

Innovation **n** FUND

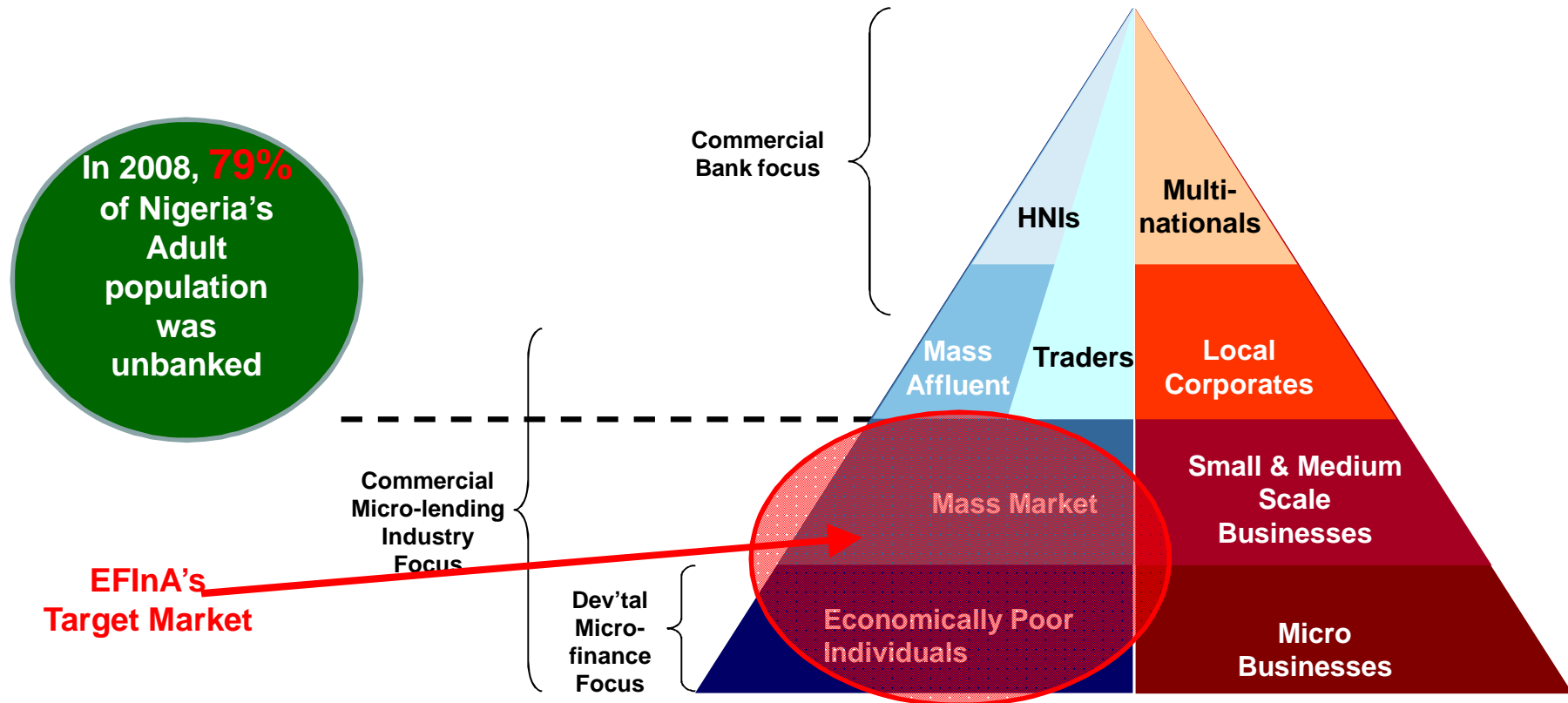
*Financing Innovation
Empowering Nigerians*

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EFInA & The Bottom of the Pyramid

EFInA's purpose is to promote pro-poor Financial Sector Development and Financial Inclusion in Nigeria.

EFInA's aim is to become an innovation centre targeting catalytic change across Nigeria's financial sector, to make markets work for those currently excluded from formal financial services.



EFInA Innovation Fund: Seed Grants

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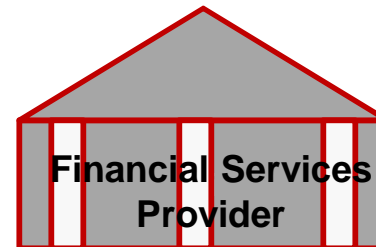
- The EFInA Innovation Fund was launched in 2009
- The Fund seeks to support new ideas and approaches to expand financial access to the unbanked and under-banked population in Nigeria
- As innovation involves taking risks, EFInA will share the risk of developing and implementing innovative products by providing a Seed Grant, with an average value of \$75,000 for commercial and policy related initiatives
- Grants are provided on a matching funds basis

Focus Sectors

- Branchless Banking
- Payment Services
- Savings
- Consumer Protection & Financial Capability



Payment System Platform



Eligibility Criteria

Eligible Applicants

- Commercial Banks
- Microfinance Banks/ Institutions
- Non-Bank Financial Institutions
- Technology Providers
- Mobile Telecommunications Operators
- Payment Services Providers
- Policy and Regulatory Agencies

Eligible Expenditure

- Pilot or rollout phase expenses
- Technical Assistance
- Business planning (after proof of concept)

Non- Eligible Expenditure

- General Operations expenses
- Start-up capital
- Acquisition of fixed assets
- Loan capital (on-lending) or guarantee funds
- Advertising or Marketing

Project Eligibility Criteria

- The project must involve providing access to financial services for the unbanked and under-banked low income customers
- The service proposed must be **innovative to the Nigerian market** and its development likely to be accelerated with the support of the EFInA Innovation Fund
- The proposed project should be designed so that it will be **viable** at the end of the grant period, either because it is self-sustaining or because additional resources are identified to continue the operations
- Seed grant funding must be utilised within a time frame of 6 months and impact objectives should be achieved by 6 months after the project has been completed
- **Policy related grants** will be available to advance policy formulation. These grants will produce outputs such as diagnostic studies, draft regulations and manuals while building capacity in policy and regulatory agencies

Application Requirements & Process

Concept Note (5-8 pages)

The Project Plan must include the following:

- The project title and introduction
- The project objectives and time line for impact once project is complete
- The end-user target group(s)
- The target location (rural/urban)
- The number of additional clients (number of existing clients and target number of new clients)
- The cost per client (current cost per client and projected cost per client)
- What is innovative about the project including details pertaining to
 - Product or service features
 - How it directly/indirectly creates access to financial services for the unbanked/ under-banked in Nigeria
- Project partners if any
- Established partnerships for product/service rollout
- Proof that the project would not have proceeded without EFInA funding
- Schedule of activities and resources required
- Risks & mitigations
- Key success factors and constraints

Application Requirements & Process

Annexes

- Comprehensive budget in USD
- Relevant experience of the company or companies involved
- Profile of project leaders
- List of company's shareholders
- Copies of company registration documents
- Audited Accounts for the last 3 years
- Copies of Tax returns for the past 3 years
- Evidence of regulatory compliance/ approval
- Third Party references
- Letters of support from other stakeholders (where appropriate)



Evaluation Criteria

Developmental Impact 30%

Innovation 30%

Business Case/
Project Design 25%

Capacity 15%

Website:

www.efina.org.ng/innovation

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