

Gates Foundation Grand Challenges in Financial Inclusion

By Konstantin Peric & Jake Kendall

Editors Note: Our partner, The Bill & Melinda Gates Foundation, has asked us to share this announcement with the financial inclusion community.

Until recently, achieving financial inclusion for the world's unbanked poor was a pressing goal with perplexing obstacles. But in several countries across Asia, Africa and beyond, a possible solution is starting to emerge. Mobile payment systems allowing users to maintain balances, make purchases, and send remittances with their phones have proven to be immensely popular—effectively providing hundreds of millions with early-stage tools and resources they need to start moving beyond a cash-only existence.

We want to help billions more do the same—and we need your help.

Last fall, through [Grand Challenges Exploration \(GCE\)](#), we solicited applications from organizations large and small, calling for novel ways to promote universal acceptance of mobile payment systems among merchants who sell goods to the world's poor. **We want to continue exploring this challenge—and expand with a new call to action—for our second round of applications, launching today.**

New Challenge: Data Collection

Designing and distributing mobile payment systems is a collaborative effort, bringing together policy makers, market players and donors. And to contribute fully and with confidence, each party must know what is at stake. **In other words, they need data.**

To generate this data, we need new and better methods for collecting it. Current data collection techniques and methodologies are often paper- or interview-based, making them slow, expensive, low-resolution, and prone to error. Findings are often limited to “snapshot” observations that aren't useful for fueling predictions or projections.

So the new challenge we pose to you is this: **Develop an innovative technological solution to capture data relating to the delivery and use of digital financial services that is orders of magnitude faster, less costly, higher quality, more reliable, and more transparent/auditable.**

Eligible proposals can take the form of devices, software/algorithms, or business models.

Solutions may make use of satellite data, franchise modeling, crowd sourced data, or other approaches; proposals must be sustainable, describe how personal information would be protected, and outline stakeholders who would benefit from the data collected; and preference will be given to applications that leverage existing or open-source platforms (e.g., Open Street Maps, Open Data Kit) and target populations in South Asia or Sub-Saharan Africa.

APPLY NOW FOR THE DATA COLLECTION CHALLENGE

Original Challenge: Merchant Solutions

Merchants play an incredibly vital role in encouraging the adoption of mobile money and driving widespread financial inclusion. If they continue to transact in cash—without access to software, systems and devices that process mobile payments—the unbanked poor will continue to follow suit. By accepting and processing mobile payments widely and universally, merchants can make the system not only viable but enticing to hundreds of millions.

This is why **we are seeking novel solutions that promote adoption and use of mobile payments (or digital transactions) by merchants serving those who live on less than \$2USD a day in emerging countries.** We learned a lot from our first round pitching this challenge, and with a more targeted approach, we look forward to this next round of inspiring ideas.

Eligible proposals can take the form of devices, software, or business models. Preference will be given to solutions that are scalable, easy to use, reliable, low-cost, secure and transparent — and which oblige the cultural and regulatory context in one of the following eight countries: Bangladesh, India, Indonesia, Kenya, Nigeria, Pakistan, Tanzania or Uganda.

APPLY NOW FOR THE MERCHANT SOLUTIONS CHALLENGE

Time to Act

As before, **approved grants will be awarded \$100,000, and successful projects can potentially receive a follow-up grant worth \$1 million.** The application form is just two pages, but proposals will be assessed with rigor.

The utilization of mobile phones for financial inclusion is a simple answer to a complex problem, and bringing that answer to life presents many new complex questions. Finding the simple, affordable, safe and scalable answers to them will be no easy task. But we think you're up to it.

Completed applications for both challenges must be received by May 13. You can find application instructions and additional information at the [GCE website](#).

Thank you for accepting our grand challenges. We're looking to you to help two billion of the world's poorest people gain access to the tools and resources they need to thrive. It only takes one great idea.

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