

Eligibility Criteria of the Innovation Fund

An applicant may partner with other entities to form a consortium that jointly apply for a grant. However, EFINA will contract only with the lead party or lead applicant that shall be responsible for the implementation of the entire project. The applicant (or the lead applicant in a consortium) must meet the following eligibility criteria:

1. Legally incorporated entity with the required government licences for its business
2. A registered business based in Nigeria with a minimum business history of three (3) years
3. Be able to provide at least two years of audited financial statements
4. Have the capacity to implement the proposed project for the applied funding
5. Comply with any and all requirements for registration, regulation and/or licensing for the financial services proposed before starting to offer any such product/service
6. Be able to produce proof that it has obtained permission to use intellectual property prior to commencing with a project funded by the Innovation Fund, in cases where an applicant proposes to use intellectual property that is protected by law in Nigeria

For Innovation Grants and Fintech Challenge Grants, the above criteria and other necessary information are specified in the publicly announced Request for Proposals.

Evaluation Criteria of the Innovation Fund

1. Evaluation Criteria for Innovation Grants and Fintech Challenge Grants

Applications for these Grants will be evaluated according to the criteria stated in each Request for Proposals (RFPs). The RFPs will target one or more of EFINA's Strategic areas. EFINA will publish the RFPs in the national daily newspapers and the EFINA website. EFINA may also conduct a launch event to which relevant organizations that are targeted in the RFP will be invited.

2. Evaluation Criteria for Technical Assistance Grants

Applications for Technical Assistance Grants will be evaluated according to the criteria specified in the table below

Criteria	Indicators
<p>Viability of the Business Idea</p> <p>Is the project commercially and operationally viable?</p>	<ul style="list-style-type: none"> • The extent to which the operational and commercial targets are realistic and based on sound research or realistic assumptions • The extent to which the proposed technology is aligned with the business model • The project’s potential for supporting EFINA’s financial inclusion objectives • Potential for the project to be rolled-out nationwide • Probability of attaining break-even and profitability within a reasonable timeframe • The cost of customer acquisition is realistic and sustainable based on market rates • The concept is achievable and the proposed scale attainable. This must be supported by credible evidence, i.e., the assumptions must be realistic and based on market data • The applicant has identified the risks associated with the project and has proposed effective mitigation strategies • The project’s ability to be sustainable after the EFINA Grant has been utilised, i.e., beyond the life of the EFINA grant • The project provides a strong customer value proposition

	<ul style="list-style-type: none"> • The project provides a strong value proposition for agents, if applicable
<p>Innovation</p> <p>Will the project deliver an innovative product, service or delivery channel?</p>	<ul style="list-style-type: none"> • The project fits into at least one of EFINA's focus areas (agent banking, electronic payments, inclusive products and services, Northern Nigeria, women and financial capability/literacy) • The extent to which the project offers a novel idea or approach in Nigeria • Assessment on how the idea or approach changes the current behaviour of the target population/segment • The need for funding from EFINA is demonstrated; in terms of whether the project can be implemented without funding from EFINA and whether the project will leverage additional investments outside of the Grant • The extent to which the project supports EFINA's objective of maintaining a diverse pool of grants and grantees • The extent to which the project contributes to the financial inclusion learning agenda
<p>Developmental Impact</p> <p>Does the project have developmental impact in terms of extending access to financial services to the unbanked and under-banked population in Nigeria?</p>	<ul style="list-style-type: none"> • Whether the project takes into consideration the needs, preferences and characteristics of the target market, including: • Current banking status i.e., banked, unbanked, under-banked • Gender differences

	<ul style="list-style-type: none"> • Geographical variations - urban/rural as well as coverage of all geopolitical zones • Average transaction size that takes into account the income levels of the target population • Frequency of savings and other transactions, e.g., daily or monthly savings targets • The project's potential to serve a large number of people, i.e., total number of customers to be acquired
<p>Capacity</p> <p>Does the applicant (or consortium) have the capacity to execute the project?</p>	<ul style="list-style-type: none"> • Number of years in commercial operation • Financial performance as reported in audited accounts • License status as required by regulators • Existing business portfolio • Capacity statement demonstrating relevant experience of the company or companies involved including partners, technical assistance and business development service providers • Business registration as required by the Corporate Affairs Commission (CAC), with documents including, but not limited to, the Certificate of Incorporation, MEMART, CAC7, CAC10, CAC2 • The applicant demonstrates an appropriate level of detail and clarity in

	<p>completing the application</p> <ul style="list-style-type: none"> • The applicant’s ability to provide the requisite matching funds • In the case of a consortium, evidence that the consortium partners have previously worked together, including the name of such projects, and why the consortium is required • The mechanism proposed for effectively tracking and monitoring the project’s KPIs and roll-out plans
<p>Consumer Protection & Financial Capability/ Education</p> <p>Does the project have a plan for improving the financial capability of the target segment?</p>	<ul style="list-style-type: none"> • The potential impact resulting from the project, in terms of increased financial capability of the target segment • Transparency of fees, ensuring that customers are aware of all fees, interest rate calculations and terms, and that customers understand the value in the product in such a way that they will actively seek to use those products • The marketing and communications strategy indicating how customers will be made aware of the product and its benefits • Customer feedback strategy indicating how customer feedback will be captured and acted upon • Does the project enhance the financial capability of the low income customers, i.e., does it incorporate financial awareness and literacy? • Customer redress mechanisms, detailing how customer complaints will be captured and resolved, including any costs to the customer and expected

	timelines for responding to such complaints
Sustainability	<ul style="list-style-type: none">• Provide evidence that the organisation can continue to offer these products/services after EFINA funding has been fully disbursed• Commitment of the Board of the organisation in implementing this project (in terms of strategic direction, funding and other resources needed) for the proposed project duration