Millennium Alliance

<u>Call for Innovations under Round 7, South-South</u> November 2021



Millennium Alliance - Round 7 (South-South)

- 1. The Millennium Alliance Round 7 call for applications invites innovations that have the potential to be replicated and scaled in the South-South region. Innovations should be in the following sectors:
- Agriculture/Food Security
- Clean Energy/Climate Change
- Disability
- Financial Technology
- Water and Sanitation
- Health

Purpose of the Call

The Millennium Alliance - Round 7 call for applications for South-South supported by the Foreign, Commonwealth and Development Office (FCDO), Gov of UK aims to promote innovations that cause no harm to the environment, local economies, and livelihoods of people, The objective is to enable India to steadily move towards its economic growth and development targets while restoring, conserving, and enhancing its natural capital. The program also aims at creating an ecosystem that supports green innovations globally and produces additional benefits to the environment and enhances natural capital and builds the resilience of people, the environment, and economies to climate shocks.

The Alliance is looking for innovations that create new ideas, new entrepreneurs, and new business models, that lead to the establishment of new markets and eventually to the creation of new jobs that are compatible with the global green growth agenda.

The innovations should be environment-friendly technologies attractive for uptake by the private sector that helps adapt to climate change and is targeted at the poor and promotes low carbon emission targets. 50-50 split on adaptation and mitigation with adaptation focusing on early warning systems, promoting climate-resilient technologies in agriculture, water management, land-use planning, and disaster risk resilience, and mitigation focused on low carbon growth, promoting clean energy and energy efficiency tech, waste management, etc.

Grant funding can be availed under the call for the following activities:

- Scope demand for the innovation in the LIC
- Adapt the innovation based on the requirements of the new context
- Build local partnerships for implementation (with NGOs, businesses, or the government),
- Run a small-scale pilot.

In the application, the enterprise should be able to demonstrate demand for their innovation in the country of replication. Replication to countries in South Asia and Africa are eligible for Stage 3 funding. South-South grant size is determined on a case-by-case basis. Applicants are advised to please read the application guidelines carefully before applying.

2. ABOUT THE MILLENNIUM ALLIANCE

Millennium Alliance (MA) - Overview

The MA is an inclusive platform to leverage Indian creativity, expertise, and resources to identify, support, and scale innovative solutions being developed and tested in India to address development challenges that will benefit base of the pyramid populations across India and the world. The MA is a network that brings together various actors within India's social innovation ecosystem including, but not limited to, social innovators, philanthropy organizations, social venture capitalists, angel investors, donors, service providers, and corporate foundations, to stimulate and facilitate financial and non-financial contributions from the private and public sectors in support of development innovation.

The current round for applications is being supported by FCDO (Foreign, Commonwealth and Development Office), Gov. of UK which is a long-standing partner to the MA platform. The FCDO has supported Indian innovations that can be replicated in other low-income countries. In the year 2020 the Alliance also did an exclusive innovation challenge for Covid-19 related technologies with FCDO's support and have shortlisted 21 innovations. The Covid-19 challenge received an overwhelming response with 400+ entrepreneurs applying within a short application time of 15 days. Through the support of FCDO the MA awardees have extended their reach and impact to Africa and South Asia with 32 Indian enterprises replicating and scaling their innovations in Kenya, Ethiopia, Malawi, Burkina Faso, Rwanda, Uganda, Afghanistan, Bangladesh, Nepal and Sri Lanka and Zambia, with the support from DFID.

The Millennium Alliance platform was forged in 2012 and is partnership between India's Department of Science and Technology (Govt. of India), United States Agency for International Development (USAID), Federation of Indian Chambers of Commerce and Industry, Foreign, Commonwealth, and Development Office (FCDO), Gov. of UK, Facebook and Marico Innovation Foundation

The Alliance provides innovators with a range of services such as seed funding, grants, incubation, and accelerator services, networking opportunities, business support services, knowledge exchange, and technical assistance, and facilitates access to equity, debt, and other capital. Through the Millennium Alliance, the partners help realize India's role as a global innovation laboratory, in which innovative solutions to development challenges can be identified, tested, and scaled to benefit the base of the pyramid populations (BOP) in India and around the world.

