



# **INNOVATION AWARD RULES: The Milken-Motsepe Prize in FinTech**

The Milken-Motsepe Innovation Prize Program is a series of innovation competitions and awards that target some of the world's most pressing challenges, such as access to food, energy, housing, education, and financial services. The Milken-Motsepe Prize in FinTech is designed to expand access to capital and financial services for small businesses in emerging and frontier markets. This innovation award offers \$2 million in total prizes, including a \$1 million grand prize. Participating companies will also gain access to networking and pitching opportunities. Registration is free and open globally.

This document contains the timeline, specifications, and requirements for participating in the Milken-Motsepe Prize in FinTech. All participating companies will be provided with additional information as needed and will be notified immediately of any changes.

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## 1. Why FinTech?

The Milken–Motsepe Prize in FinTech is designed to leverage the potential of FinTech solutions to break down barriers to financial inclusion and contribute to the achievement of key Sustainable Development Goals (SDGs), including alleviating poverty (SDG 1), promoting human well-being (SDGs 3 and 4), achieving gender equality (SDG 5), and fostering viable economic opportunities for young people (SDGs 8 and 9).<sup>1</sup>

In emerging and frontier markets, as well as for those countries aspiring to frontier status,<sup>2</sup> small and medium enterprises (SMEs), including micro-enterprises (MSMEs), constitute the backbone of local economies and play an instrumental role in advancing the SDGs. These small enterprises, which represent over 90 percent of all global businesses, contribute to nearly 40 percent of gross domestic product in such economies.<sup>3</sup> In sub-Saharan Africa, SMEs represent approximately 95 percent of all registered businesses and are drivers of economic progress.<sup>4</sup>

SMEs in African markets encounter obstacles when it comes to accessing capital and financial services. Limited digital infrastructure, high transaction costs, and stringent identification requirements often prevent these enterprises from fulfilling their potential. Addressing these barriers is critical to unlocking the full potential of SMEs and fostering sustainable economic growth across the region.<sup>5</sup> In rural areas, where traditional banking services are scarce, these challenges are more acute, yet it is in these underserved areas where the promise of entrepreneurship and the potential for business creation arguably hold the most significance.

The transformative potential of FinTech lies in its capacity to empower individuals to start and grow a business, even in the most remote communities. By lowering transaction costs, streamlining processes, and expanding access to capital and financial services, FinTech can enable aspiring entrepreneurs to turn their ideas into reality.

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<sup>1</sup> Karl, Judith, Preeti Sinha, Francois Coupienne, Herni Dommel, Karima Wardak, Anne Dunijnhouwer, Robin Gravesteyn, Tobias Schillings, and Maria Perdomo. "[Inclusive Digital Economies for the Sustainable Development Goals](#)." United Nations Capital Development Fund, 2021.

<sup>2</sup> See the [MSCI Market Classification](#) for a list of emerging and frontier markets. The Milken–Motsepe Prize in FinTech is also open to solutions that can be or are being deployed in African countries that aspire to frontier market status.

<sup>3</sup> [World Bank SME Finance](#)

<sup>4</sup> [World Economic Forum, 2023. Why Priming Africa's SMEs for Growth is About More Than Money](#)

<sup>5</sup> Runde, Daniel F., Conor M. Savoy, and Janina Staguhn. "[Supporting Small and Medium Enterprises in Sub-Saharan Africa through Blended Finance](#)," July 7, 2021.

## 2. Award Purpose

*The purpose of the Milken-Motsepe Prize in FinTech is to award companies that demonstrate the use of cutting-edge technologies to expand access to capital and financial services for small businesses in emerging and frontier markets.*

## 3. Eligibility and Registration

### *a. Eligibility and Exceptions*

Registration is free and open to everyone from around the world, with certain exceptions defined below. The Milken-Motsepe Prize in FinTech encourages established companies with a proven track record of reaching underserved communities to apply. Participants can be a single individual or a team of individuals.

