

1 | Objectives

The Crypto for Good Fund III will provide grant funding and support to startups or organizations that innovatively apply Web3 and blockchain technology to build financial inclusion and climate resilience for underserved populations. Our goal is to build the body of evidence around Web3, blockchain and crypto for good in real-world contexts.

Financial inclusion means that individuals and businesses have access to useful and affordable financial products and services that meet their needs – such as transactions, payments, savings, credit and insurance – delivered in a responsible and sustainable way.

Climate resilience is the ability to anticipate, prepare for, and respond to hazardous events, trends, or disturbances related to climate. Improving climate resilience means individuals and communities are better prepared to cope with climate-related risks.

The objective of the Fund is to pilot up to ten innovative use cases, partnerships and business models in selected geographies (see section 3), in order to improve the sustainability and scalability of blockchain-enabled solutions that make a positive impact. From this, the Fund will generate important evidence and insights to support the scale of these solutions to more users, and/or in other applicable contexts.

Through the series of ten collective pilots funded through the Crypto for Good Fund, Mercy Corps Ventures seeks to test/ demonstrate:

- How blockchain technology can increase financial inclusion
- What business or partnerships models are required for innovative solutions to be adopted sustainably and at scale;
- What additional socio-economic, commercial and positive environmental/climate impact can be achieved by using digital solutions.

There are a complex range of challenges and opportunities for increasing financial inclusion. We expect to see a diverse range of blockchain-powered solutions to increase access and affordability of services including , but not limited to:

- Ramps – *how can we onboard more people to financial freedom?*
- [RWA / asset tokenization](#) – *how can tokenized assets improve livelihoods?*

- [DePIN](#) – *how can we improve financing for critical physical infrastructure?*
- [Humanitarian aid delivery](#) – *how can we better serve the 299M people in need of aid?*
- [ReFi](#) – *how can we promote and restore the environment alongside financial gains?*
- ... and much more

2 | Eligibility

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

- Be a startup or organization leveraging, or looking to leverage, blockchain to deliver financial inclusion and climate resilience solutions to underserved users in at least one eligible country (see section 3).
- Have active users and revenue in at least one eligible country (see section 3).
- Be an entity registered and operating in the country of pilot implementation (whether domestic or internationally-owned or a joint venture). In cases where responsibility for service delivery lies with a downstream partner, rather than the applicant (for example service delivery by a local government), it may be acceptable for the applicant to be registered in a country other than that of pilot implementation (see geographic specific restrictions in section 3).
- Be fully compliant with relevant business licensing, taxation, employee and other regulations in all applicable countries of grant pilot operation.
- Be registered and have a bank account in the country where they will receive the grant money (if not the same as the pilot implementation country).
- Be an eligible entity (as set out in section 1) and demonstrate that a majority of their income is derived from commercial activities. Early-stage companies who have not reached this threshold will need to demonstrate a reliable path to sustainability via commercial activities that generate revenue to be considered.
- The applicant (startup) must commit significant resources to demonstrate commitment and signal the strategic importance of the pilot opportunity. This should include skin-in-the-game through financial resources and/or management resources.
- Only one organization can apply for funding and become a pilot delivery partner. Applicants are encouraged to have downstream partners to support implementation. In the case of government entities being grant pilot partners, they cannot be a sub-recipient of the grant.

During the selection process, we will also ensure eligible applicants are/have:

- Adequate financial systems, to report regularly to the Fund, providing evidence of funding and share an external audit from the most recent financial year (if available).
- A bank account to receive payments.
- Adequate internal human resource capability to implement the proposed pilot and comply with the Fund's reporting requirements within the pre-agreed time frame.
- Able to demonstrate the potential and drive to form strategic partnerships with other technology organizations.
- A plan for long-term sustainability and societal impact beyond the lifespan of the grant (such as through user uptake, business model, financial viability, or follow-on funding, etc.) and demonstrate that there is further potential for scale or replication.
- Applicants may need to demonstrate how they are compliant with all applicable laws and regulations across markets of operations.

We particularly encourage the following applicants to apply:

- Female founders, and applicants with representation of women at all levels of the organization.
- Entrepreneurs local to the market in which they're operating, and applicants with representation of local talent at all levels of the organization.
- Applicants who have partnerships with relevant local stakeholders (e.g. community-based organizations) to deliver the pilot directly to users/participants.
- Applicants who demonstrate that their user base is over 50% female.
- Applicants who have a clear understanding of how their solution improves financial inclusion of low-income and/or un/underbanked communities and have proactively taken steps to set targets and systematically measure these impacts.

The following organizations are not eligible for grants, although we strongly encourage partnerships with these entities as part of the application:

- Governments, government-owned agencies, or appointed government agencies;
- Universities or academic organizations; and
- Accelerators and incubators.