In the context of MA, Innovation refers to solutions that produce no harm to the environment and society, help produce development outcomes more effectively, cheaply, that reach more beneficiaries, and in a shorter time. Innovation could be in Business or organizational models; Operational or production processes; Products or services; Technological solutions; Service Delivery Models; Combinations of tried-and-true techniques.

Development Impact and Associated Indicators:

Some illustrative examples of the **development impact** that the Alliance seeks to achieve for priority sectors 1-6 above include, but are not limited to, the following:

Water and Sanitation:

- Increased number of people gaining access to an improved drinking water source
- Increased number of people gaining access to an improved sanitation facility

Health:

- Increased use of effective and innovative health systems solutions
- Increased number of innovative tools, technologies, or practices employed to
 improve access and quality of health services for vulnerable populations

Family Planning and Reproductive Health:

• Increased modern contraceptive rate

Maternal and Child Health:

- Decreased under five mortality rate
- Decreased infant mortality rate
- Decreased maternal mortality ratio

Agriculture/Food Security:

 Increased farmer incomes as a result of applying new technologies or management practices

Clean Energy/Climate Change:

- Greenhouse gas emissions avoided, measured in metric tons of CO2e
- Increased renewable energy capacity added
- Increased energy savings achieved (measured in kilowatt hours)
- Increased number of innovative clean energy tools, technologies and methodologies developed, tested and/or adopted
- Increased number of clean energy enterprises with improved business operations
- Increased number of beneficiaries with renewable energy services in off-grid villages

Disability Inclusion:

 Innovation which would systematically and consistently mainstream and help people with disabilities to benefit from development. Increased access to people with impairments, attitudinal and environmental barriers that hinders their full and effective participation in society

<u>Financial Technology:</u>

Financial technology that allows individuals and businesses at the last mile to have
access to useful and affordable financial products and services that meet their
needs – transactions, payments, savings, credit and insurance – responsible and
sustainable way at ease.

Indicators must be used to measure progress toward achievement of the project impact. Below is a list of **illustrative output and impact indicators** that may be used to measure progress/impact of activities in the aforementioned priority sectors. The innovator may develop additional indicators, as needed that best reflect project goals and performance. The innovator is encouraged to use both output-oriented and impact-oriented indicators.

Water and Sanitation

- Number of people gaining access to an improved drinking water source
- Number of people gaining access to an improved sanitation facility
- Percentage of children under age five who had diarrhea in the prior two weeks
- Number of improved toilets provided in institutional settings (e.g., schools, health facilities)
- Percent of households in target areas practicing correct use of recommended household water treatment technologies

Family Planning and Reproductive Health

- Modern contraceptive rate
- First birth under age 18k
- Number of service delivery sites providing family planning counseling and/or services
- Number of additional community health workers providing family planning information and/or services during the year

Maternal and Child Health

- Under five mortality rate
- Infant mortality rate
- Maternal mortality ratio

Agriculture/Food Security

- Number of farmers with increased incomes as a result of applying new technologies or management practices
- Number of farmers and others who have applied new technologies or management practices
- Number of hectares under improved technologies or management practices
- Number of rural households benefitting from innovation

 Number of private enterprises, producer organizations, water users associations, women's groups, trade and business associations, and community-based organizations that applied new technologies or management practices

Clean Energy/Climate Change

- Quantity of greenhouse gas emissions reduced, measured in metric tons of CO2e
- Renewable energy capacity added
- Energy savings achieved (measured in kilowatt hours)
- Number of innovative clean energy tools, technologies and methodologies developed, tested and/or adopted
- Number of clean energy enterprises with improved business operations
- Number of beneficiaries with renewable energy services in off-grid villages
- Number of institutions with improved capacity to address climate change issues
- Number of stakeholders with increased capacity to adapt to the impacts of climate variability and change