The following individuals or companies are *not* eligible to participate:

- Any individual or entity organized or with primary residence in a country embargoed by the USA;<sup>6</sup>
- Any individual or entity listed on OFAC's Specially Designated Nationals and Blocked Persons List, or other sanctions lists administered by any agency or department of the United States government;<sup>7</sup> and
- Any current or recent employee or immediate family member of an employee of the Milken Institute or the Motsepe Foundation.

### *b. Registration*

The registration and application window opens on May 6, 2024, and closes on August 6, 2024 (see the timeline in Section 4 below). Companies may register and apply at any time during that period.

The designated team leader must register on behalf of the team. The company's team leader is the individual who enters into a legal agreement with the Milken Institute to be responsible for the management of their team, and who will provide the Milken Institute with banking details for the administration of the award funds, if judges choose the team as one of the prize winners. The team

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<sup>6</sup> See [U.S. Department of the Treasury, Financial Sanctions and Country Information](#), for more information.

<sup>7</sup> See [U.S. Department of the Treasury, Designated Nationals and Blocked Persons List](#), for more information.

leader will be responsible for maintaining rosters of all team members and for their ongoing compliance with Innovation Award Rules and the Participant Agreement companies will sign when submitting applications. The team leader must submit in writing any substantial changes they propose to make to their team leadership or prize designation during the course of the Milken-Motsepe Prize in FinTech.

## 4. Award Overview

### a. Innovation Award Timeline

<b>Date</b>	<b>Activity</b>	<b>Description</b>
<b>May 6, 2024</b>	Registration and Application Window Opens	Eligible companies can learn more and apply for the Milken-Motsepe Prize in FinTech.
<b>August 6, 2024</b>	Registration and Application Window Closes	All applications due for judging by <b>6 pm UTC, August 6, 2024.</b>
<b>October 17, 2024</b>	Semi-Finalist Awards	Semi-Finalists announced no later than <b>October 17, 2024.</b> Ten companies awarded \$100,000 USD each.
<b>December 5-6, 2024</b>	Innovation Showcase	10 Semi-Finalists will designate one representative per company to pitch their innovations at an Innovation Showcase at the Milken Institute's Middle East and Africa Summit in Abu Dhabi, UAE. Three Finalists will be determined at the Innovation Showcase.
<b>Q1 – 2025*</b>	Grand Prize Submissions	Grand Prize submissions due by <b>6 pm UTC, Q1-2025.*</b>
<b>May 2025</b>	Grand Prize Announcement	The Grand Prize winner announced at the 2025 Milken Institute Global Conference in Los Angeles, California. Three Finalists will designate one representative per company to attend the Global Conference.

*\*Q1-2025 exact dates to be confirmed.*

### b. Judging

A group of independent experts from relevant industries, equipped with insights into current market conditions in emerging and frontier markets, will evaluate the submissions. The judges will be independent of the companies, the Motsepe Foundation, and the Milken Institute. In addition, they will have no conflicts of interest with any of those parties. The judges' decisions are final and not subject to appeal by entrants, the Milken Institute, or the Motsepe Foundation. In consultation with the Milken Institute, the judges have the authority to reduce or increase the number of companies that advance at each stage of the Milken-Motsepe Prize in FinTech. The judges may also revise the Innovation Award Rules at any time, in consultation with the Milken Institute which will communicate any rules revisions to participants immediately. Rules revisions are not subject to appeal.

### *c. Judging Rubric*

The judging panel will apply the following criteria to evaluate Semi-Finalist, Finalist, and Grand Prize submissions:

#### **Criteria 1:**

**To what extent is the innovation affordable and accessible to SMEs, including microenterprises with limited financial resources and technological access in the organization's respective market?**

##### **1. Initial Costs (1-4 points)**

*Evaluate the upfront investment, focusing on the initial capital outlay.*

- 1: Prohibitively expensive with very high initial costs, making it inaccessible to most businesses.
- 2: Very expensive, with high initial costs that are challenging but possible for larger SMEs to manage.
- 3: Moderately expensive, with initial costs that are manageable for some SMEs but still a significant investment.
- 4: Affordable, with low initial costs suitable for the majority of SMEs.

