or countries) of project implementation. *Please see the FAQs for additional eligibility information.*

3.5   Ability to receive grant funds

— Have a bank account capable of receiving GBP payments, as all disbursements from the GSMA will be made in GBP. As a general rule, the applicant should be registered in and maintain a bank account in the country where the project will be implemented. *On an exceptional basis, subject to the GSMA's assessment of the particular case, the GSMA could send funds to the GBP account of a parent company registered in a country other than the project implementation country.*

3.6   Matching contribution

The Fund requires a matching contribution from the applicant 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 contribution of **at least 25%** of the requested grant amount. *For instance, if an applicant is requesting £200,000 from the Fund, a contribution of at least £50,000 from other sources is required.*

— The matching contribution must be secured and evidenced as such by the time final proposals are submitted and must then be used towards the proposed project and spent in full across the 15- to 18-month project cycle.

— The matching contribution can be made in cash and/or in-kind. In-kind funding cannot be used to fully satisfy the matching contribution.

— The matching contribution cannot be from existing funding from UK International Development from the UK government.

More information about the type of eligible matching contributions can be found in the [FAQs](#).

3.7 Financial and audit compliance

— Be able to demonstrate adequate financial systems for regular financial reporting to the GSMA and provide unqualified audited financial statements/accounts prior to contracting.

If shortlisted to proceed to due diligence, applicants will need to comply with an additional series of checks. More information can be found in the [FAQs](#).

3.8 Legal compliance

— Be fully compliant with relevant business licensing, taxation, employee and other regulations in all applicable countries of grant project operation.

The Fund will not support:

— The following types of organisations, which are **not eligible** to apply to the Fund:

- Governments and government-owned agencies (or appointed government agencies)
- UN agencies
- Non-governmental organisations
- MNOs
- Universities or academic organisations
- Startup accelerators and incubators

However, eligible applicants are encouraged to have partnerships with such organisations when it strengthens the value proposition of their application.

— Projects that focus solely on products and solutions for high-end devices (including IOS) not associated with low-income users.

— Projects solely with a research focus.

— The development or prototyping of any new hardware solutions. Where there is a proposal to use existing hardware solutions (e.g. mobile big data, IoT, remote sensing, computer vision, blockchain, drones) as part of the project, applicants must be able to clearly demonstrate that all required approvals for wide-scale importation and use of the hardware exist prior to grant execution. In instances where there is assembly of completed pre-existing and previously used hardware components, this may be considered on a case-by-case basis by the GSMA. Applicants may be required to respond to additional GSMA due diligence requests, including disclosing relevant supply chains.

— Noncommercially sustainable distribution of assets directly to target populations, including the purchase and distribution of mobile phones, tablets or other communication devices to target populations/end users.

— The deployment of solutions, partnerships or models that are already proven and do not apply an innovative approach. Innovative adaptation of existing solutions will be considered, however.
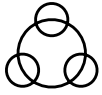
04. Downstream partners

As defined in the GSMA Downstream Partner Guidelines, downstream partners are defined as either subrecipients, consultants/subcontractors/suppliers or project stakeholders/partners. *More information can be found in the FAQs.*

Where necessary, we encourage applicants to have meaningful partnerships with relevant **local** eligible stakeholders to deliver the project on the ground.

Focus on subrecipients:

— As part of the application process, it is essential that the applicant names all subrecipients of their project. **These subrecipients will be subject to the same eligibility criteria as the applicant** (as listed in section 3), except as otherwise stated in this section.

— The following organisations are eligible to be consultants/subcontractors/suppliers or project stakeholders/partners (but are **not** eligible to be subrecipients):
- Governments and government-owned agencies (or appointed government agencies)
- UN agencies
- MNOs
- Universities or academic organisations
- Startup accelerators and incubators

05. Impact

All applicants to the Innovation Fund must ensure their proposed project has a clear **socio-economic impact on their intended end users**. This means that grant-funded products or services should benefit the lives of end users through improved livelihoods, access to opportunities and resilience to the impacts of climate change, including through activities that strengthen biodiversity or other aspects of well-being. Applicants should be aware of how their proposal intends to impact low-income individuals and other vulnerable groups such as women.

Applicants will also be requested to identify, clarify and demonstrate how their project will make a positive contribution to the SDGs.