3 | Geography

The Fund is open to applicants whose pilots are implemented in the following regions:

- Africa
- South and Southeast Asia (e.g. ASEAN)
- Latin America
- The Caribbean
- The Middle East
- Pacific Islands
- Eastern Europe and Western Balkans

Additional due diligence checks and eligibility screenings may be required in certain markets. For these markets, applicants **MUST** be registered and operating in the country of pilot implementation.

NOTE: All applications to the Fund MUST be submitted in English

4 | Socio – Economic Impact

Through the grant application process, applicants must ensure that their proposal clearly links to increasing financial inclusion and/or climate resilience. During application, and before being awarded a grant, applicants will set and agree to:

- 1) measurable socio-economic targets, and
- 2) targets measuring how solutions improve financial inclusion and/or climate resilience for underserved communities/individuals.

These targets will be set and agreed in collaboration with the Fund.

Examples of targets include:

- Number of people gaining access to financial services
- Number of people gaining access to climate resilience services

- Changes in household wellbeing (such as savings generated, insurance premiums purchased, access to affordable credit, etc) or climate resilience (such as number of carbon credits generated, number of rural community members joining reforestation projects, etc)
- Number of smallholder farmers accessing high-quality inputs

Targets will be disaggregated by demographics (e.g. gender, age, urban/rural, etc.) where relevant and appropriate.

Select indicators may be tracked for up to two years after the end of the grant and will require cooperation with the Fund to collect additional evidence on pilot outcomes.

5 | Available Support

The support package includes the following, and will differ in relevance to the context of each pilot:

- Grant funding (see section 6).
- Monitoring and evaluation technical assistance to evidence socio-economic impact, as well as customer data collection for impact measurement through a third party, where relevant.
- Knowledge, expertise or best practices on the application of digital tools for improving the lives of low-income groups and/or groups living in vulnerable contexts.
- Learning exchange opportunities with other startups, and networking opportunities with the Mercy Corps Ventures ecosystem.
- Warm introductions to technology providers, implementing partners and public sector organizations, where relevant.
- Opportunity to increase company visibility to potential investors and partners through profiling in Mercy Corps Ventures and Mercy Corps publications, social media, and participation in industry leading events.

6 | Funds Available

The funding will be in the form of an equity-free grant to be used for the proposed pilot. The Fund will closely oversee the monetary usage of the grant and only disburse funding based on milestone achievement. Milestone-based payments will be dependent on the startup delivering proof that mutually-agreed milestones/targets have been completed/achieved. Applicants are expected to submit and justify their budget for the pilot to be funded (using the Fund's provided budget template). The amount requested can be any amount up to USD 100,000. The duration of the grant-funded pilots can be up to 9 months, though all pilots must be completed by April 30, 2025.

7 | Commitment From Successful Applicants

If selected, prospective startups must be committed to:

- Executing the pilot agreement without material modifications.
- Sharing pilot data with Mercy Corps Ventures. The Fund will work with startups to agree on appropriate data that can be shared to inform broader sector insights. This will be done in compliance with data protection requirements.
- Reporting regularly on socio-economic and other mutually-agreed Key Performance Indicators (including gender disaggregated data where relevant/appropriate).
- Participating in lesson learning and experience sharing activities for internal and public audiences.
- Traveling to key events where relevant and possible. Additional grant funding may be made available specifically to cover events-related travel expenses.
- Participating in Mercy Corps Ventures and donors' annual review process and a willingness to work with the Fund to share additional evidence on pilot outcomes for up to two years after the grant period, where such support is provided.

8 | Application Process

Stage 1: Application	Feb - Mar 2024	Complete a short online application form for the pilot and describe how you meet the Fund's criteria. The deadline for submitting applications is 23:59 UTC (UK time) 31 March 2023. The Fund will review applications on a rolling basis, so the earlier startups apply, the earlier they will be assessed
Stage 2: Proposal	Mar - May 2024	The top applications that meet the objectives of the Fund will be invited to develop a proposal setting out the full business case for the pilot. Applicants may receive guidance from the Fund in developing their proposal; this support may include a field visit (where possible, or else virtual) to the applicant to conduct due diligence on the pilot.
Stage 3: Selection	May - Jul 2024	A panel of experts ('Fund Panel') will appraise proposals based on the submitted material as well as recommendations from the Fund Manager. Final decisions from the Fund Panel will be made on a rolling basis.
Stage 4: Contracting	June - Aug 2024	If successfully awarded a grant by the Fund Panel, applicants will be invited to the contracting stage to determine the terms of the milestone-based grant agreement. The Fund will work with applicants to finalize the schedule of fund payments drafted at the proposal stage. Payments are dependent on the partners delivering proof that the mutually agreed milestones have been achieved.
Stage 5: Implementation	Jun 2024 - March 2025	Successful startups will launch and implement pilots. Regular touchpoints with the Fund on progress and challenges, and to share data for KPIs. At the end of the implementation period, all milestones and data will be assessed and relevant insights and metrics will be published.