##### **2. Transparency of Pricing (1-4 points)**

*Assess the transparency of the pricing structure, including the presence of hidden charges.*

- 1: Significant hidden charges that considerably increase the total cost, making the pricing structure opaque.
- 2: Numerous hidden charges that moderately increase the total cost, leading to a lack of pricing clarity.
- 3: Few hidden charges that do not significantly affect the overall cost, with a fairly clear pricing structure.
- 4: No hidden charges, with a completely clear and transparent cost structure, ensuring full cost predictability.

##### **3. Ease of Adoption and Integration (1-4 points)**

*Evaluate the ease of integrating the innovation into existing operations and systems, including compatibility and minimal disruption.*

- 1: Very difficult to adopt, requiring significant changes and major integration issues, leading to substantial disruption.
- 2: Difficult to adopt, with considerable changes needed and significant integration issues, causing notable disruption.

- 3: Moderately easy to adopt, with some adjustments needed and minor integration issues, causing minimal disruption.
- 4: Easy to adopt, with minimal disruption and seamless integration into existing systems.

#### **4. User-Friendliness and Accessibility (1-4 points)**

*Assess the user-friendliness of the interface and its accessibility to users with varying levels of technological skills.*

- 1: Complex interface, difficult for users with limited skills.
- 2: Somewhat complex interface, challenging for users with limited skills, but manageable.
- 3: Moderately user-friendly, with a noticeable learning curve.
- 4: Intuitive interface, easy for users of all skill levels to navigate.

#### **5. Support and Training Resources (1-4 points)**

*Evaluate the availability and quality of training materials, technical support, and resources to assist users.*

- 1: Minimal training and resources available, with limited technical support.
- 2: Some training and resources available, but with significant gaps and limited technical support.
- 3: Sufficient training and resources, with adequate technical support but room for improvement.
- 4: Comprehensive training and resources, with excellent technical support that is highly responsive and helpful.

### **Criteria 2:**

**To what extent does the innovation promote ethical conduct and responsible business practices?**

#### **1. Transparency in Operations (1-4 points)**

*Evaluate the level of transparency the innovation provides in its operations and decision-making processes.*

- 1: Operations are opaque, with little to no disclosure of processes or decision-making.
- 2: Some transparency, but key processes or decisions are not fully disclosed.
- 3: Mostly transparent, with clear disclosure of most operations and decision-making processes.
- 4: Highly transparent, with clear and open disclosure of all operations and decision-making processes.



## **2. Data Privacy and Security (1-4 points)**

*Assess the innovation's measures to protect user data and ensure privacy and security.*

- 1: Poor data protection with frequent breaches or vulnerabilities.
- 2: Adequate data protection with occasional security updates and protocols.
- 3: Good data protection with regular security updates and protocols.
- 4: Excellent data protection with robust security measures and regular updates.

## **3. Fair Treatment of Customers (1-4 points)**

*Examine the innovation's commitment to ensuring fair treatment and practices for its customers.*

- 1: Customers are often treated unfairly, with frequent complaints and unresolved issues.
- 2: Generally fair treatment, but occasional issues arise that are not promptly addressed.
- 3: Mostly fair treatment, with proactive measures to address customer issues.
- 4: Consistently fair treatment, with proactive measures to ensure customer satisfaction and resolution of issues.

## **4. Adherence to Regulatory Standards (1-4 points)**

*Evaluate the innovation's compliance with relevant industry regulations and standards.*

- 1: Frequently non-compliant, with regular regulatory breaches or violations.
- 2: Mostly compliant, with occasional lapses in adhering to regulations.
- 3: Generally compliant, with minor lapses in adherence.
- 4: Fully compliant, with proactive measures to exceed regulatory requirements.

## **5. Commitment to Social and Environmental Responsibility (1-4 points)**

*Evaluate the innovation's specific impact on sustainability, including its contributions to social welfare and environmental responsibility.*

- 1: Negligible or negative social and environmental impact, with no commitment to social initiatives.
- 2: Some positive social and environmental impact, but limited commitment to broader responsibilities.