Shortlisted applicants will be required to develop a **roadmap** that shows how their activities lead to specific impact in the short and long term. If funded, the GSMA will work with grantees to develop a list of key performance indicators (KPIs), which will be reported regularly throughout the project and for two years after.

Example of **KPIs include**:

1. **Reach:** Direct users of grant-funded product and services, active users of grant-funded products and services and indirect beneficiaries of grant-funded product and services

2. **Project-specific impact:** Behaviour changes of end users, awareness of data privacy when using AI solutions, levels of trust in AI-based solutions and value addition for end users from the use of AI solutions

3. **Climate impact:** Where relevant, grantees may report on climate and/or environmental impact indicators, such as soil and water quality

4. **Scale and sustainability:** Revenue generated by grant-funded products and services, additional funding/crowding-in secured by applicants, number of technological innovations and innovative business models commercially launched by applicants and number of partnerships secured by applicants

06. GSMA support available from the Fund

The Fund support package includes:

— **Grant funding:**
  - The amount requested can be any amount between **GBP 100,000 and GBP 250,000 for a grant that lasts between 15 and 18 months**. Applicants are expected to justify the submitted budget amount.
  - The grant awarded cannot contain any profit element and will be made on a cost-only basis.
  - The Fund will not allow any indirect costs as part of the grant. In addition, a maximum of 10% grant funds can be allocated to direct overhead costs.
  - The Fund will closely oversee the monetary usage of the grant and only disburse funding based on the achievement of milestones and satisfactory grant spending. Milestone-based payments will be dependent on the grantee providing proof that mutually agreed milestones/targets have been completed/achieved.
  - Grantees should be prepared at times to receive reimbursement in arrears of spend occurring, especially the final milestone payment (20%), which will be made at the end of the grant period. *More information can be found in the FAQs.*

— Facilitation of **partnerships with MNOs** (where relevant and possible).

— **Tailored technical assistance and venture building support** to build the grantee's capacity.

— Facilitation of **connections with investors** (where relevant and possible).

— **Participation in bootcamps** (learning exchange programmes with grantees and alumni, capacity building and connections with investors and other ecosystem stakeholders).

— **Monitoring, evaluation and learning support** to assess the grantee's impact and theory of change.

— Opportunity to increase the grantee's **visibility and profile** to potential partners through features in GSMA publications, on social media and participation in industry-leading events.

07. Commitments from applicants

Applicants that are short-listed by the Fund must be committed to:

— Complying with due diligence requests and working with the GSMA to refine their budget and proposed project.

— Presenting their project proposal to the Pre-selection Fund Panel virtually and support an in-person market due diligence visit.

— Applicants that are selected by the Decision Fund Panel must be committed to executing the GSMA's Grant Agreement without material modifications.

Applicants that are contracted (grantees) must be committed to:

— Adhering to mandatory financial and project reporting: monthly project progress reports, including regular meetings with GSMA staff in charge of the grantee; financial reports and spot-check reviews, including budgetary compliance.

— Taking action to close any compliance gaps identified during the due diligence process and providing monthly progress updates.

— Adhering to mandatory impact reporting of mutually agreed KPIs and sharing other project data with the GSMA. This will be done in compliance with privacy and data protection requirements. Such

data collection requirements will be in effect from the start of the funded project up to two years after the end of the grant period.

— Actively participating in monitoring, evaluation and learning (MEL) activities led by the GSMA.

— Using the Principles for Digital Development when designing their solutions.

— Actively attending in-person or virtual grantee portfolio events (e.g. bootcamps) and learning sessions organised by the GSMA.

— Travelling to GSMA-organised events (bootcamps, MWC events) where relevant and possible. Part of the grant funding will be allocated specifically to cover events-related travel expenses.

08. Application process

All applications to the Fund MUST be submitted in English.

Stage 1 Application	January–May 2025 The deadline for submitting pitches is **19 March 2025 at 23:59 UTC+1 (UK time)**. Please ensure registration and eligibility forms are completed by **12 March 2025**.
Stage 2 Project Evaluation	May–July 2025
Stage 3 Recommendation Panel	July 2025 Applicants must be available to pitch virtually
Stage 4 Project Appraisal	August–September 2025 Applicants must be available for an in-person visit from the GSMA
Stage 5 Selection Panel	October 2025
Stage 6 Contracting	October–November 2025
Stage 7 Implementation	November 2025–up to April 2027

09. Any questions

For any further questions related to the Fund, please see the FAQs.