Disability:

- Improved accessibility by persons with disabilities
- Percentage of persons with disabilities receiving needed health services
- Percentage of persons with disabilities receiving needed assistive technologies
- Improvement in the employment rate, disaggregated for persons with/without disabilities

<u>Financial Technology:</u>

- Number of BoP population getting access to the financial services
- % of population with increased access to the financial transaction

1.1. MA Objectives

Provide a platform to leverage Indian creativity, expertise, and resources to:

1. Identify game-changing innovations

 The Alliance intends to identify breakthrough innovations that achieve development outcomes for BoP populations more effectively, more cheaply, more broadly (that reach more beneficiaries), and in a shorter period.

2. Rigorously test promising solutions

 The Alliance encourages innovators to rigorously test and evaluate their innovative solutions to confirm that they are achieving a concrete development outcome in the most effective manner.

3. Scale innovations that work

 The Alliance aims to support innovations that exhibit the potential to be replicated or scaled broadly to maximize their impact.

2. MA AWARDS

The Program in the current round aims to invest in a portfolio of projects who have successfully replicated their project in India and are ready to scale to South-South geographies. Through this call, the Alliance solicits applications only under stage 3 of the program which is focused on implementing innovations in South-South Countries.

Scaling or replicating an innovation in other developing countries

Grants for innovations for developing countries are intended to test the real-world viability of proven Indian innovation in another developing country. Projects should have already gone to scale in India. These innovations should exhibit a strong proof of concept with evidence based data. The projects should demonstrate a departure from



current practices and be more cost effective than alternatives. Applications for global projects are accepted for Health, Agriculture

3. ELIGIBILITY TO APPLY FOR THE MA AWARDS

All Innovations conceptualized/tested/developed in India and catering to a base of pyramid population stand eligible to be qualified for the MA Awards.

The following entities are eligible to apply for the MA Awards:

| For Local private and non-governmental entities, who are registered entities in India | | For-profit educational institutions | | For Non-profit educational institutions | Fo | or Private individuals |
|---|-------------------|-------------------------------------|---|---|----|------------------------|
| 0 | Partnerships | o Educational | 0 | Section-25 | 0 | Be legal residents |
| | under the Indian | Institutions that | | institutions under | | of India |
| | Partnership Act, | are | | the companies | 0 | 18 yrs and above |
| | 1932. Having 12 A | publically/privately | | act, 1956 | 0 | Have lived a full |
| | and GST | managed | | | | calendar year in |
| | registration. | | | | | India leading up to |
| 0 | Sole | | | | | the submission of |
| | proprietorships. | | | | | the application |
| | Having 12 A and | | | | 0 | Currently living in |
| | GST registration. | | | | | India |



| 0 | Limited Liability |
|---|-------------------|
| | • |
| | Partnerships |
| | (LLPs). Having 12 |
| | A and GST |
| | registration. |
| 0 | Family-Owned |
| | Businesses/ HUFs |
| 0 | Companies |
| | registered under |
| | the Companies |
| | Act, 1956 |
| | |
| | |

4. APPLICATION PROCESS

The MA is based on a rigorous and transparent application and selection process, and strict evaluation criteria. The MA employs the following process to solicit applications and select award recipients:





The MA application and selection process involves the following steps:

- Call for applications: As a first step, interested applicants must apply on the official
 website of the Alliance www.millenniumalliance.in. Applications sent by post shall not
 be considered for the program. Incomplete applications will be disqualified and not
 considered for the next stage.
- Evaluation by Sector Expert Committees: Once the applicant submits the full application form, their applications will be evaluated by sector-specific committees that will be established for each of the MA focus sectors. Sector Specific Evaluation Committees comprising an appropriate mix of technical/sectoral experts who understand BOP development issues and solutions, and challenges and potential for scale, shall be established and such members shall evaluate and score the 'Full Application Forms'.