- 3: Positive social and environmental impact, with ongoing commitment to social and environmental initiatives.
- 4: Significant positive impact, with a strong commitment to social welfare and environmental sustainability initiatives.

### **Criteria 3:**

#### **To what extent does the innovation leverage cutting-edge technology that is unique and creative?**

##### **1. Use of Emerging Technologies (1-4 points)**

*Evaluate the innovation's use of emerging technologies, such as blockchain or artificial intelligence, to enhance its functionality.*

- 1: Minimal or no use of emerging technologies, with little impact on functionality.
- 2: Some use of emerging technologies, enhancing functionality in certain areas.
- 3: Good use of emerging technologies, significantly enhancing functionality in many areas.
- 4: Extensive use of emerging technologies, significantly enhancing overall functionality and impact.

##### **2. Uniqueness of Technological Approach (1-4 points)**

*Assess how unique and creative the technological approach is compared to existing solutions in the market.*

- 1: Common and conventional technological approach, with little differentiation from existing solutions.
- 2: Some uniqueness in the technological approach, offering moderate differentiation.
- 3: Unique and creative technological approach, offering good differentiation and innovation.
- 4: Highly unique and creative technological approach, offering significant differentiation and innovation.

##### **3. Integration of Mobile Technology (1-4 points)**

*Evaluate the integration of mobile technology to improve accessibility and user engagement.*

- 1: Limited use of mobile technology, with minimal impact on accessibility or engagement.
- 2: Some integration of mobile technology, improving accessibility or engagement for a portion of users.

- 3: Good integration of mobile technology, significantly enhancing accessibility and user engagement for many users.
- 4: Extensive integration of mobile technology, significantly enhancing accessibility and user engagement for all users.

#### **4. Adaptability of Technology (1-4 points)**

*Assess the adaptability of the technology used in the innovation to accommodate evolving market needs and conditions.*

- 1: Low adaptability, with significant challenges in responding to changing market conditions.
- 2: Moderate adaptability, with some ability to respond to market changes.
- 3: Good adaptability, easily adjusting to most changing market conditions and customer needs.
- 4: High adaptability, easily adjusting to changing market conditions and customer needs.

#### **5. Impact on Process Efficiency and Cost (1-4 points)**

*Evaluate the impact of the technology on improving process efficiency and reducing costs for users or businesses.*

- 1: Minimal impact on efficiency and cost, with little improvement over traditional methods.
- 2: Some impact on efficiency and cost, with moderate improvements in certain areas.
- 3: Good impact on efficiency and cost, providing significant improvements and cost savings.
- 4: Significant impact on efficiency and cost, providing substantial improvements and cost savings.

### **Criteria 4:**

**To what extent does the innovation demonstrate potential for scale into other market segments or geographies?**

#### **1. Growth Opportunities (1-4 points)**

*Evaluate the innovation's potential for growth within existing market(s).*

- 1: Limited growth opportunities, with minimal potential for expansion.
- 2: Some growth opportunities, with moderate potential for expansion in specific markets.
- 3: Good growth opportunities, with clear potential for expansion across multiple markets.

- 4: Significant growth opportunities, with strong potential for expansion across various markets.

## **2. Adaptability to Changing Market Conditions (1-4 points)**

*Assess the innovation's ability to adapt to changing market conditions and customer needs.*

- 1: Low adaptability, with significant challenges in responding to market changes.
- 2: Moderate adaptability, with some ability to respond to market changes.
- 3: Good adaptability, easily adjusting to most changing market conditions and customer needs.
- 4: High adaptability, easily adjusting to changing market conditions and customer needs.

## **3. Infrastructure Scalability (1-4 points)**

*Evaluate the scalability of the team's infrastructure supporting the innovation for broader adoption and growth.*

- 1: Infrastructure is not scalable, posing significant challenges for expansion.
- 2: Somewhat scalable infrastructure, with moderate potential for broader adoption.
- 3: Good scalability, with infrastructure that supports significant growth and broader adoption.
- 4: Highly scalable infrastructure, easily facilitating expansion and broader adoption.

## **4. Ongoing Costs (1-4 points)**

*Examine the recurring costs and fees involved in maintaining and operating the innovation.*

- 1: High ongoing costs, making maintenance and operation expensive.
- 2: Moderate ongoing costs, with manageable fees for maintenance and operation.
- 3: Low ongoing costs, making maintenance and operation affordable.
- 4: Very low ongoing costs, with minimal fees for maintenance and operation.

## **5. Competitive Advantage in New Markets (1-4 points)**

*Evaluate the innovation's competitive advantage when entering new markets and customer segments.*

- 1: Limited competitive advantage, with significant challenges in new markets.
- 2: Some competitive advantage, offering moderate differentiation in new markets.
- 3: Good competitive advantage, easily differentiating itself in many new markets.
- 4: Strong competitive advantage, easily differentiating itself in various new markets.

**Criteria 5:**

**To what extent does the innovation demonstrate positive social impact and promote equitable access to financial services among marginalized groups, including women, youth, and people in rural areas?**

**1. Accessibility for Marginalized Groups (1-4 points)**

*Evaluate how well the innovation improves access to financial services for marginalized groups, including women, youth, and people in rural areas.*

- 1: Limited accessibility, with minimal impact on marginalized groups.
- 2: Some accessibility, with moderate improvements for certain marginalized groups.
- 3: Good accessibility, significantly enhancing access for many marginalized groups.
- 4: High accessibility, significantly enhancing access for all marginalized groups.

**2. Gender-Inclusive Design (1-4 points)**

*Assess how the innovation incorporates gender-inclusive design principles to ensure equal access and benefits for women.*

- 1: Minimal consideration of gender-inclusive design, with barriers to access for women.
- 2: Some incorporation of gender-inclusive design, improving access and benefits for women.
- 3: Good incorporation of gender-inclusive design, ensuring equal access and benefits for many women.
- 4: Comprehensive gender-inclusive design, ensuring equal access and benefits for all women.

### **3. Educational Impact and Financial Literacy (1-4 points)**

*Evaluate the innovation's contribution to supporting financial literacy and education among marginalized groups.*

- 1: Minimal contribution to financial literacy or education.
- 2: Some initiatives promoting financial literacy and education for certain groups.
- 3: Good educational impact, with comprehensive programs improving financial literacy for many marginalized groups.
- 4: Significant educational impact, with comprehensive programs improving financial literacy for all marginalized groups.

### **4. Resilience and Future Proofing (1-4 points)**

*Assess the innovation's ability to enhance the resilience of vulnerable user communities, helping them withstand economic shocks.*

- 1: Minimal impact on resilience, with little preparation for future shocks.
- 2: Some impact on resilience, with measures to help communities withstand certain shocks.
- 3: Good impact on resilience, with strategies to help many communities withstand a range of shocks.
- 4: Significant impact on resilience, with comprehensive strategies to future-proof communities against a range of shocks.

### **5. Broader Societal Advancements (1-4 points)**

*Evaluate the innovation's overall contribution to societal advancements, including improved public health outcomes and social well-being.*

- 1: Limited societal impact, with minimal contributions to broader advancements.
- 2: Some societal impact, with contributions to certain advancements.
- 3: Good societal impact, with contributions to many advancements.
- 4: Significant societal impact, with comprehensive contributions to public health and social well-being.

#### *d. Intellectual Property Rights/Public Demonstration*

**Companies will retain complete ownership of all intellectual property (IP), including any IP newly-developed for the Innovation Award.**

The judges will keep all information included in applications confidential and will sign non-disclosure agreements with the Milken Institute. Notwithstanding their

ownership of intellectual property, Semi-Finalists and Finalists will be expected to demonstrate and describe their proposed innovations in public.