Each committee member will independently evaluate each application and score them against the MA evaluation criteria, providing a narrative on the strengths and weaknesses of each application to justify their scoring. Consequently, a brainstorming



session will be conducted for the evaluation committee members to select the top 10 projects (approximately) in each sector.

Onsite due diligence visits: FICCI shall conduct onsite due diligence for each of the
projects shortlisted by the expert committees. An expert will visit the site of the project
to cross-check the information provided in the full application form. If need be, the
expert representative shall visit both the head office and the site of the project.

The applicant will be asked to fill in a due diligence template prior to the visit furnishing information on organizational structure, management and operating systems, performance reporting systems, financial reports, accounting practices, FCRA account details and environmental compliances.

- Pitching by shortlisted applicants: FICCI shall call the shortlisted applicants for the
 pitching wherein the applicants will make a presentation to the MA partners and subject
 matter experts. The presentation template, schedule of presentations, and venue
 details will be communicated to the shortlisted innovators well in advance for them to
 make their travel plans. After viewing all presentations, the partners will make the final
 decisions on the grants to be awarded.
- MA Awards: The Awards will be given out at a public ceremony organized to recognize
 the MA Awardees.
- Award Management: FICCI shall sign the award agreement(s) with the awarded enterprises. The award agreement is a detailed document including the work plan and the Monitoring and Evaluation (M&E) framework for the awarded project.



5. APPLICATION EVALUATION CRITERIA

5.1. Evaluation Criteria

Innovation - 22%

How substantially incremental or novel is the innovation across the following parameters?

- Product
- Service
- Approach/business model
- Target segmentation

How strong is the hypothesis for this innovation?

Social Impact-20%

- Considering the stage the project is in, how commensurate is its impact?
- How scalable is the project?
- How tangible is the project's impact at the BoP level?
- To what extent will this project have positive externalities (indirect benefits)?
- Would the project have a positive impact on women and children at the BoP level?

Team - 15%

- How relevant is the skill set of key promoters and team members in executing the project?
- How relevant is the team's prior experience working on BoP solutions?
- Does the team have mentors who have experience in the BoP ecosystem?
- Does the team have the bandwidth for scale?
- You may observe skill gaps that need to be filled to achieve the desired impact and size of the team.



Project Plan- 10%

- How clearly are the milestones defined?
- How realistic and achievable are the milestones?
- How well thought-out is the activity plan towards the implementation of the project?
- How well does the innovator convey the risks and barriers in the implementation of the project? How well is the innovator equipped to mitigate the risks?

Project Cost - 5%

- How clearly are the funding requirements stated?
- How adequate is the funding request for each development stage?
- How commensurate is the funding sought with the proposed activities in the project plan?
- How well are the costs distributed across various expenditure heads?
- How well has the innovator utilized any earlier funds received for the proposed project?

Sustainability - 20%

Financial sustainability:

- How sustainable is the project beyond MA funding?
- As a growth stage project (stages 2 and 3 please refer to evaluation guidelines), how effectively are alternate sources of funding leveraged?
- Is there a financial model for sustainability, for example, revenue generation?

Environment sustainability:

- Are there significant environmental risks in implementing this project and how effectively does the innovator plan to mitigate them?
- Please comment on any environmentally unfriendly by-products
- Does the Innovation build an ecosystem that produces additional benefits for the environment?
- Does the innovation help India steadily move towards its economic growth and development targets while restoring, conserving, and enhancing its natural capital?

Social sustainability:

• How sustainable is the development impact of the innovation in the long run?



Additionality - 8%

- How unique would be MA's contribution to the project? Has the innovator received similar support earlier from another organization?
- How easily could the innovator raise this funding from elsewhere?
- Will the MA funding be utilized to scale in other parts of the developing world?
- How well will the MA grant prepare the enterprise to be more investment-ready in the future?