## 5. Application

### *a. Application Submission*

The application submission must include the following:

- **The Case for Your Innovation:** A single PDF document of at least one page and no longer than five pages (with a minimum of 1-inch margins and an 11-point font) to make the case for why your company should be considered as a Milken-Motsepe Prize in FinTech Finalist. The case should be informed by the judging criteria and should include a summary of the innovation, potential for impact, and how the innovation aligns with and intends to achieve the award purpose **(Companies or individuals submitting PDF documents that are longer than five pages will be disqualified)**.
- **Pitch Deck:** A Microsoft PowerPoint deck of up to 25 slides, saved as a PDF, should provide an overview of the innovation, market opportunity, plan to reach underserved SMEs, business model, team background, ethical practices, and anticipated relevant key milestones **(Companies or individuals that submit PDF decks longer than 25 slides will be disqualified)**.
- **Video:** A video of less than 3 minutes of one or more team members speaking, or a demonstration of the team's proposed innovation in MP4 format **(Companies or individuals that submit videos any longer than precisely 3:00 minutes will be disqualified)**.
- **Participant Agreement Executed by the Team Leader:** By executing the Participant Agreement, the team leader agrees to be legally responsible to ensure the team abides by the terms of the Milken-Motsepe Prize in FinTech. The Participant Agreement is available via the online submission portal **(Applications without a signed Participant Agreement will disqualify companies from consideration)**.

All mandatory and optional documents must be in English. Videos must either be in English or contain English subtitles. Links to Google Docs, Google Sheets, or other online materials are not acceptable **(Companies or individuals that do not submit PDFs in English and videos in English or with English subtitles will be disqualified)**.

**Companies may submit materials anytime between May 6, 2024, and August 6, 2024 (6 p.m. UTC). Submissions that do not contain all required materials, follow the formatting and language rules as set forth above, or do not comply with minimum/maximum lengths, will be disqualified. Submissions after the deadline of 6 p.m. UTC on August 6, 2024, will be automatically disqualified.**

### *b. Prizes and Opportunities*

Following the application submission, 10 companies will be selected as Semi-Finalists and will receive \$100,000 USD each of non-dilutive funding. "Non-dilutive funding" refers to financial support for a business that does not involve giving away ownership shares to new investors, allowing a business to retain control over its company's ownership.<sup>8</sup> This funding aims to enhance the scale of their operations and the ambition of their innovations. Semi-Finalists will have the opportunity to designate one representative per company to pitch their innovations at an Innovation Showcase at the Milken Institute's Middle East and Africa Summit in Abu Dhabi, UAE, in December 2024. Three Finalists will be determined at the Innovation Showcase, . These Finalists will have an opportunity to designate one representative per company to attend the Milken Institute's flagship Global Conference in Los Angeles, California, in May 2025. The \$1 million USD Grand Prize winner will be announced at the Global Conference.

## **6. Grand Prize Submission**

### *a. Grand Prize Submission*

The Grand Prize submission will include a demonstration of the company's innovation and a detailed description of the proposed plan to scale. This submission must reflect the company's growth toward the award purpose throughout the Milken-Motsepe Prize in FinTech. Finalists will receive timely updates regarding the required documents for the Grand Prize Submissions.

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<sup>8</sup> [Saratoga Investments Non-Dilutive Funding](#)



*b. Grand Prize Announcement*

The \$1 million USD Grand Prize winner will be announced at the Milken Institute’s flagship Global Conference in Los Angeles, California, in May 2025.

## 7. Summary of Prize Amounts

<b>Prize Type</b>	<b>Amount</b>
Semi-Finalist Prizes (10 Semi-Finalists)	<ul style="list-style-type: none"> <li>▪ \$100,000 USD each</li> <li>▪ One invitation to the Milken Institute’s Middle East and Africa Summit in Abu Dhabi, UAE, in December 2024.</li> </ul>
Finalist Prizes (3 Finalists)	<ul style="list-style-type: none"> <li>▪ One invitation to the Milken Institute’s flagship Global Conference in May 2025.</li> </ul>
Grand Prize (One Winner)	<ul style="list-style-type: none"> <li>▪ \$1,000,000 USD</li> </ul>

All prizes will be awarded in U.S. dollars and sent to team bank accounts by wire transfer. Current exchange rates at the time of transfer will apply if the receiving account is not dollar-denominated. The decisions of prize judges are final and not subject to appeal.

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